

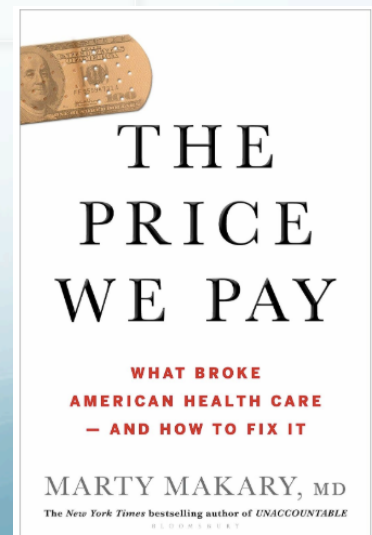
# Health Care Price Transparency

Rep. Lucy Rogers

Presentation to HHC Committee 1-30-2020



STATE OF VERMONT  
**Green Mountain Care Board**



Disclaimer: this is my best interpretation of a complex system.  
Please help me correct any errors!

# S.31 / Act 53 (2019)

- **VT's Patient Bill of Rights:** “The patient has the right to receive an itemized, detailed, and understandable explanation of charges regardless of the source of payment and to be provided with information about financial assistance and billing and collections practices.”
- **GMCB Price Transparency Report:** Similar in subject but smaller in scope than Act 54 of 2015

# What is Health Care Price Transparency and why does it matter?

# Effective Price Transparency...

- Provides patient with clear, straightforward information about healthcare pricing
  - Available to patient *before* receiving health care
  - Price information reflects *actual* expected cost

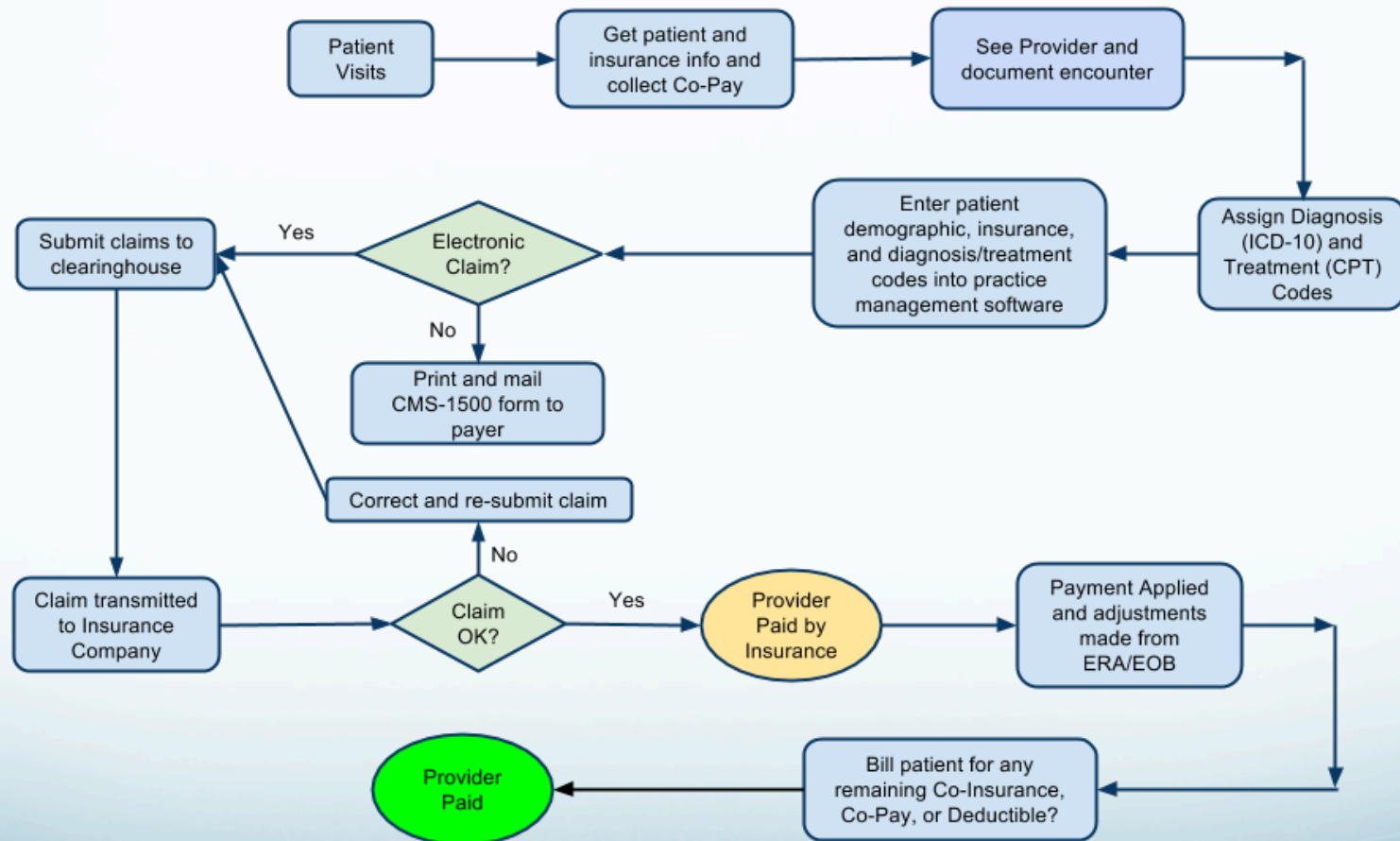
# Car Repair Analogy

- Mechanic checks it out, then gives you a call.
- Tells you the diagnosis and estimates the cost of repair based on her hourly labor rate and the parts needed.
- Gives you a chance to “shop around” and/or choose different repair plans



- Actual bill may vary from estimate, but is usually in the ballpark and the changes are transparent

# Billing processes are complicated



# General Background

- Purchasers, policymakers, and consumer advocates all believe that price-conscious consumers will seek out low-cost, high-quality health care options once they are able to identify them (Agency for Healthcare Research and Quality)
- Non-urgent, routine healthcare needs give patients more of a chance to shop around for price and quality than emergency care (e.g. routine surgery, filling a prescription, annual check-up, preventative screening)

# General Background

**Health Care Price Transparency**

```
graph TD; A[Health Care Price Transparency] --> B[Hospitals / Providers**]; A --> C[Drugs / Pharmacy**];
```

Hospitals / Providers\*\*

Drugs / Pharmacy\*\*

\*\*Interaction with insurance companies





# Current State of Health Care Price Transparency in VT

# All-Payer Claims Databases

- Large database of all\* claims from public and private payers
- At least 20 States have APCDs.
- APCDs are the backbone of most states' hospital / provider price transparency efforts, although there are large disparities in if/how this information is communicated to the public
- 3 routes: Price Comparison tools / databases, consumer friendly websites, shopping programs with financial incentives (to be explained later)

\*Except the usual suspects, at least in VT

# VHCURES

- Vermont Health Care Uniform Reporting and Evaluation System (VHCURES) is Vermont's APCD
- Contains claims from insurance companies, which is the “invoice” of the provider/insurance/consumer transaction
- VHCURES has data reaching back to 2007; GMCB assumed responsibility in 2013

# Accessing VHCURES

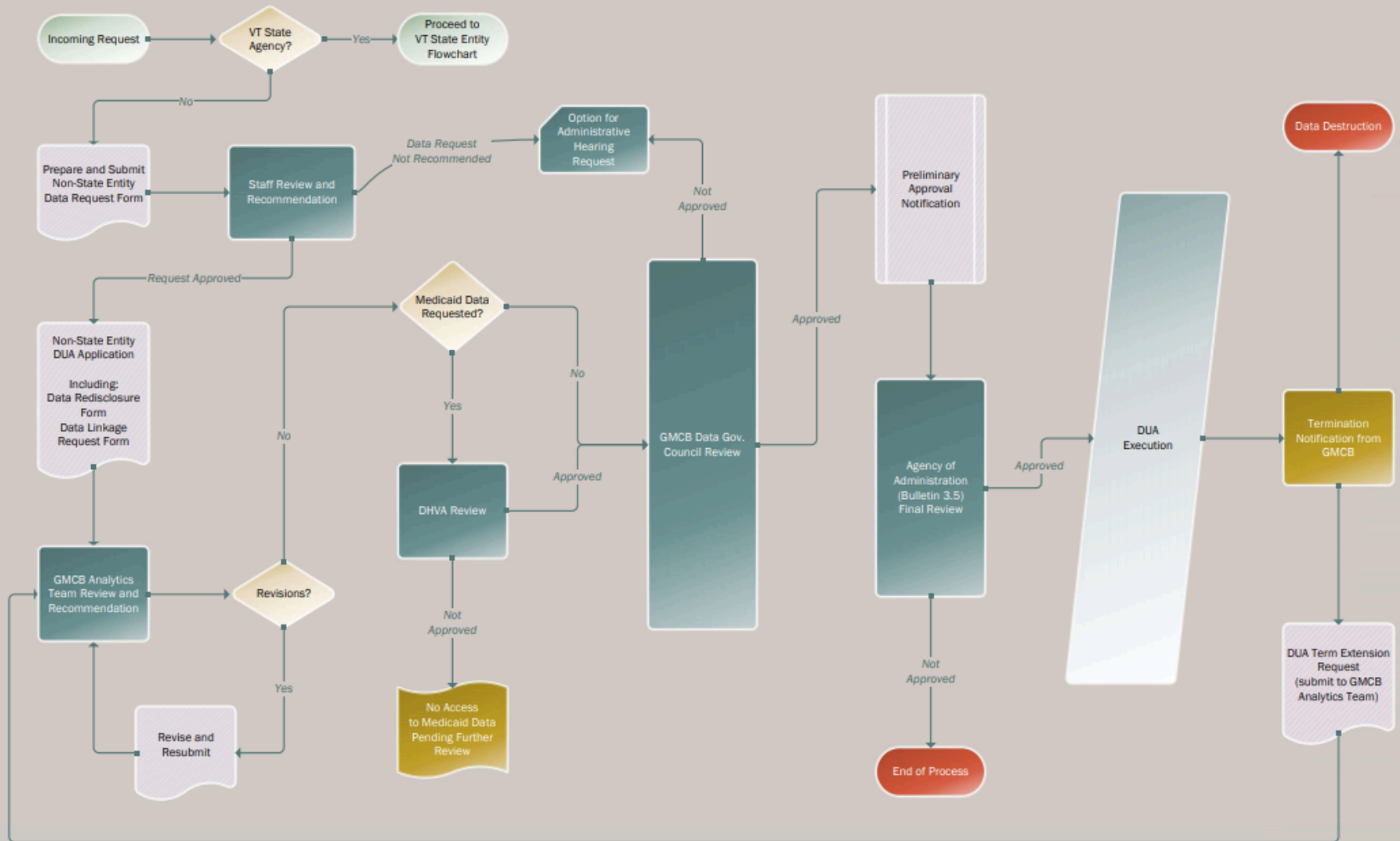
*Title 18, § 9410. Health care database (h)(3)(B):*

“To the extent allowed by HIPAA, the data shall be available as a resource for insurers, employers, providers, purchasers of health care, and State agencies to continuously review health care utilization, expenditures, and performance in Vermont. In presenting data for public access, comparative considerations shall be made regarding geography, demographics, general economic factors, and institutional size.”

# Accessing VHCURES

June 19, 2018

## Non-State Entity VHCURES DUA Application Process



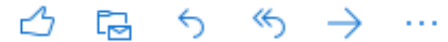
# Accessing VHCURES



Lucy Rogers

Mon 1/20/2020 9:04 PM

gmcb.data@vermont.gov <GMCB.DATA@vermont.gov> ✉



Hello,

I have found online that the first step to accessing VHCURES information is to file a "VHCURES Data Request Form." Where can I find that?

Thanks,

Lucy

**Response:** "... The form you are referencing actually is necessary only for non-Vermont state government requestors as an added step in the process for our determination for appropriateness of a request for VHCURES data. But still, even for requestors of VHCURES data within Vermont state government, it's a detailed process that begins with an application and culminates with a contract with the State of Vermont, in the form of a Data Use Agreement..."

# What are the barriers?





- Dataset is big. Like, doesn't-fit-on-your-computer big.
- HIPAA and patient privacy considerations. (VT is a small state)
- Concerns about commercialization of data, profiting off of public information.
- You couldn't make sense of it anyway.



How have other states  
handled their APCDs?




# Maine

- CompareMaine launched in 2015. Uses APCD cost data to show average cost of common procedures at different facilities throughout Maine, broken down by insurer. <https://www.comparemaine.org/>
- Engaged stakeholders in development 
- Received funding from CMS 
- Enough procedures (240) 
- Included quality metrics 

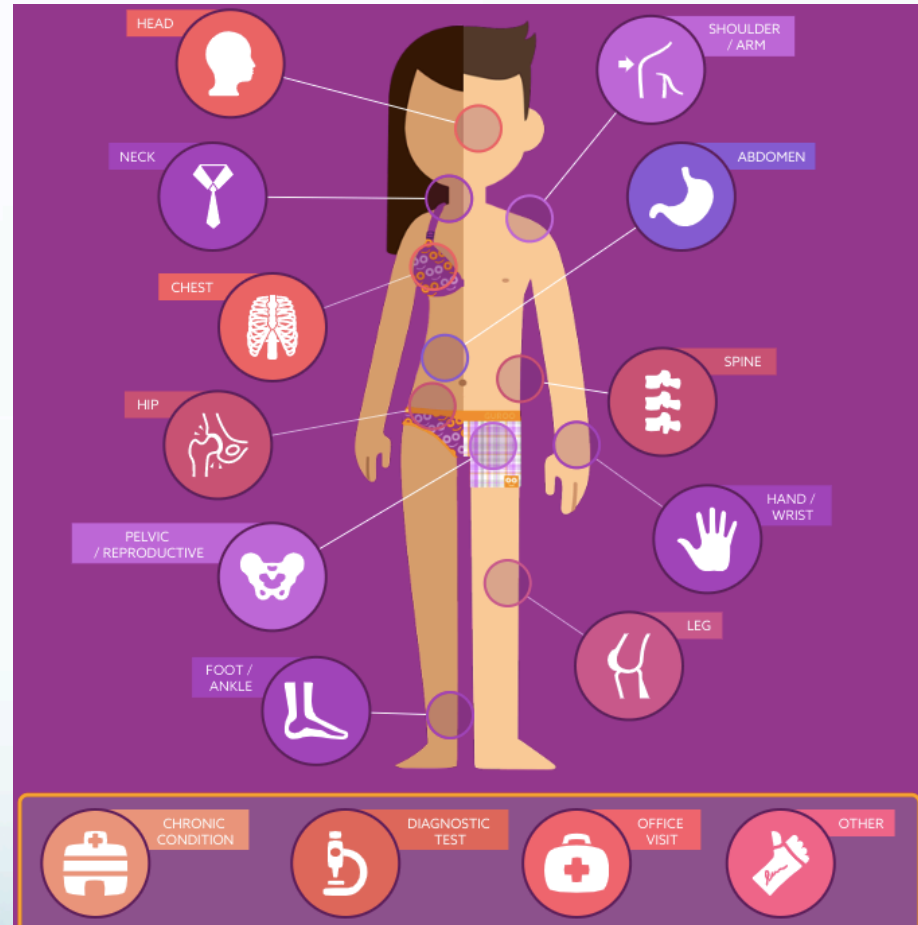
# Florida

- In Nov. 2019, FL expanded [www.floridahealthfinder.gov](http://www.floridahealthfinder.gov) to include facility-level price estimates on common, non-emergency procedures (previously, only had regional data)

- Great graphics 


- Comparison to national prices 

- Pissed off hospitals by not allowing them to review data before publishing 



- Not enough procedures (>40) 

# Massachusetts

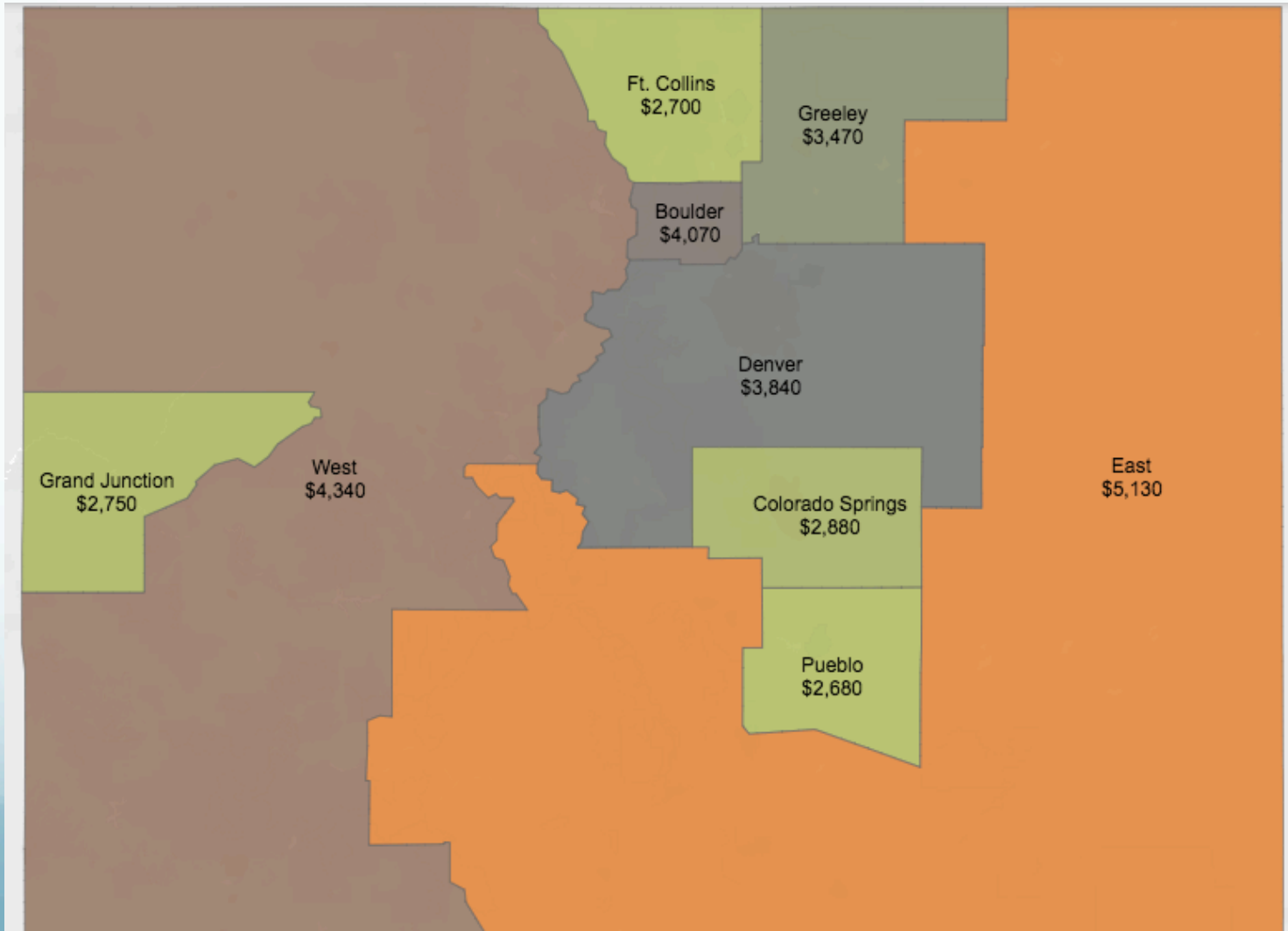
- Center for Health Information and Analysis was launched in Chapter 224 of the Acts of 2012.
- In 2018, CHIA launched Compare Care, a price transparency tool comparing certain procedures in different facilities and cities, using APCD to estimate costs. Contracted for design of website.
- Clear disclaimer that actual cost varies by insurance provider 
- [www.masscomparecare.gov](http://www.masscomparecare.gov)

# Colorado

- 2008 executive order created the Center for Improving Value in Health Care as a public-private partnership within the Department of Health Care Policy and Financing to maintain state's APCD
- 2018: released tool for checking average prices for certain procedures in certain regions
- Really cool maps 
- Limitation: only a few procedures on the tool 
- [www.civhc.org/shop-for-care](http://www.civhc.org/shop-for-care)

# Colorado

Cost of cataract surgery, by region in CO



# New Hampshire

- Created one of the first APCD's in the country in 2005, managed within their administration
- Created the New Hampshire Health Cost online tool in 2007
- [www.nhhealthcost.nh.gov](http://www.nhhealthcost.nh.gov)
- Lots of missing data 
- “In addition to private use, state officials have been able to use the APCD in a number of ways—including understanding how Medicaid reimbursement rates compare to commercial insurers, commercial marketplace dynamics, and several public health analyses.”   
<https://www.astho.org/Health-Systems-Transformation/Medicaid-and-Public-Health-Partnerships/Case-Studies/New-Hampshire-All-Payer-Claims-Database/>

Biopsy - Breast	Mary Hitchcock Memorial Hospital <a href="#">Provider Info</a> <a href="#">Remove</a>	Concord Imaging Center <a href="#">Provider Info</a> <a href="#">Remove</a>	Elliot Hospital <a href="#">Provider Info</a> <a href="#">Remove</a>
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▼ Patient Centered Care



<a href="#">Overall Patient Experience</a>	3 ★	N/A	3 ★
<a href="#">Hospital Recommended</a> State Average: 73%	80% ▲ ABOVE AVERAGE	N/A	77% ▲ ABOVE AVERAGE
<a href="#">Best Hospital Experience</a> State Average: 72%	75% ● NEAR AVERAGE	N/A	72% ● NEAR AVERAGE
<a href="#">Area Around Room Was Always Quiet at Night</a> State Average: 55%	39% ▼ BELOW AVERAGE	N/A	47% ▼ BELOW AVERAGE
<a href="#">Nurses Always Communicated Well</a> State Average: 82%	80% ● NEAR AVERAGE	N/A	81% ● NEAR AVERAGE
<a href="#">Doctors Always Communicated Well</a> State Average: 82%	80% ● NEAR AVERAGE	N/A	81% ● NEAR AVERAGE
<a href="#">Room Was Always Clean</a> State Average: 78%	66% ▼ BELOW AVERAGE	N/A	71% ▼ BELOW AVERAGE
<a href="#">Help Was Always Received</a> State Average: 71%	70% ● NEAR AVERAGE	N/A	67% ▼ BELOW AVERAGE
<a href="#">Hospital Staff Provided Discharge Information</a> State Average: 89%	90% ● NEAR AVERAGE	N/A	90% ● NEAR AVERAGE

# New York (forthcoming)

- On Dec. 27, 2019, Gov. Cuomo revealed his plan to create NYHealthcareCompare, a consumer-friendly website launched by a collaboration of state agencies.
- Dual goal of educating NY healthcare users
- Anticipated launch in 2020



# Oregon

- Oregon Legislature passed Senate Bill 900 (2015), which requires the state to post median hospital prices on a consumer-friendly website ([www.OregonHospitalGuide.org](http://www.OregonHospitalGuide.org)), maintained by Oregon Assoc. of Hospitals and Health Systems
- Contains 50 most common inpatient and 100 most common outpatient procedures 
- Updated quarterly 

## IMAGING AND DIAGNOSTICS

Bone Study ?	\$399	\$355	\$188
Cardiovascular: Echocardiography ?	\$1,594	\$2,077	\$1,354
Cardiovascular: Electrocardiography ?	\$231	\$76	\$170
Cardiovascular: Electrocardiography Stress Test ?	\$812	N/A	\$359

# Washington (state)

- Launched [www.wahealthcarecompare.com](http://www.wahealthcarecompare.com) in 2018. Housed in Office of Financial Management, but with contracts for creating and managing the site.

Find the best care, at the best price.

Find local prices of a treatment or visit

Find doctor group or office

Name of procedure or treatment (required)

Your ZIP Code (required)

SEARCH

Examples: "knee" "pregnant" "weight loss" "urgent care"

[Why do we ask for ZIP Code?](#)

[Can't find what you're looking for?](#)

This search will help you find prices for medical procedures and other health care services or therapies.



A special case...

# Kentucky

- In 2013/2014 piloted an innovative cost reduction strategy for state employees. Expanded to full state on January 1, 2015.
- Kentucky uses Vitals SmartShopper, a 3<sup>rd</sup> party service, to allow state employees to shop around for savings.
- State employees received incentives based on the savings generated by their choices, generally \$25 - \$500. These incentives were significantly lower cost than the savings generated
- Savings spread across many levels: individual, insurance premium, all taxpayers




What states should we NOT replicate?

# New Jersey

- In 2007, launched [www.NJHospitalPriceCompare.com](http://www.NJHospitalPriceCompare.com) for acute care hospitals
- Shows hospital charges (ie “sticker prices”), so contains very little information about actual amounts paid by insurance companies and/or out of pocket.
- The front page of their website essentially states that the information is without value
- Waste of money



# Ohio (not implemented)

- Enacted a medical services price transparency law—Ohio Rev. Code Ann. § 51-5162.80—in 2016, which passed with bipartisan support and the government signed.
- Asked health providers to give patients an upfront, good-faith estimate of charges and ultimate cost to the individual for non-emergency situations.
- Put the onus on hospitals – administratively impossible 
- Legally dubious 
- Did not actually help patients 

What about individual  
insurers' websites?



# Individual insurance information matters for this:

Vaginal Delivery, MVP silver plan



**CLIFFORD, PATRICK, MD**

Ob/Gyn

**Location**

**NORTHWESTERN PARTNERS  
IN HOPE AND RECOVERY**  
133 FAIRFIELD ST  
SAINT ALBANS, VT 05478  
16.3 Miles | [Map/Directions](#)

In-network

**NORTHWESTERN MEDICAL CENTER  
INC**

**NORTHWESTERN PARTNERS IN  
HOPE AND RECOVERY**  
133 FAIRFIELD ST  
ST ALBANS, VT 05478  
16.3 Miles | [Map/Directions](#)

**Out-of-Pocket Estimate:**

**\$547**  
Estimated Total Cost: \$5,477

[Compare](#)



**NICKERSON, KRISTA R.,  
APRN**

Ob/Gyn

**Location**

**UNIVERSITY OF VERMONT  
MEDICAL CENTER INC**  
ACC MAIN PAVILLION 4 111  
COLCHESTER AVE  
BURLINGTON, VT 05401  
30.2 Miles | [Map/Directions](#)

In-network

**UNIVERSITY OF VERMONT  
MEDICAL CENTER**

**UNIVERSITY OF VERMONT  
MEDICAL CENTER INC**  
111 COLCHESTER AVE  
BURLINGTON, VT 05401  
29.3 Miles | [Map/Directions](#)

**Out-of-Pocket Estimate:**

**\$1,672**  
Estimated Total Cost: \$16,714

[Compare](#)

# But, overall price transparency matters for this:

IUD insertion, MVP silver plan



**BLAKE, KIMBERLY, MD**

In-network

Physician's Office

Ob/Gyn

Location

**AFFILIATES IN OB GYN CARE  
INC**

96 COLCHESTER AVE  
BURLINGTON, VT 05401  
29.3 Miles | [Map/Directions](#)

Outpatient Hospital

Out-of-Pocket Estimate:

\$300

Estimated Total Cost: \$370

Compare

Out-of-Pocket Estimate:

Estimate not available

Low volume of claims data

Compare



**MAURER, TRACEY S., MD**

In-network

Physician's Office

Ob/Gyn

Location

**UNIVERSITY OF VERMONT  
MEDICAL CENTER INC**

MEDICAL OFFICE BLDG STE  
101 792 COLLEGE PKWY  
COLCHESTER, VT 05446  
27.2 Miles | [Map/Directions](#)

MAURER, TRACEY S., MD

Out-of-Pocket Estimate:

\$300

Estimated Total Cost: \$741

Compare



**GLAESS, SHEILA, MD**

In-network

Physician's Office

Ob/Gyn

Location

**CVMC MEDICAL GROUP  
PRACTICES**

130 FISHER RD MOB-A STE 1-  
4  
BERLIN, VT 05602  
38.5 Miles | [Map/Directions](#)

Out-of-Pocket Estimate:

\$300

Estimated Total Cost: \$1,086

Compare

# Limitations of Current System

- Not accessible in any way to uninsured individuals, as well as to many insured individuals; with VHCURES, these individuals can still gain some general trend info
- Uninsured individuals can use the price information when negotiating self-pay prices with facilities
- Limited in its ability to serve healthcare regulators and state government agencies
  - Ex: NH → “In addition to private use, state officials have been able to use the APCD in a number of ways—including understanding how Medicaid reimbursement rates compare to commercial insurers, commercial marketplace dynamics, and several public health analyses.”  
<https://www.astho.org/Health-Systems-Transformation/Medicaid-and-Public-Health-Partnerships/Case-Studies/New-Hampshire-All-Payer-Claims-Database/>

# Recommendations

# H.795: Increasing hospital price transparency

- Requires hospitals to report their actual charges to patients with **OUT** health insurance or other health coverage
- Asks GMCB to make available information on average charge for each health care service at each VT hospital, updated annually
  - Should ask for median cost based off insurance claims
- H.303 (Rep. Cordes) asks for disclosure of hospital administrator salaries in budget review

# Support GMCB Efforts

- All 5 board members have named price transparency as a high priority
- 2 phase project
  - How accurate is VHCURES, what is the scope of what it can accomplish? → This year
  - Creating an interactive tool that can search across a number of categories. → To go live by the end of 2021
- Do we enshrine the most important elements and/or the timeline into law?
- ...or do we leave the GMCB the flexibility to allow their plan to grow and evolve?

# Require service location to be entered on claims

- Service location field is already on claims but not always filled out
- Without this field, it is difficult to have useful data
- Could this be a DFR change?

# Cost is not distributed equally throughout our system

IUD insertion, MVP silver plan



**BLAKE, KIMBERLY, MD**

In-network

Physician's Office

Ob/Gyn

Location

**AFFILIATES IN OB GYN CARE  
INC**

96 COLCHESTER AVE  
BURLINGTON, VT 05401  
29.3 Miles | [Map/Directions](#)

Outpatient Hospital

Out-of-Pocket Estimate:

\$300

Estimated Total Cost: \$370

Compare

Out-of-Pocket Estimate:

Estimate not available

Low volume of claims data

Compare



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Out-of-Pocket Estimate:

\$300

Estimated Total Cost: \$1,086

Compare



# Considerations for Payment Reform

- Price transparency should be incorporated into payment reform methods going forward
- We do not want to create a “**legacy system**” that implicitly endorses the current areas of waste in our system
- We need more understanding about the ACO’s formula for determining PMPM payments for different hospitals

**Fifty years after the Fair Housing Act was signed, America is nearly as segregated as when President Lyndon Johnson signed the law.**

By Joseph P. Williams Senior Editor April 20, 2018, at 6:00 a.m.

# What are our goals for the future of health care costs?



- To bring down annual cost growth to be closer to inflation?
- Or, to limit annual growth WHILE ALSO addressing the systemic issues that made our health care so expensive to begin with?

