

# **RWJF Breakout Panel: States on the Forefront of Price and Quality Transparency**

## **Massachusetts Moves Forward Requiring and Promoting Transparency in Health Care Prices**

Presented by:

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# Price Transparency

**Health care is only service we obtain where we don't know price**

**Does knowing the price matter?**

- High deductible plans and co-pays
- Transparency among providers about current prices
- The operation of market forces
- Shame factor: wide disparities; MA prices highest in the country
- Some equate high price with quality
- “I don't care, my insurance company pays”
- Attitude reset: Is it possible?

# Consumers Want to Know

**In 2013, Mass Insight surveys in Massachusetts showed:**

- **89%** of consumers feel it is important to know health care costs ahead of time
- **79%** said they would like to go to a website to compare costs among doctors and hospitals
- **Overwhelming majority wanted quality information about providers**
  - Quality information about primary care physicians is available on [www.healthcarecompass.org](http://www.healthcarecompass.org), an initiative of the Massachusetts Health Quality Partnership

# Massachusetts Requires Price Transparency

## Providers

- Effective January 2014: **hospitals, physicians and clinics** are required to have 1-800 number and two days to provide price of health care services or procedures to patients/consumers who call for such information
- Price information must be based on the prices detailed in the contract between the provider and the patient's insurance company
- Providers in a network must disclose to consumers their insurers' toll free number and website for transparency information

# Massachusetts Requires Price Transparency

## Insurance Companies

- Effective October 2013: **carriers** had to provide toll-free numbers for their insureds to call and obtain price of a particular procedure or service at various providers in carrier's network
  - This information had to be provided within 2 working days
- The carrier must provide the contracted rate and the out of pocket costs for the service or procedure, taking into account deductibles, co-pays, and coinsurance
- Effective October 2014: **carriers** are required to also provide that same information in “real-time”, through online cost-estimator tools for their insureds
- All carriers operating in MA have cost-estimator tools.

# State Guidance

- Massachusetts issued guidance to carriers from the state **Division of Insurance** and to providers from the **Executive Office of Health and Human Services**
- Guidance bulletins are posted on the agencies' websites
- Regulators urged providers and carriers to adopt **consumer friendly** systems and to not require that consumers obtain industry diagnostic codes
- No strong enforcement powers in the law
- **Provider Compliance:** some have adopted central systems, but the jury is out
- **Carrier Compliance:** all have cost estimators, but consumer friendliness varies
  - Consumer usage is growing

# Promotional Campaign

- Massachusetts launches the **Get the Deal on Care** campaign to drive consumers to their carriers' cost-estimator tools
  - A two month campaign on a tight budget
  - Targeted towards women between the ages of 25 and 55
  - Sought to change attitudes
  - **Why consumers should care about the price of their health care**
  - Carriers, advocates, and certain providers joined the campaign
- Campaign components
  - Social media
  - PR
  - Transit advertising
  - Website



"I compared and  
saved a bundle on  
my MRI!"

FIND YOUR ONLINE COST ESTIMATOR

It's now easier than ever to find out the price and quality of the healthcare services you buy - before you buy them. Visit your health insurance company's website or call to shop around, compare prices and get the most value for your money.



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[About our Campaign](#)

This campaign is supported by the Office of Consumer Affairs and Business Regulation together with other organizations including Aetna, Associated Industries of Massachusetts, Atrius Health, Blue Cross Blue Shield of Massachusetts, CIGNA Health and Life Insurance Company, Health Care For All, Health Law Advocates, Massachusetts Association of Health Plans, Massachusetts Center for Health Information and Analysis, Massachusetts Division of Insurance, Massachusetts Group Insurance Commission, Massachusetts Health Quality Partners, and Retailers Association of Massachusetts.

Search. Compare.  
**Get the deal on care.**



Deval L. Patrick, Governor



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These are models and these statements are not attributable to them personally but only to the price transparency campaign.



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"I compared and  
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my new knee!"

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"I compared and  
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WATCH SUSAN WORNICK'S VIDEO  
ON PRICE TRANSPARENCY

Today in Massachusetts you have more ways than ever to make smart choices about the cost and quality of the healthcare services you buy – before you buy them.

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For the first time, your health insurance company is required by state law to provide you with detailed cost information to help you make informed



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If you cannot find the service or procedure you are looking for online, call your member services line to get an accurate cost estimate by phone.



The quality of the healthcare services you buy is also very important. You can now use the Massachusetts Health Quality Partner's new website, [healthcarecompass.org](http://healthcarecompass.org), to compare how well primary care doctors' offices across the state care for their patients.

Price and quality transparency can empower you as a healthcare consumer. Make use of the new tools available and take charge of you and your family's health care.

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## Find Your Health Insurance's Online Cost Estimator

Click on the name of your health insurance company to access its website or online cost estimator.

If you don't see your health insurance company on this list, contact your health insurance company's member services for more information.

Please have your member information handy — you will have to log into your health insurance company's member portal to access the online cost estimator.

### HEALTH INSURANCE COMPANIES



Aetna Health, Inc.



\*Indicates a member of Massachusetts Association of Health Plans.

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MASSACHUSETTS  
Blue Cross Blue Shield  
of Massachusetts, Inc.\*



Celticare Health  
Celticare Health Plan  
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Cigna Health and Life  
Insurance Company



ConnectCare  
New England Health  
ConnectCare of  
Massachusetts, Inc.\*



Fallon Community  
Health Plan Inc.\*



Harvard Pilgrim  
HealthCare, Inc.\*



Health New England, Inc.\*



Minute Man Health, Inc.\*



Neighborhood  
Health Plan, Inc.\*



Tufts Insurance Company\*



Unicare Life & Health  
Insurance Co.\*



UnitedHealthcare  
Insurance Company\*

\*Indicates a member of Massachusetts Association of Health Plans.

Information found on the health insurances' websites are the sole responsibility of those health insurance companies.





## Message from the Undersecretary

Dear Friends,

My office, the Massachusetts Office of Consumer Affairs and Business Regulation, has partnered with many Friends of our Empowering Healthcare Consumers Campaign to bring you this website to provide information about price transparency in health care, why you should consider the price of healthcare services, and directs you to your health insurance company's online cost estimator.

Until recently, consumers weren't able to get prices of healthcare services ahead of time. Now your health insurance company in Massachusetts has an online cost estimator and phone number to provide the price of commonly used medical procedures and services before you get them.

Using these cost estimators will allow you to know how much a healthcare service will cost you—your out-of-pocket cost—based on how much you've spent on your deductible, your co-pay, and your particular health insurance plan. This can be especially helpful if you have a high deductible plan or you have to pay a percentage of total medical expenses. You could even compare doctors, hospitals, and other medical providers by price.

I urge you to use this important price information as one factor to help get the best value for your healthcare dollar and consider price when you most need it—before you obtain healthcare procedures or services so you can make the best choice for you and your family.

In addition, this website gives you a way to obtain quality information about the doctors you choose through The Massachusetts Health Quality Partners' Healthcare Compass website at [healthcarecompassma.org](http://healthcarecompassma.org).

You are not just a patient. You are empowered.

Sincerely,

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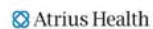
## ABOUT US

The Office of Consumer Affairs and Business Regulation is committed to empowering all healthcare consumers to more fully engage in decisions affecting their choices of healthcare services and products.

The goal of this campaign is to raise awareness of the price and quality tools and resources available and help you make more informed decisions about your health care.

We would like to thank the "Friends of the Campaign," listed below, for their collaboration and support.

## FRIENDS OF THE CAMPAIGN



# Campaign Results - Select data

- **Over 375,000 impressions** from all social media ads
- 75% of the audience was comprised of women aged 25 - 55
- Campaign was cost effective
  - Cost per follower on Twitter was \$2.16 vs. the industry standard of \$2.50 to \$4.00 per follower
  - Cost per website visit was \$1.57 vs the industry standard of \$1.00 to \$2.50 for a web campaign
- **“I compared and saved a bundle on my MRI”** was the most successful message in driving traffic to the [getthedealoncure.org](http://getthedealoncure.org) website

**Thank you**