



States at the Forefront on Price and Quality Transparency

March 17, 2015

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Overview

- State employee health plans
 - Examples of transparency efforts: Indiana and North Carolina
- Rate review innovations
 - Two leading state examples: Oregon and Rhode Island
- Role of exchanges

State employee health plans

- One way for states to introduce transparency into their health care markets
- Large pool of state employees offer states a powerful lever in lowering price and improving quality

Indiana

- In 2013, Indiana was the first state to launch the Castlight Health transparency tool for its employees
- Searchable database helps employees find in-network medical services based on price, quality of care, convenience, etc.
- Allows them to:
 - Search for a doctor and find out whether accepting new patients
 - Filter providers by quality and patient ratings
 - Review past medical spending, with detailed explanations
 - See cost estimates for medical services

North Carolina

- In 2013, legislature directed State Health Plan to set up a workgroup to explore transparency efforts and tools
- The State Health Plan invited representatives from active employees, retirees, and provider groups to serve on the new transparency workgroup
- The workgroup met with current Plan vendors and industry leaders to learn about available tools and how they are currently used

North Carolina

- At the end of 2014, the workgroup concluded that transparency tools should:
 1. Help the member understand cost differentials on shoppable services and provide options to access high quality, low cost care
 2. Show the member how the cost differences affect their health care benefits
 3. Offer current, real-time or near real-time data
 4. Display ranges for a bundle of services and accurate estimates for isolated services
- Next steps for the workgroup: finalize recommendations to the State Health Plan

Rate review and the ACA

- Rate filings can provide information that contribute to cost, quality, and pricing transparency
- Using rate review authority, states can compel insurers to provide this information as part of their rate proposals
- ACA raises the stakes and promotes transparency
 - Insurers now required to post all filings proposing any rate increase
 - Or, post a link to the CCIIO posting of the filing

Oregon

- Collecting utilization data—per 1,000 members and per member per month costs for :
 - Inpatient Admissions/Days
 - Outpatient Visits
 - Emergency Department Visits
 - Primary Care Visits
 - Specialty Care Visits
 - Rx Scripts
 - Other Claims

Oregon

- Collecting certain quality indicators, as reported to the following entities:
 - NCQA:
 - Breast Cancer Screening
 - Comprehensive Diabetes Care: Hemoglobin A1c (HbA1c) Testing
 - CCO Metrics:
 - Follow-Up After Hospitalization for Mental Illness
 - Developmental Screening in the First Three Years of Life
 - CAHPS: Access to Care

Rhode Island

- In 2004, RI legislature created cabinet-level Office of Health Insurance Commissioner
- Among other things, office was required to direct insurers to promote improved accessibility, quality, and affordability
- Office determined that it could most effectively promote affordability through more systematic review of rates

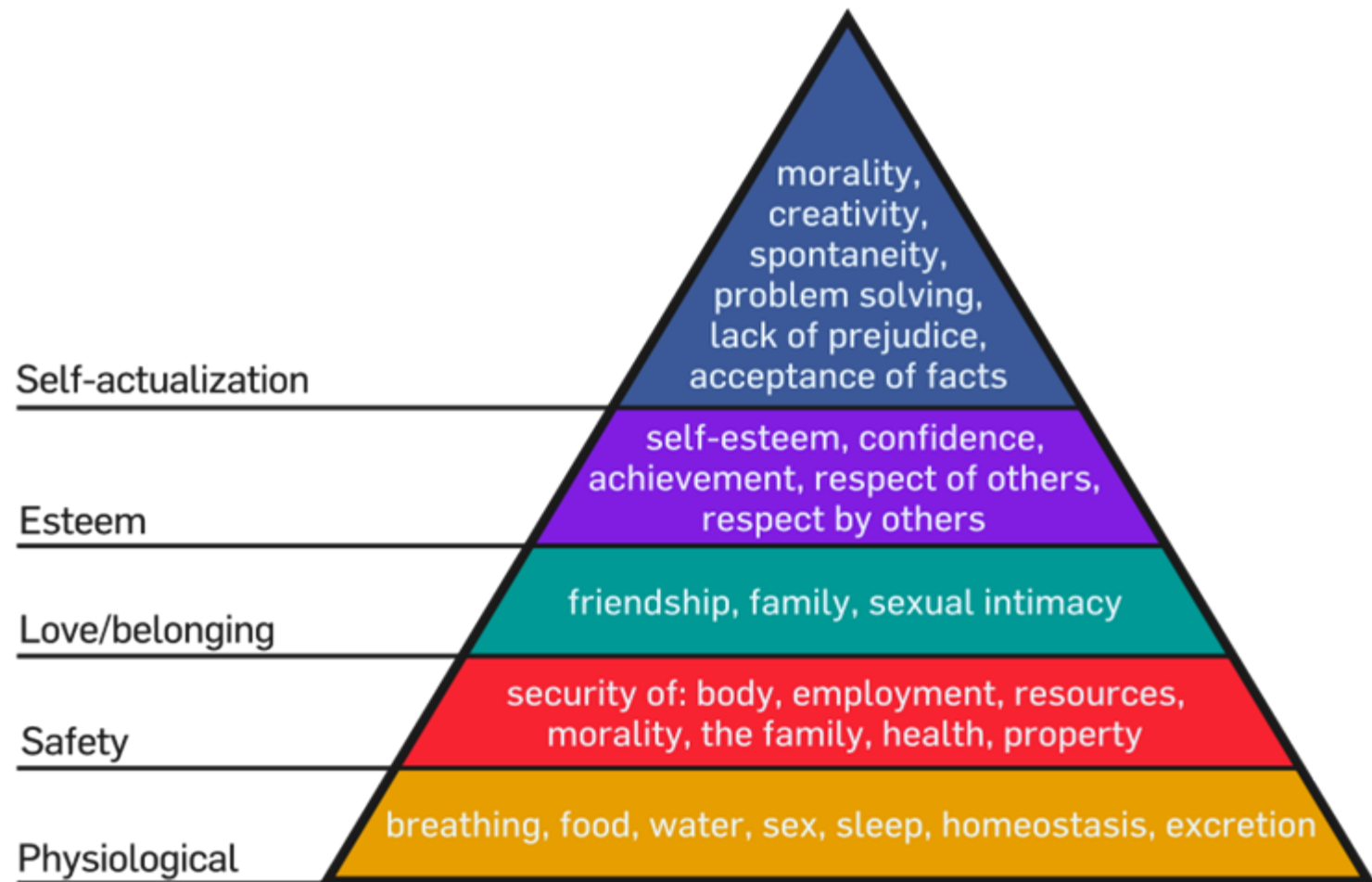
Rhode Island

- Insurers required to report on adherence to Affordability Standards with their rate filings
 - Affordability Standards are intended to curtail costs
- Consumers can learn which plans best comport with the standards

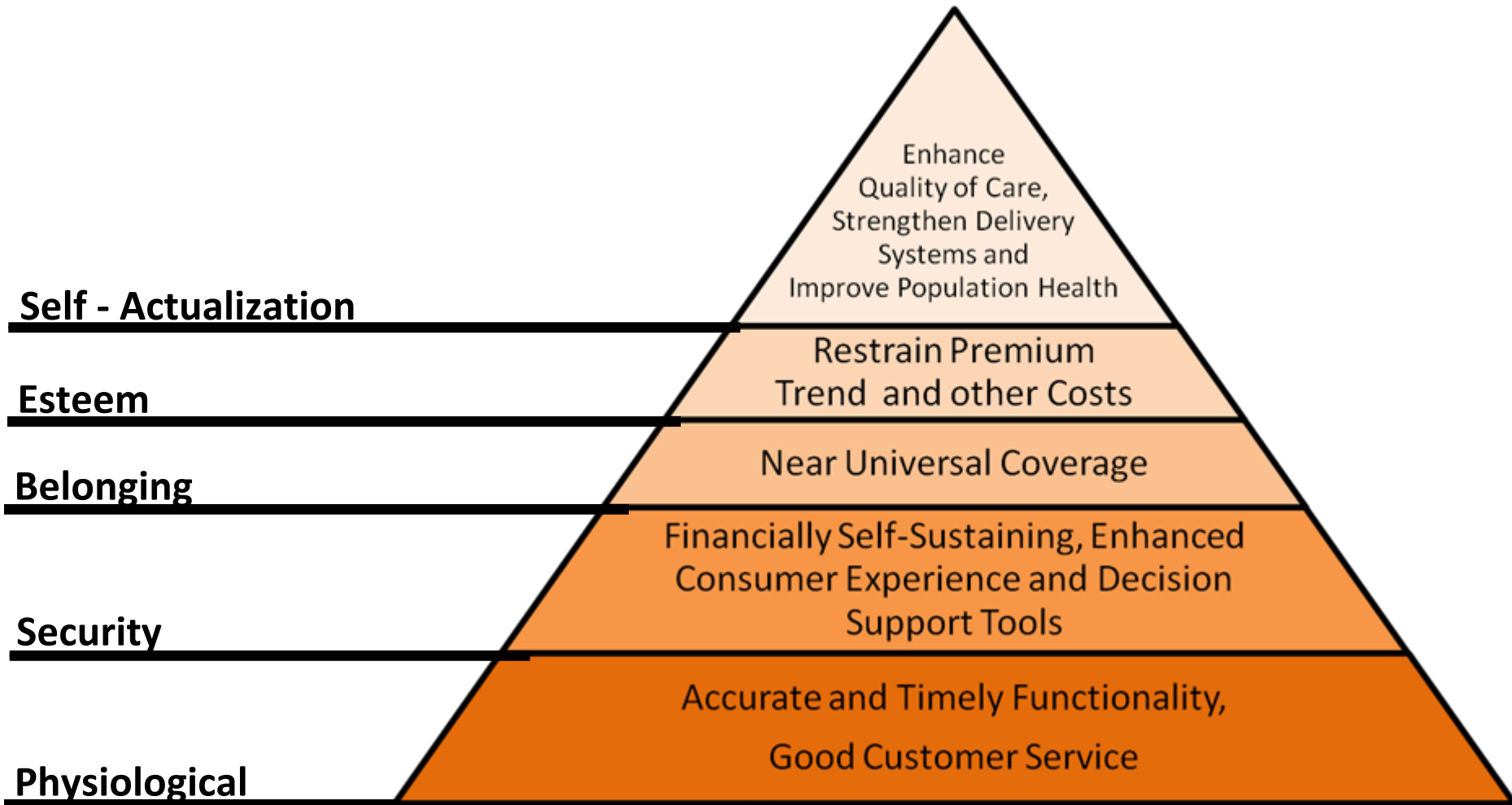
Role of exchanges

- Exchanges can play a role in promoting price and quality transparency
- After stabilizing operations the first two years, states and exchanges now turning attention to broader system reforms

Maslow's hierarchy of needs



Exchange hierarchy of goals



Plan quality

- Some exchanges already publicly display plan quality ratings
 - California, Colorado, Connecticut, Maryland, New York
- Some exchanges actively purchasing based on health plan quality and value
 - California, Massachusetts, Rhode Island, Vermont

Plan quality

- Example of New York
 - Four-star rating system
 - Shopper has ability to filter results by number of stars
 - Quality data from multiple sources

Affinity Health Plan Affinity Access Silver ST INN Dep25

Price Per Month	\$371.75	Metal ⓘ	Silver	Quality Rating ⓘ	★★★★☆
Maximum Out of Pocket ⓘ	\$5,500 / \$11,000	Out-of-Network Coverage ⓘ	No	Allows Health Savings Account	No
Plan Id	57165NY0020003	Persons Covered	Individual	Deductible ⓘ	\$2,000 / \$4,000

Design Referrals are required for Specialist services, such as allergy testing and treatment. Referrals are not required for OBGYN, outpatient mental health care, emergency and urgent care services. Members may access all Marketplace in-network participating providers and hospitals; and out-of-network access to emergency care and urgent care. Members need to select a primary care physician (PCP).