

Health Care Transparency and a New Era for Consumers

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S310E

9:45 – 11:00 AM



About HCCI

HCCI is a non-profit, independent, non-partisan research institute dedicated to creating the United States' most comprehensive source of information on health care activity and promoting research on the drivers of health care costs and utilization. Founded in 2011

- **Public mission** - improving US health system by creating comprehensive data infrastructure and analytics
- **Research** - We currently hold claims, with allowed amounts, for more than 50 million Americans, from 2007 onward which we make available for academic, non-commercial research
- **Transparency** – Guroo.com is an independent, free, user-friendly source of price information for consumers of health care services based on billions of current claims
- **Support** from Aetna, Humana, Kaiser Permanente, UnitedHealthcare. Foundation support/contracts with Robert Wood Johnson, Pew, Commonwealth Fund, John and Laura Arnold Foundation; support from others welcome

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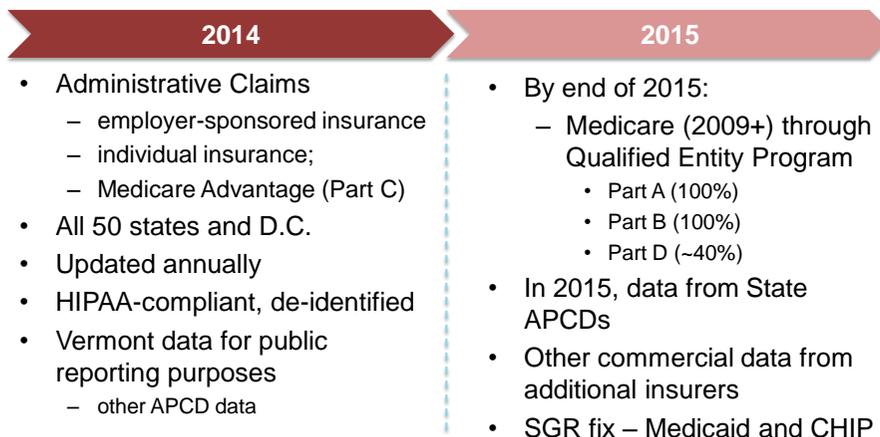
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3

Current and Future HCCI Data

*HCCI currently holds claims data on **50 million people** per year (2007 – 2014)*



Everything HCCI does is HIPPA and anti-trust compliant and protective of company information

4

HCCI Reports

All HCCI reports are **free** and available **online**.



- Annual cost and utilization reports as well as issue briefs
- Academic articles
- Cited source of data



A Few More Points . . .

- HCCI does not engage in any commercial proprietary research
- The data contributors do not gain access to the combined dataset
- HCCI does not perform commercial proprietary research for the data contributors
- **Everything is in the public domain and free**
- We believe we are building out an essential part of the nation's health services research infrastructure – join the effort

Why Transparency?

- Consumer directed health plans require price and quality information
- New insurance products such as those based on reference pricing require information
- Desire that consumers purchase “value” in health care – taking into account price and quality
- Research shows that transparency can reduce costs

Providing patients, physicians, employers and policymakers more information on healthcare prices could reduce U.S. healthcare spending by an estimated \$100 billion over the next decade

West Health Policy Center/Rand Study

A JAMA study found a 14 percent drop in costs for laboratory tests, a 13 percent decline for imaging and a 1 percent decline in primary care visits, when insureds used a transparency tool.

“The savings will increase as more and more of the estimated 150 million Americans with employer-sponsored insurance gain access to information on prices and quality.”

Dr. Neeraj Sood, author of JAMA study

7

Research Also Shows

- Price transparency can raise prices depending on local markets
- Consumers need more than prices at CPT code level
- No matter what, unless we change payment models, transparency tools are generally imperfect estimates
- Generally low rates of consumer take-up of price transparency tools

8

Lets Be Realistic...

- Price transparency is important but not the sole solution
- Requires high level of consumer engagement
- Shoppable, discretionary, schedulable services
- Competing signals/incentives in markets
- If West Health is correct, and I don't believe they are, only \$100 billion over 10 years

9

Price Transparency



Why can't we have in health care what we have in other sectors?

- 121,000 gas stations and 160,000 places that vend fuel
- 4 types of fuel: premium, midgrade, regular, and diesel

In health care:

- 8,000 CPT codes, 12,000 ICD-9 codes, 1,000,000 providers/suppliers, 100,000's of plan designs, 430 MSAs or 44,000 zip codes
- Demand for both price and quality information

10

Goals of the Transparency Initiative

1. Create a common consumer experience that is the private sector equivalent to www.medicare.gov
2. Provide consumers with cost and quality information, regardless of insurance status **at no cost**
3. Give consumers a credible, accurate data source through an independent nonprofit
4. Improve markets by providing accurate information to consumers
5. Offer industry-wide portal to employers

Other Benefits of Transparency

- Achieves economies of scale with a single source of consumer education that also has deep data to inform education
- Can serve Medicaid and Medicare managed care
- Can drive standards on quality and cost; more reliable reported values through use of bigger data
- New partners around integrated delivery and new payment models

11

Creating Value Through Collaboration

HCCI's approach to transparency is unique:

- Offered by an independent, non-profit open to non-commercial collaborations
- Access to unparalleled data set; transparency requires a lot of data
- Ability to bring together diverse stakeholders to gain consensus
- Serving a public, non-commercial mission
- Solving both the questions of "What does it cost?" and "What does it cost me (OOP)?"



12

What is a Care Bundle?

A Care Bundle can be:

- A single CPT code
- A typical consumer experience around a set of services
- An episode of care such as maternity
- later, prescriptions

guroo Search for a condition, care bundle, or test. [BROWSE THE A-Z LIST](#)

Care Bundle SPINNY

Knee Arthroscopy With Meniscus Surgery

A knee arthroscopy is a surgery that uses small medical instruments and a camera to look inside the knee joint to treat certain...

COST OVERVIEW

WHAT TO EXPECT

QUESTIONS TO ASK YOUR PROVIDER

HOW TO PREPARE

RECOVERY

Cost Overview
Estimated costs are based on data collected nationally in the Health Care Cost Institute (HCCI) database.

National Average \$6,759

By Your Area
Minnesota State Average \$8,596
Minneapolis, Minnesota Average \$7,662

Costs may vary based on your geographic location. In addition, your actual costs may vary based on your health status, any insurance plan you have, and other factors. Cost data may not be available for all areas.

guroo Search for a condition, care bundle, or test. [BROWSE THE A-Z LIST](#)

All Conditions, Care Bundles, and Tests

Care Bundles | **Conditions**

Show the full list of **79 care bundles** or select a letter to filter the list.

A-Z

CARE BUNDLE
Asthma
This chronic condition is characterized by swelling and narrowing of the airways, which can cause wheezing, coughing, and difficulty breathing.

CARE BUNDLE
Back Pain - Chiropractor Visit - Six Visits
A history, physical exam, assessment and treatment of back pain by a chiropractor.

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Your Care Bundle

The care bundle includes the services and procedures that are part of a typical treatment plan for this care bundle. Costs are broken out by step.

Initial Office Visit with PCP
\$76
Office Visit

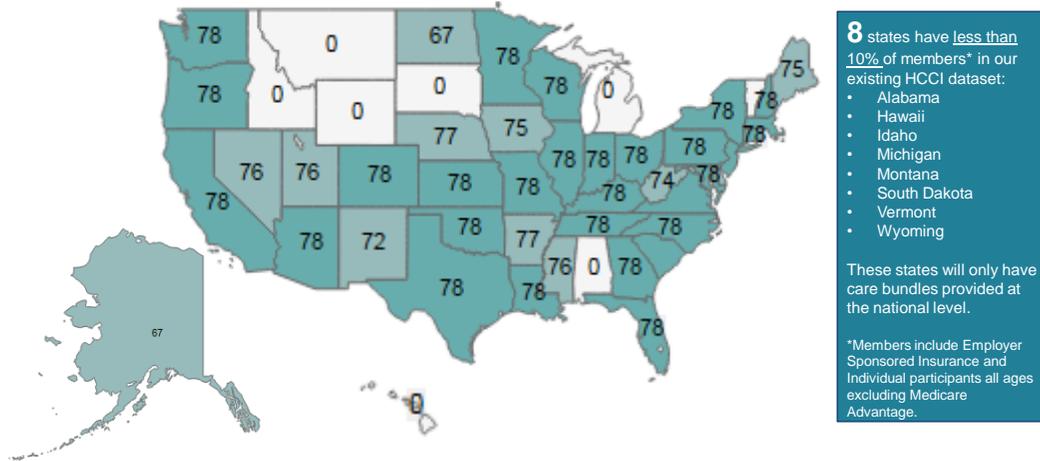
A visit with a primary care physician to evaluate your knee pain and determine the best course of treatment.

Office Visit with Specialist for Evaluation

Showing national average cost.

Care Bundles By State

The majority of states (30) have all of the care bundles credible at the state level. Out of our available 42 states, the lowest coverage occurring in Alaska and North Dakota, have 67 care bundles.



Consumer Features

Key features...

- **Free** to all consumers
 - Insured
 - Uninsured
- No registration, no password, no user identification
- **Geographic-specific** data at the national, regional, state and metropolitan area (MSA) levels
- Data reflecting **actual costs**
- Relevant **quality content**
- **Intuitive website design** with broad expansion capabilities

Allowing consumers to...

- Search by condition or treatment
- See **average prices paid for care**, treatment and procedures with descriptive statistics
- See treatment steps
- See questions to ask a provider that will help guide to a quality outcome
- Print their results

Who the Product Serves

A common industry-wide website delivers **value through collaboration** --



**HCCI is talking with several states about using the site as a price/quality portal for state employees and a quality portal for Medicaid.*

17

Growth in Stakeholders Leads To Growth in Capabilities

To enable ongoing development of the HCCI transparency site Guroo, HCCI & existing Stakeholders will increase the **number of new Stakeholders** who contribute:



18



Your comments and feedback are important. We encourage you to complete the program evaluation at your earliest convenience, either by using the link below or through the ANI Mobile App

<http://www.hfma.org/FS2>