



pulse

Study: Health Plans Implement Price Transparency Tools for Consumers

A majority of health insurance plans include cost and quality comparison tools for consumers to use when making choices about healthcare providers, according to a study and survey results from America's Health Insurance Plans.

"Nearly all health plans with price transparency tools provide their members with estimates for commonly used procedures such as inpatient and outpatient surgeries," AHIP reports in a news release.

The study reviewed similar characteristics of price estimator tools to pick out trends, challenges and possible options to increase patients' use of the resources, according to the news release.

Greater price transparency in the healthcare market is part of an effort by consumer groups, state governments and health plans to slow the rising costs, especially as enrollment in high-deductible plans continues to increase, according to the study's authors Aparna Higgins, Nicole Brainard and German Veselovskiy.

"Nearly all health plans (97 percent) with price transparency tools provide their members with estimates for commonly used procedures such as inpatient and outpatient surgeries," AHIP reports. "Research shows that the availability of price information can help consumers make healthcare

decisions tailored to their specific care needs. Through these price comparison tools, health plans are supporting patients as they navigate the healthcare delivery system and improving access to affordable, high-quality care."

Additional findings from AHIP include:

- 94 percent of health plans allowed consumers to comparison shop for their providers;
- Two-thirds of responding plans shared provider performance data with their enrollees;
- 58 percent of plans provided cost estimates for prescription drugs; and
- 90 percent of plans displayed potential out-of-pocket costs, such as copays, coinsurance and deductibles.

The researchers also found that nearly half of the survey respondents from health plan providers (45 percent) had not yet evaluated the results from consumers' use of price estimator tools, according to the study.

"Those that had evaluated their price estimator tool reported increased use of lower-cost providers (19 percent),

member out-of-pocket savings (16 percent), and employer cost savings (16 percent)," it states.

Fifty-eight percent of respondents reported one of the most common challenges about price estimator tools is lack of member awareness.

According to the study, the results show there is the need for additional research on outreach methods to consumers and how to better comprehend their lack of engagement.

"We also know from previous research that simply having access to a tool with such information does not increase the likelihood of using the tool, nor does it necessarily lead to lower costs," according to Higgins, Brainard and Veselovskiy.

More information: <http://ow.ly/YHODw>



SURVEY

Burden of Medical Bills Affects Insured and Uninsured

Consumers with health insurance report they are having problems paying medical bills, and the problem is even worse for consumers who are uninsured, according to a survey by the Kaiser Family Foundation and *The New York Times*.

Both groups say their medical bills impact their families and financial situations overall through spending less

Sixty-six percent of respondents reporting problems paying medical bills said they were the result of a one-time or short-term healthcare expense such as a hospital stay or an accident, according to the survey. Thirty-three percent said the bills amount from medical treatments that have built up over time.

According to the survey, insurance may initially guard people from having

“In fact, people who have problems paying medical bills despite having health insurance are *more* likely than the uninsured with medical bill problems to say they’ve put off vacations or major household purchases (77 percent versus 64 percent), respectively,” according to the survey.

More people without insurance (41 percent) said they have problems getting the medical care they need as a result of medical bill problems compared to 26 percent of insured consumers, the results show.

High deductibles and co-payments under some employer and Affordable Care Act health insurance plans have contributed to higher out-of-pocket costs at times for consumers, according to *The New York Times* article on the survey.

“We’re at a point where there’s been slow growth in healthcare costs and huge improvements in the numbers of people who have health insurance,” Sara Collins, a vice president at the Commonwealth Fund, a health research group said in the article. “But there is this underlying trend towards higher cost sharing that could put increasing numbers of people at risk for being underinsured.”

<http://ow.ly/X6FRy>

“Among those facing problems with medical bills, almost identical shares of the insured (44 percent) and uninsured (45 percent) say the bills had a major impact on their families.”

on basic household items and increasing credit card debt, according to the survey on the burden of medical debt released in January.

The Kaiser Family Foundation and *The New York Times* surveyed 2,575 adults ages 18-64 between Aug. 28 and Sept. 28, 2015. In that survey, 1,204 consumers reported problems paying medical bills while 1,371 did not.

Among respondents with health insurance, 20 percent reported problems paying medical bills in the past year before they took the survey that often cause significant financial challenges and changes in employment and lifestyle, according to the Kaiser Family Foundation.

“As expected, the situation is even worse among people who are uninsured: half (53 percent) face problems with medical bills, bringing the overall total to 26 percent,” according to the news release. “Among those facing problems with medical bills, almost identical shares of the insured (44 percent) and uninsured (45 percent) say the bills had a major impact on their families.”

problems with healthcare bills but once those problems occur the impact is similar regardless of people’s insurance status.

“While insurance provides financial protection, that protection can be incomplete for a number of reasons, including rising deductibles and other forms of cost-sharing, out-of-network charges, the growing complexity of insurance that can leave consumers with unexpected bills, and the fact that many people have only modest financial assets to cover medical expenses,” according to the foundation.



CMS and Insurance Providers Issue New Quality Measures

The Centers for Medicare & Medicaid Services and America's Health Insurance Plans recently released new clinical quality measures to streamline what healthcare providers have to report to insurers and keep patient care at the forefront of their work.

CMS and AHIP are part of a Core Quality Measures Collaborative of healthcare system participants that released the measures.

"These measures support multi-payer alignment, for the first time, on core measures primarily for physician quality programs," according to a news release from CMS. "This release is the first from the collaborative, which plans to add more measure sets and update the current measure sets over time. CMS and the partner organizations believe that by reducing the complexity for providers and focusing quality improvement on key areas across payers, quality of care can be improved for patients more effectively and efficiently."

Currently, physicians and other clinicians must report multiple quality measures to different entities. Measure requirements are often not aligned among payers, which has resulted in confusion and complexity for reporting providers.

"This agreement ... will reduce unnecessary burden for physicians and accelerate the country's movement to better quality," said CMS Acting Administrator Andy Slavitt.

The guiding principles used to create the core measures include that they be "meaningful to patients, consumers, and physicians, while reducing variability in measure selection, collection burden, and cost."

The goal is to establish broadly agreed upon core measure sets that could be harmonized across both commercial and government payers.

Implementation of the measures will occur in several stages. CMS is already

using measures from the each of the core sets but there will be a notice and public comment rulemaking process to implement new core measures in Medicare and remove those that are redundant and not part



of the core group, according to the news release.

The collaborative will continue to meet to monitor progress, encourage more participation, and add additional measures.

"Members of the collaborative have taken a leadership role in identifying measures that will drive quality improvement and outcomes for patients," said Carmella Bocchino, executive vice president, America's Health Insurance Plans in the news release. "This is a first step of an ongoing process to ensure both public programs and the private sector align measures and reporting especially as we advance alternative payment models."

More information: <http://ow.ly/YwP5S>

NEWS & NOTES

Uncompensated Care Declines for the First Time in 13 Years

According to the American Hospital Association, uncompensated care totaled \$42.8 billion 2014, compared to \$46.8 billion in 2013, marking the first decline since 2001.

Uncompensated care is the total of a hospital's bad debt and the financial assistance it provides, including care provided at a lower cost for those in need, according to the AHA. See back page for more information.

<http://ow.ly/Ywqls>

Healthcare Stakeholders Release Alternative Payment Model Research

The Healthcare Payment Learning & Action Center released a white paper outlining the need for reform of the healthcare payment system in the U.S. The LAN and work group that partnered to create an alternative payment model focused on reform connected to patient-centered care, patient engagement and cost effectiveness." <http://ow.ly/YwPTR>

More Than 4 Million New Consumers Enroll in Health Insurance Marketplaces

About 12.7 million people selected healthcare plans through the Health Insurance Marketplaces during the 2016 open enrollment, according to the Centers for Medicare and Medicaid Services. That includes more than 4 million new consumers. More than 9.6 million consumers enrolled through the HealthCare.gov and 3.1 million selected state marketplace plans. <http://ow.ly/YwoqE>

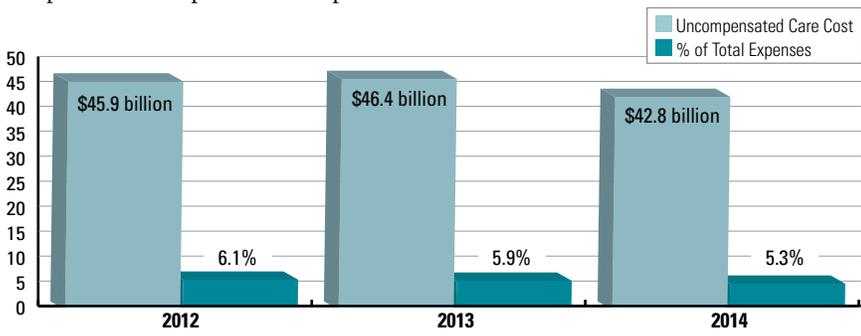
For more healthcare collections news, visit ACA's Healthcare Collections page at www.acainternational.org/healthcare.

is a monthly bulletin that contains information important to healthcare credit and collection personnel. Readers are invited to send comments and contributions to:

Communications Department
ACA International
P.O. Box 390106
Minneapolis, MN 55439-0106
comm@acainternational.org

Uncompensated Care Declines

In 2014, hospitals in the U.S. provided more than \$42.8 billion in uncompensated care, services for which no payment is received from consumers or health insurers, according to the American Hospital Association Uncompensated Care Cost Fact Sheet released in January. Since 2000, hospitals have provided more than \$502 billion in the care, which combines healthcare providers' bad debt and financial assistance. More recently, uncompensated care increased to \$45.9 billion and \$46.4 billion in 2012 and 2013 respectively, before declining to \$42.8 billion in 2014. The 2014 care costs are 5.3 percent of hospitals' total expenses.



Data Source: American Hospital Association Uncompensated Care Cost Fact Sheet, January 2016

Note: Requests for reprints or additional information on material herein must be made through the ACA International member who sponsored your receipt of this publication.

Do we have your correct name, title and address? Please advise your sponsor of any corrections.

This information is not to be construed as legal advice. Legal advice must be tailored to the specific circumstances of each case. Every effort has been made to assure that this information is up to date as of the date of publication. It is not intended to be a full and exhaustive explanation of the law in any area. This information is not intended as legal advice and may not be used as legal advice. It should not be used to replace the advice of your own legal counsel.

© 2016 ACA International.
All Rights Reserved.

