

Healthcare Affordability State Policy Scorecard

Polling data repeatedly shows that healthcare affordability is the number one issue that state residents, on both sides of the political aisle, want their policymakers to work on. This scorecard identifies areas where Virginia is doing well and areas where it can improve.

STATE:

VIRGINIA

RANK:

14

out of 42 states + DC

Virginia has an average level of healthcare spending per person and an average rate of spending growth. The percentage of residents who report affordability problems is slightly lower than the national average, but state policymakers still have work to do.

	POLICY SCORE	OUTCOME SCORE	RECOMMENDATIONS
EXTEND COVERAGE TO ALL RESIDENTS 	4 OUT OF 10 POINTS Medicaid coverage for childless adults extends to 138% of FPL. Certain recent immigrants have state coverage options.	6 OUT OF 10 POINTS In 2018, VA was in the middle third of states in terms of covering the uninsured, ranking 32 out of 50 states, plus DC, for this measure.	Consider options that help families that make too much to qualify for Medicaid, like Basic Health Plan, reinsurance or supplementary premium subsidies; and adding affordability criteria to insurance rate review.
MAKE OUT-OF-POCKET COSTS AFFORDABLE 	1 OUT OF 10 POINTS VA has some protections against skimpy, confusing STLD health plans.	6 OUT OF 10 POINTS VA has surpassed many other states in reducing healthcare affordability burdens (37% adults are still burdened) and ranked 16 out of 49 states, plus DC, for this measure.	In light of grave affordability problems, VA should consider a suite of measures to ease consumer burdens: SMB protections; stronger protections against STLD health plans; and measures that lower the cost of high-value care.
REDUCE LOW-VALUE CARE 	8 OUT OF 10 POINTS VA requires some patient safety reporting and has taken steps to measure the extent of low-value care being provided. Encouragingly, VA performs above average for hospital antibiotic stewardship.	4 OUT OF 10 POINTS VA ranks poorly in terms of reducing C-sections for low risk mothers (36 out of 50 states, plus DC.) The state ranks 22 out of 50 states, plus DC, in terms of per capita antibiotic prescribing.	Curtailing low- and no-value care is a key part of a comprehensive approach to affordability. VA is the rare state that has taken steps to identify low-value care and enact a multi-stakeholder campaign to reduce the use of these services. As a further step, VA should stop paying for 'never events' and use other techniques to reduce medical harm.
CURB EXCESS PRICES IN THE SYSTEM 	3.3 OUT OF 10 POINTS While the state has a voluntary APCD, VA is otherwise a middle ranked state with a few policies to curb the rise of healthcare prices.	7.8 OUT OF 10 POINTS VA's private payer price levels are close to the national median, ranking 19 out of 42 states, plus DC, for this measure.	Year-over-year increases in healthcare prices overwhelmingly drive healthcare spending in a state. Virginia should consider establishing a health spending oversight entity and creating health spending targets.

APCD = All-Payer Claims Database FPL = Federal Poverty Level EHR = Electronic Health Records OOP = Out-of-Pocket Costs SMB = Surprise Medical Bill STLD = Short-Term, Limited-Duration

See state notes on page 2.

Full report and additional details at www.HealthcareValueHub.org/Affordability-Scorecard/Virginia

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VIRGINIA NOTES

Methodological Notes:

State rank reflects the weighted sum of the policy and outcome scoring components. In this summation, the Extend Coverage to All Residents category received the biggest weight (reflecting its large impact on the uninsured population) and Reduce Low-Value Care received the smallest weight, reflecting its smaller impact on spending. A lower state rank number (i.e. close to 1) reflects a higher overall score and better performance when compared to other states.

For a complete discussion of methodology, please see healthcarevaluehub.org/affordability-scorecard/methodology.

The Problem:

Thirty-seven percent of Virginia adults experience healthcare affordability burdens, giving the state a rank of 16 out of 49 states, plus DC, for this measure. The most common burden reported was 'trouble paying medical bills' (28% of adults), followed by 'made changes to medical drugs because of cost.' According to the BEA, healthcare spending in Virginia totaled \$6,624 per person in 2018.* Moreover, between 2013 and 2018, healthcare spending per person grew 21.4%.* Residents are struggling to afford needed healthcare. Virginia has much work to do to ensure wise health spending and affordability for residents.



Extend Coverage to All Residents:

Lawfully residing immigrant children and pregnant women are covered by Medicaid without a 5-year wait.



Make Out-of-Pocket Costs Affordable:

High-deductible health plans create barriers to care for many families. Between 2011 and 2016, the average deductible associated with employer coverage rose 11.8% per year in Virginia.*



Reduce Low-Value Care:

Addressing medical harm to increase patient safety can take many forms. One form is declining payment for services related to "never events," serious reportable events identified by the National Quality Forum (NQF) that should never occur in a healthcare setting. Virginia is aggressively acting on their analysis of low-value care, using grant funding to prepare provider specific reports.

Ninety-eight percent of hospitals have adopted the CDC's 'Core Elements' of antibiotic stewardship — impressive, but short of the goal of 100% of hospitals.



Curb Excess Prices in the System:

Claims submission to the APCD is voluntary.

VA has a unique public-private partnership, the Virginia Center for Health Innovation (VCHI), formed to accelerate the adoption of value-driven models of wellness and health care in the state. While VCHI is not tasked with making legislative recommendations, it has conducted analyses that have highlighted where resources can be deployed more effectively

NOTE: The very high healthcare prices seen in Alaska (relative to the national median), means that most other states received a relatively good outcome score for this category.

* Informational data, not used in state score or ranking. DOI = Department of Insurance BEA = U.S. Bureau of Economic Analysis • Scorecard Updated: Jan. 7, 2020