2022 Healthcare Affordability State Policy Scorecard

This Scorecard looks at both policies and related outcomes across four affordability-related areas that were implemented as of Dec. 31, 2021. Lawmakers, regulators, consumer advocates and the public can use the Scorecards to understand how their state performs when it comes to healthcare affordability policies and outcomes relative to other states and identify opportunities to improve.

STATE: INDIANA **RANK: 32** out of 50 states + DC

Policy Score	10.3	out of 40
Outcome Score	16.3	out of 40

TOTAL 26.6 OUT OF 80 POSSIBLE POINTS

Setting the stage: According to SHADAC, 24% of Indiana adults experienced healthcare affordability burdens as of 2020. According to the Personal Consumption Expenditure, healthcare spending per person in Indiana grew 35% between 2013 and 2021, totaling $8,494 in 2021. Please note some of the outcome measures in this Scorecard include data from 2020, which may have been impacted by the COVID-19 pandemic.

CURB EXCESS PRICES IN THE SYSTEM

POLICY SCORE

1.5 OUT OF 10 POINTS

This section reflects policies the state has implemented to curb excess prices, outlined below.

OUTCOME SCORE

1.7 OUT OF 10 POINTS

IN is among the most expensive states, with inpatient/outpatient private payer prices at 293% of Medicare prices. Ranked 45 out of 50 states, plus DC.

RECOMMENDATIONS

IN should consider adding negotiated prices to their price transparency tool, establishing a health spending oversight entity and creating health spending targets.

THIS CHECKLIST IDENTIFIES THE POLICIES THAT WERE EVALUATED FOR THIS SECTION.

⋯	***Create an all-payer or multi-payer claims database to analyze healthcare price inflation, price variation and utilization*** Indiana has an all-payer claims database (APCD) in develoment. In 2020, Indiana passed SB5 requiring the Department of Insurance to investigate creating an APCD. In 2021, the legislature passed HB1402 establishing requirements for the development and administration of the APCD. The bill requires data submission from Indiana Medicaid state plan, Medicaid managed care entities, HMOs, Pharmacy Benefit Managers and other payers. Employers may opt-in to share claims data.
☒	***Create a permanently convened health spending oversight entity*** Indiana did not have a permanently convened health spending oversight entity as of Dec. 31, 2021.
☒	***Create all-payer healthcare spending and quality benchmarks for the state*** Indiana did not have active health spending benchmarks as of Dec. 31, 2021.
☒	***Implement free, public-facing healthcare price transparency that reflects negotiated rates and features treatment- and provider-specific prices*** Indiana did not have a tool that met the criteria to receive credit. To receive credit, a state's tool has to be public-facing, searchable by specific procedure and hospital and show the negotiated rate paid by insurance plans/patients (not chargemaster rate). Indiana's MyCareInsight tool includes charges, but does not include negotiated rates.

KEY: ✓ = implemented by state ☒ = not implemented by state ⋯ = the state has implemented policies, but could be enhanced

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

ALTARUM HEALTHCARE VALUE HUB

Healthcare Affordability State Policy Scorecard

STATE: INDIANA **RANK:** 32 out of 50 states + DC

REDUCE LOW-VALUE CARE

POLICY SCORE	OUTCOME SCORE	RECOMMENDATIONS
2.8 OUT OF 10 POINTS	3.6 OUT OF 10 POINTS	*IN should consider using claims and EHR data to identify unnecessary care and enact a multi-stakeholder effort to reduce it.*
IN has not yet measured the extent of low-value care being provided. They require some forms of patient safety reporting. 93% of hospitals have adopted antibiotic stewardship.	18% of Indiana residents have received at least one low-value care service, placing them in the middle range of states. Ranked 27 out of 50 states, plus DC.	

THIS CHECKLIST IDENTIFIES THE POLICIES THAT WERE EVALUATED FOR THIS SECTION.

☒	***Analyze claims and electronic health records data to understand how much is spent on low- and no-value services*** Indiana did not measure the provision of low-value care as of Dec. 31, 2021.
✓	***Require validated patient-safety reporting for hospitals*** Central line-associated bloodstream infections (CLABSI) and catheter-associated urinary tract infections (CAUTI) are two common forms of hospital-acquired infections. Indiana mandates both patient safety reporting and validation for CLABSI/CAUTI.
✓	***Universally implement antibiotic stewardship programs using CDC's 7 Core Elements*** Improper use of antibiotics is another type of low-value care. Antibiotic stewardship is the effort to measure and improve how antibiotics are prescribed by clinicians and used by patients, and states were scored on what share of their hospitals follow the CDC's stewardship program. 93% of Indiana hospitals have adopted antibiotic stewardship. States with 90% adoption or more get the most credit.

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EXTEND COVERAGE TO ALL RESIDENTS

POLICY SCORE	OUTCOME SCORE	RECOMMENDATIONS
3.0 OUT OF 10 POINTS IN Medicaid coverage for childless adults extends to 138% of FPL. No immigrant populations can access state coverage options.	6.4 OUT OF 10 POINTS 8% of IN residents are uninsured. Ranked 27 out of 50 states, plus DC.	*IN should consider options for residents earning too much to qualify for Medicaid, like a Basic Health plan, premium subsidies, Medicaid buy-in and a Public Option. Also consider offering coverage options for low-income immigrants that do not qualify for Medicaid/CHIP and adding affordability criteria to rate review.*

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✓	***Expand Medicaid to cover adults up to 138% of the federal poverty level*** Indiana has expanded Medicaid. The state charges monthly premiums for coverage, and enrollees who fail to pay are either transitioned to less comprehensive coverage or are locked out of the program for 6 months. Premiums have been suspended during the COVID-19 public health emergency, and it is unclear whether they will be reinstated. The state received federal approval to implement Medicaid work requirements in 2017, but the requirements were suspended in 2019 pending the outcome of a lawsuit filed to block them. The federal government rescinded approval in 2021.
✗	***Provide high-quality, affordable coverage options for people whose incomes are too high to qualify for Medicaid, e.g., Basic Health Plan, reinsurance or augmented premium subsidies*** Indiana did not offer any additional coverage options for residents earning too much to qualify for Medicaid as of Dec. 31, 2021. In 2018, Indiana passed a law that authorizes the commissioner of insurance and the governor to apply for a Section 1332 waiver, though the state has not yet done so.
✗	***Provide options for immigrants that don't qualify for the coverage above*** Indiana offers no coverage options for legally residing immigrants without a 5-year wait or for undocumented immigrants.
···	***Conduct strong rate review of fully insured, private market options*** Indiana has effective rate review as classified by CMS but does not incorporate affordability criteria into rate review.

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MAKE OUT-OF-POCKET COSTS AFFORDABLE

POLICY SCORE

3.0 OUT OF 10 POINTS

IN has limited protections against short-term, limited duration health plans, has partial protections against surprise medical bills and No Surprises Act loopholes.

OUTCOME SCORE

4.6 OUT OF 10 POINTS

IN ranked 31 out of 50 states, plus DC on affordability burdens—24% of adults faced an affordability burden: not getting needed care due to cost (9%), delaying care due to cost (9%), changing medication due to cost (11%), problems paying medical bills (15%) or being uninsured due to cost (65% of uninsured population).

RECOMMENDATIONS

IN should consider a suite of measures to ease consumer burdens, such as:stronger protections against short-term, limited-duration health plans; surprise medical bill protections not addressed by the federal No Surprises Act; and waiving or reducing cost-sharing for high-value services. If IN wants to pursue standard plan design, they can establish a state-based exchange.

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⋯	***Limit the availability of short-term, limited-duration health plans*** Indiana has enacted some protections against short-term, limited duration health plans (STLDs) but there are still plans available with a maximum duration of over one year. Some people choose STLD health plans for their lower monthly premiums compared to ACA-compliant plans. However, they offer poor coverage, can discriminate against people with pre-existing conditions and pose financial risks for consumers. States received credit depending on how much they limit these plans.
⋯	***Protect patients from inadvertent surprise out-of-network medical bills*** Indiana has partial protections against surprise medical bills (SMBs), plus additional protections for lab work bills not covered by the federal No Surprises Act. 'Comprehensive' protections include emergency departments and hospitals, apply to all insurance types, hold consumers harmless/prevent balance billing and adopt adequate payment standard or dispute resolution process. States with only some of these policies have 'partial' protections. The federal No Surprises Act prohibits SMBs in most plans effective January 2022. However, it does not cover ground ambulances. States can still implement protections in this area—32% of ground ambulance rides in IN charged to commercial insurance plans had the potential for SMBs (2021).
☒	***Waive or reduce cost-sharing for high-value services*** Indiana did not require waiving or reducing cost-sharing for high-value services as of Dec. 31, 2021.
☒	***Require insurers in a state-based exchange to offer evidence-based standard plan designs*** Indiana has an exclusively federally facilitated marketplace and cannot implement standardized plans unless they establish a state-based exchange. Standard plan design makes cost-sharing the same across plans within metal tiers, making it easier for consumers to compare plans. They also help regulators and exchanges negotiate or set rates with insurance carriers, which may translate to lower prices for consumers.

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