

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:

PENNSYLVANIA

RANK:

20

out of
50 states
+ DC

POLICY SCORE

12.6

out of 40

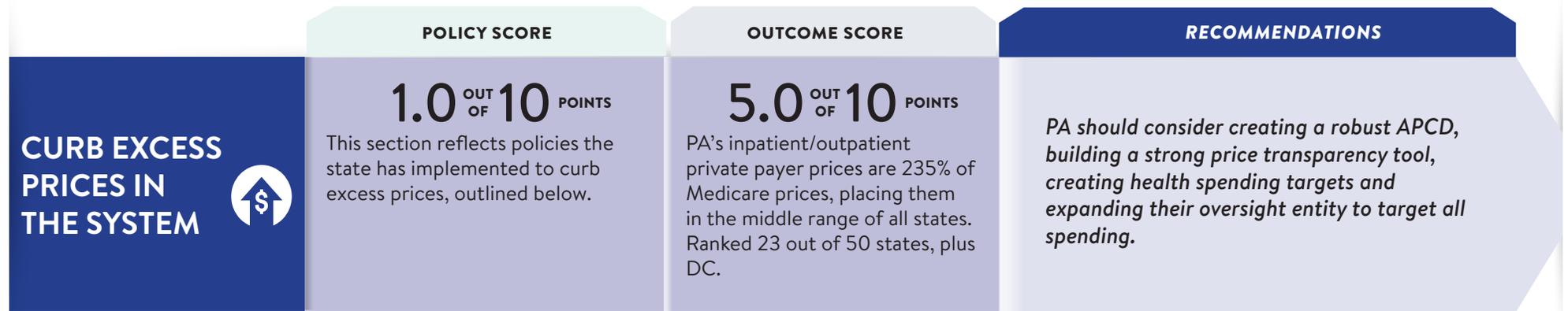
OUTCOME SCORE

24.3

out of 40

TOTAL
36.9 out of 80
POSSIBLE POINTS

Setting the Stage: According to the Healthcare Value Hub's 2020 CHES survey, 50% of Pennsylvania adults experienced healthcare affordability burdens. According to the Personal Consumption Expenditure, healthcare spending per person in Pennsylvania grew 29% between 2013 and 2021, totaling \$8,641 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.



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 Pennsylvania has not yet taken any action to form an all-payer claims database (APCD).
	Create a permanently convened health spending oversight entity Pennsylvania has a permanently convened health spending oversight entity that targets hospital spending. In 2020, Pennsylvania reauthorized and expanded the Pennsylvania Health Care Cost Containment Council (PHC4) to look at regional trends in the cost of health care and health insurance premiums. The state's Interagency Health Reform Council, created by Executive Order in 2020, has recommended creating a Health Value Commission to institute healthcare cost benchmarking.
	Create all-payer healthcare spending and quality benchmarks for the state Pennsylvania did not have active health spending benchmarks as of Dec. 31, 2021. In 2021, the Interagency Health Reform Council provided the recommendation that Pennsylvania develop healthcare cost-growth benchmarks. They have yet to be included in state legislation.
	Implement free, public-facing healthcare price transparency that reflects negotiated rates and features treatment- and provider-specific prices Pennsylvania 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).

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/Pennsylvania

Healthcare Affordability State Policy Scorecard

STATE:

PENNSYLVANIA

RANK:

20

out of 50 states + DC

POLICY SCORE

2.8 OUT OF **10** POINTS

PA has not yet measured the extent of low-value care being provided. They require some forms of patient safety reporting. 95% of hospitals have adopted antibiotic stewardship.

OUTCOME SCORE

5.7 OUT OF **10** POINTS

PA was among the states with the least low-value care, with 15% of residents having received at least one low-value care service. Ranked 12 out of 50 states, plus DC.

RECOMMENDATIONS

PA should consider using claims and EHR data to identify unnecessary care and enacting a multi-stakeholder effort to reduce it.

REDUCE LOW-VALUE CARE



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
	Pennsylvania 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. Pennsylvania 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. 95% of Pennsylvania hospitals have adopted antibiotic stewardship. States with 90% adoption or more get the most credit.

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POLICY SCORE

7.2 OUT OF **10** POINTS

PA Medicaid coverage for childless adults extends to 138% of FPL. Only lawfully residing immigrant children/pregnant women can access state coverage options. PA uses reinsurance to reduce costs in the non-group market.

OUTCOME SCORE

8.0 OUT OF **10** POINTS

PA is among the states with the least uninsured people, still 6% of PA residents are uninsured. Ranked 12 out of 50 states, plus DC.

RECOMMENDATIONS

PA should consider additional options for residents earning too much to qualify for Medicaid, like a Basic Health plan, premium subsidies, Medicaid buy-in or a Public Option. PA should also consider offering coverage options for undocumented children, pregnant people and adults, as well as adding affordability criteria to rate review.

EXTEND COVERAGE TO ALL RESIDENTS



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

	Expand Medicaid to cover adults up to 138% of the federal poverty level Pennsylvania has expanded Medicaid.
	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 Pennsylvania implemented a reinsurance program under a 1332 State Innovation Waiver. The waiver was approved in 2020 and has been in effect since 2021. They also implemented an Easy Enrollment program in 2020 to reduce enrollment barriers.
	Provide options for immigrants that don't qualify for the coverage above Pennsylvania offers Medicaid coverage to lawfully residing immigrant pregnant women and children without a 5-year wait, but offers no coverage options for undocumented immigrants.
	Conduct strong rate review of fully insured, private market options Pennsylvania has effective rate review as classified by CMS but does not incorporate affordability criteria into rate review.

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POLICY SCORE

1.6 OUT OF **10** POINTS

PA has partial protections against surprise medical bills.

OUTCOME SCORE

5.6 OUT OF **10** POINTS

PA ranked 16 out of 50 states, plus DC on affordability burdens—23% of adults faced an affordability burden: not getting needed care due to cost (6%), delaying care due to cost (8%), changing medication due to cost (9%), problems paying medical bills (12%) or being uninsured due to cost (75% of uninsured population).

RECOMMENDATIONS

PA should consider a suite of measures to ease consumer burdens, such as enacting protections against short-term, limited-duration health plans and surprise medical bill protections not addressed by the federal No Surprises Act. PA should also consider waiving or reducing cost-sharing for high-value services and requiring standard plan design on their exchange.

MAKE OUT-OF-POCKET COSTS AFFORDABLE



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



Limit the availability of short-term, limited-duration health plans

Pennsylvania has no protections against short-term, limited duration health plans (STLDs) beyond federal regulations. 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

Pennsylvania has partial protections against surprise medical bills (SMBs). '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—63% of ground ambulance rides in PA charged to commercial insurance plans had the potential for SMBs (2021).



Waive or reduce cost-sharing for high-value services

Pennsylvania 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

Pennsylvania has a state-based exchange but has not implemented standard plan design. 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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