ALTARUM
HEALTHCARE VALUE HUB

WELCOME TO:

CONSUMER-CENTRIC EVALUATION OF HEALTHCARE PRICE AND QUALITY TRANSPARENCY TOOLS

www.HealthcareValueHub.org
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Housekeeping

▲**Thank you for joining us today!**

▲**All lines are muted until Q&A**

▲**Webinar is being recorded**

▲**Technical problems? Call Dakota Staren at 202-776-5194**

Agenda

- **Welcome & Introduction**

- **What's unique about this evaluation?**
  - **Lynn Quincy,** Altarum Healthcare Value Hub

- **Results from Cognitive Interviews and Structured Test**
  - **Christine Stanik,** Altarum

- **Reactor**
  - **Chuck Bell,** Consumer Reports

- **Q &A**

What *IS* a Healthcare Price & Quality Transparency Tool?

- For common medical procedures, lists price and/or quality information

- Many claims -- and many questions -- about the role of the these tools

Physicians 49 tools + Hospitals 133 tools = 182 tools in US[1]

Which are best?
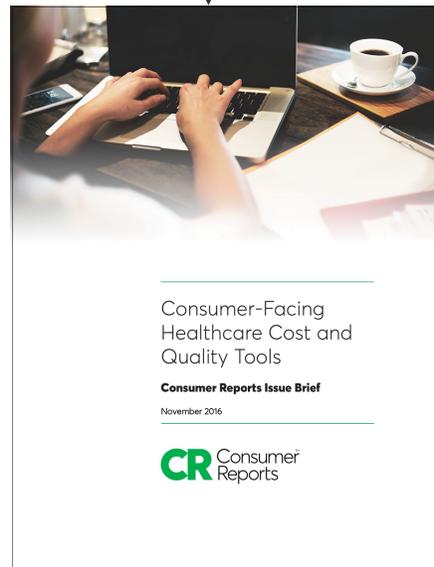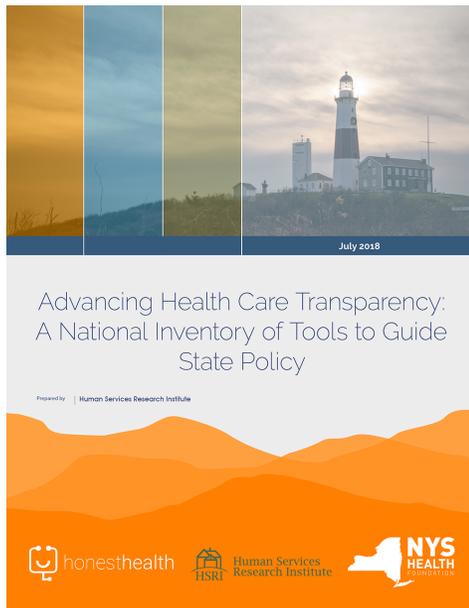
[1] *Advancing Health Care Transparency: A National Inventory of Tools to Guide State Policy, HSRI, July 2018*

Our consumer-centric scoring exercise:

1. Assemble patient expert panel

2. Identify medical scenarios to be used

3. Identify tools to be scored

4. Cognitive interviews with privately-insured and uninsured patients

5. Standardized testing using findings from interviews

Expert Panel

- **Stephanie Arenales**, Colorado Consumer Health Initiative

- **Stephanie Severs**, Covering Wisconsin

- **Pat Jolley**, Patient Advocate Foundation

- **Doris Peter**, Informed Patient Institute and Yale/YNHH Center for Outcomes Research and Evaluation

- **Chuck Bell**, Consumer Reports

Medical Scenarios for Testing

Lipid Profile
MRI
Physical Therapy
Colonoscopy
Arthroscopic Knee Surgery
Knee Replacement

Rubric for Tool Selection

- Identified as high performing in a recent scoring report

- Freely available to the public

- Includes both price and quality data

- Features provider level information

- Information for both hospital and non-hospital medical scenarios

Tools Selected for Testing

- Colorado's Center for Improving Value in Healthcare (CIVHC)

- Maryland's Hospital Guide

- Compare Maine

- Minnesota Health Scores

- NH HealthCost

- Washington State MONAHRQ (WaMONAHRQ)

Transparency Tool	Medical Scenarios:					
	Lipid Profile	Imaging Test	Physical Therapy	Colonoscopy	Arthroscopic Knee Surgery	Knee Replacement
CIVHC		X				
The Hospital Guide		X			X	X
Compare Maine	X	X	X	X	X	X
Minnesota Health Scores	X	X	X	X		X
NH HealthCost	X	X	X	X	X	
Washington State MONAHRQ		X				X
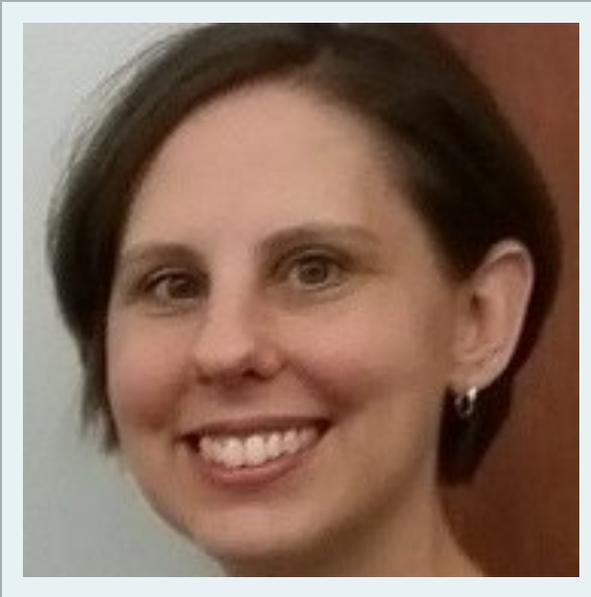
Who were our participants?

- **Recruitment**
  - **Leveraged professional connections to recruit 10 participants**
    - **Ages 18-64; privately insured or uninsured; fluent in written and spoken English; able to do an in-person interview in Ann Arbor, MI**
  - **Compensation of $75 for an hour interview**

- **Participant Characteristics**
  - **6 insured; 4 uninsured**
  - **Age average = 28.7, Range = 20-38**
  - **6 Women; 4 Men**
  - **Variety of education levels (high-school through graduate degrees)**

Healthcare "Consumers"

- **People do not typically "shop" for healthcare**

- **Ask friends and family**

- **Google search to find location and contact information**

- **Deeper search for photos**
  - **Gender, race, but mostly trying to glean friendliness**

- **Call provider or insurance company to learn out-of-pocket cost**
  - **People are motivated to find out costs but not SHOP for costs**
  - **This is logical– people do not understand cost varies by provider**

Consumers Value Patient Experience

- **Participants express their desire for quality in terms of "patient experience"**

- **Clinical quality – metrics like readmissions rates, complications, or risk of death – did not arise spontaneously**

  - **Context was non-emergency medical procedures, thus this does not reflect responses to life-threatening scenarios (cancer, brain tumor, organ transplant)**

- **Participants care about how healthcare is delivered**

Consumers Need Easy to Navigate Tools

- **Sites had "bogus" names and were not aesthetically pleasing**

- **Navigation was not straightforward**

  - **Next step was not obvious**

  - **Consumers would've generally not kept digging**

  - **Search box has become an expectation**

  - **Users concerned sites might not work well on phones**

Tool	"Obvious" First Step	Number of Possible Entry Points	Search Bar Present?
CIVHC	**Yes**, but only if slide show advances	6	Yes, but does not allow a search for cost or quality information
The Hospital Guide	No	28	No
Compare Maine	**Yes**	10	Yes
Minnesota Health Scores	No	22	No
NH HealthCost	No	8	Yes
Washington State MONAHRQ	No	7	No

Consumers Want to Assess Value

- **Potential of cost information - initial excitement followed by disappointment**
  - **What portion of cost is out-of-pocket?**
  - **Differ based on insurance type?**
- **To the extend that the cost information was relevant, participants would look for valuable care**
- **Shopping in other domains has led to implicit understanding of value**
  - **Acceptable service for reasonable cost**
- **Consumers appreciate side-by-side cost and quality comparisons**

CIVHC
CENTER FOR IMPROVING
VALUE IN HEALTH CARE

Shop for Health Care Services

↺

| **View Imaging Procedures** | View Other Procedures |

Select Service:
Bone Density test of spine or hips (CPT 77080) ▾

Select Your ZIP Code:
80003 ▾

Sort List By:
Closest Distance ▾

- in excel)
- Other Procedures File (download the episode-based procedure data in excel)
- Imaging Variation Graphic
- Episode Procedure Variation Graphic
- FAQs

Facility Name	Distance (Miles)	Price Estimate		Quality
		Average Price	Price Range	Patient Experience
HealthOne North Suburban Medical Center	4.9	$380	$380–$470	★★★☆☆
Denver Health Medical Center	7.7	$180	$180–$180	★★★☆☆
SCL St Joseph Hospital	8.0	$300	$260–$480	★★★★☆
National Jewish Health	8.8	$320	$70–$330	★
Centura Health St Anthony North Health Campus	9.0	$90	$80–$120	★★★☆☆
HealthOne Rose Medical Center	9.4	$550	$380–$760	★★★★☆

How Care is Delivered Matters

- **People were looking to sites for user experiences**
  - **This is the de facto understanding of quality in healthcare**
    - **Are office staff nice? Does the physician listen? Are your concerns taken seriously?**

- **Patient experience ratings mattered if…**
  - **There was a sizeable number of raters**
  - **If they weren't perfect (this invites skepticism)**
  - **Consumers expected ratings to be relatively lower compared to other services**

Provider Attributes Consumers Want

- **What are consumers looking for?**

  - **Distance ("knee surgeons <u>near me</u>")**

  - **Contact information**

    - **Types of insurance taken**

    - **Availability**

  - **Provider credentials and photos**

  - **Out-of-pocket costs**

Provider Attributes – structured test

▲**ALL** tools had **facility** location

▲**THREE** tools (MN, ME and NH) had **physician** location

▲**TWO** tools (ME, MN) listed phone numbers for **facilities**

▲**ONE** tool (MN) listed phone numbers for medical groups

▲**ALL** tools has visual ratings for providers

The Upshot for Designing Healthcare Shopping Tools

- **Increase motivation to seek out tools – PSA about VALUE**

    - **Out-of-pocket cost can vary by provider**

    - **Important "clinical" metrics of healthcare quality**

- **If consumers are going to use tools they need to be designed to fit in with the types of shopping experiences they already have for other goods and services**

    - **Sophisticated Web-design**

    - **Mobile friendly**

- **Tools need a value-add above what can be gleaned from a simple Google search**

- **Cost needs to be clearly defined and are only useful if they represent out-of-pocket**

- **Quality and patient experience need to be available and presented side-by-side with price**

Findings

- Major gaps in how consumers approach scheduling non-urgent medical care vs the type of information offered in highly ranked healthcare transparency tools.

- Highly desired: Physician and facility information (location/insurances accepted/availability)

- Quality information: reliable information about customer service and friendliness; both ratings and user reviews; photo of the doctor.
  - In certain locations and for common, more minor procedures, people don't worry about clinical quality (outcomes).

- Cost information: If desired, people want it side-by-side with quality information and they need to know how it relates to OOP.

2017 CR Report on Cost & Quality Tools
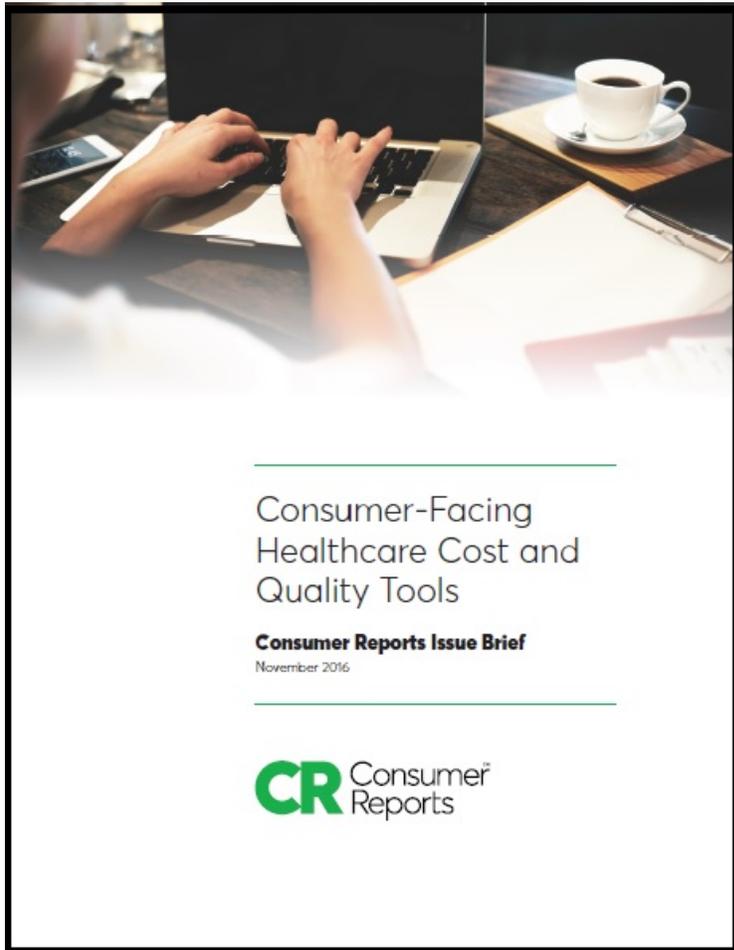
- Included both password-protected health insurance tools, and 8 standalone public-facing websites

- Did not include private employer-sponsored tools like Castlight

- Somewhat more positive findings re: ease of use for higher rated public sites

- Few standalone public sites provided accurate out-of-pocket estimates (2 out of 8)

Consumer-Facing
Healthcare Cost and
Quality Tools

Consumer Reports Issue Brief
November 2016

CR Consumer Reports

Searching for Cost Information

- Methods for searching for cost info: ask friends and family, web search, call health insurance companies

- Internet search (e.g. Google) is a category-killer health app
  - For better or worse, people use it as a launching pad to search for cost and provider information

- My question: If what people are searching for information about providers, locations, quality, hours, network participation, costs… *Why is your health plan web site not seen as a go-to resource for that information?*

Observations on Study Findings

- Consumers can potentially find some of what they are looking for in the private health insurance or employer tools that may be available to them now

- Agree that

  1. consumers want to see cost/quality side-by-side

  2. consumers interested in "soft" aspects of quality – courtesy treatment by providers/staff, waiting times, communication issues, etc.

  3. shopping in other categories (e.g. travel, Amazon, Yelp) contributes to expectations of what cost tools should deliver

Health Plan Cost Tool Disclaimer

This tool *estimates* what you will pay for health care. Your real costs will depend on the services you receive and how we are billed by the doctor or health care facility.

You can talk with your doctor or health care facility about your services, costs and this estimate. This can help you better plan to pay for your care.

WE CANNOT GUARANTEE THE ACCURACY OF ANY COST OR ESTIMATE. THIS INFORMATION IS SOLELY FOR USE BY   MEMBERS TO ALLOW THEM TO EVALUATE AND ESTIMATE THE OUT OF POCKET COSTS FOR SERVICES BY A DOCTOR OR FACILITY. ANY OTHER USE OF THIS INFORMATION IS STRICTLY PROHIBITED.

CANCEL   I UNDERSTAND ➡

Affordability Really Matters To Consumers

- **Putting Off Care**: 40% of Americans report skipping a recommended medical test or treatment, and 44% say they didn't go to a doctor when they were sick or injured in the last year because of cost (NORC Survey, February 2018)

- **Surprise Charges**: 27% of Americans received a medical bill they did not expect, or was much higher than they expected, in last 2 years (2018 Consumer Reports national survey).

- **Limited Funds for Emergencies**: 47% of consumers can't handle an emergency expense of $400 or greater, without borrowing or selling assets (2016 Federal Reserve study)

AVOID BILLING SURPRISES

61%

Percentage who tried to make sure the procedure or visit would be covered by insurance.

42%

Percentage who tried to find out the cost prior to an office visit.

Source: CR National Survey, 12/17
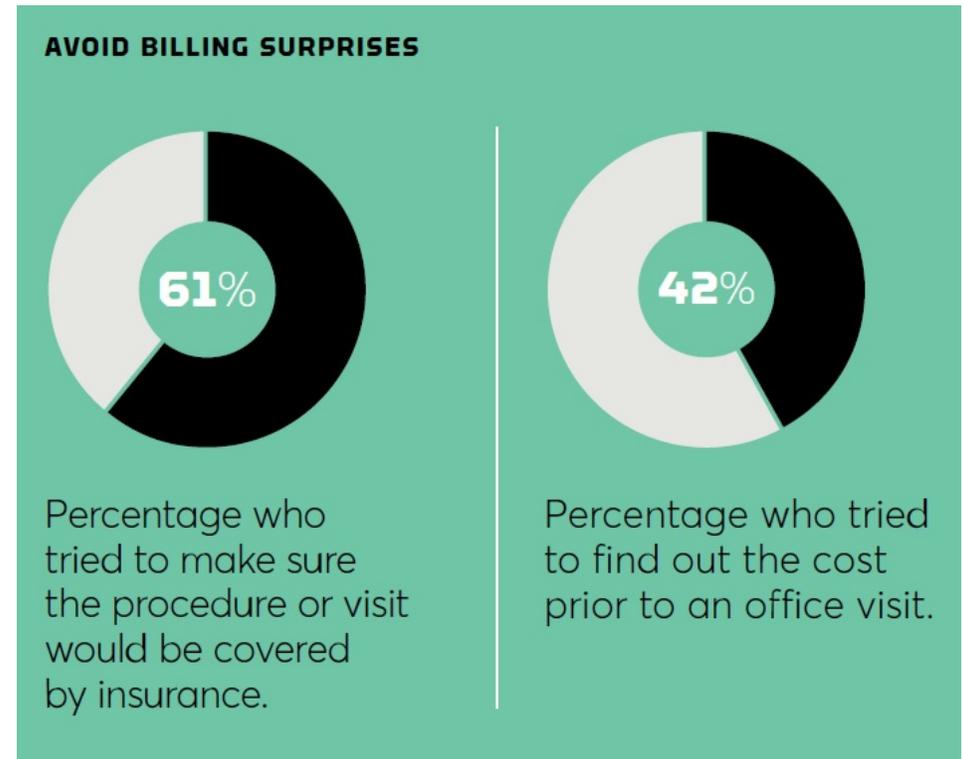
Observations on Study Findings

- Consumers have a right to price and quality information.

- The public sector has an important role to play in pushing price and quality transparency forward. All Payer Databases (APDs) can potentially provide more accurate price information with customized out-of-pocket estimates.

- Comparative shopping is not a panacea, but can be helpful in some situations. We also need complementary strategies that make affordability a system-design principle.

  - EXAMPLE: Baylor Scott and White Health provides advance estimates for scheduled high-cost hospital procedures, even if the patient doesn't ask for it.

2017 Health Affairs Study

Few people price-shop for healthcare

A study of 1,664 U.S. adults ages 18-64 who had out-of-pocket spending for their last healthcare encounter revealed that few people search for spending estimates or compare costs among providers before receiving care.

Percentage of patients

Aware of price before receiving care	52.1%
Searched for out-of-pocket estimate	12.8%
Considered going to another provider	10%
Compared costs among providers	3%
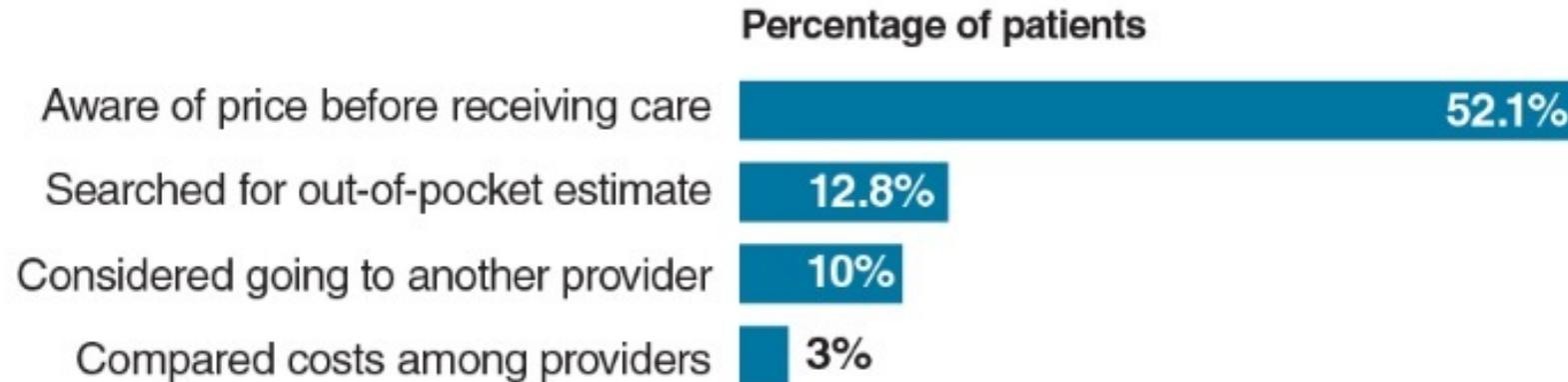
Source: Mehrota, A.,Dean, K., Sinaiko, A. and Sood, N., *Americans Support Price Shopping For Health Care, But Few Actually Seek Out Price Information*, Health Affairs, August 2017.
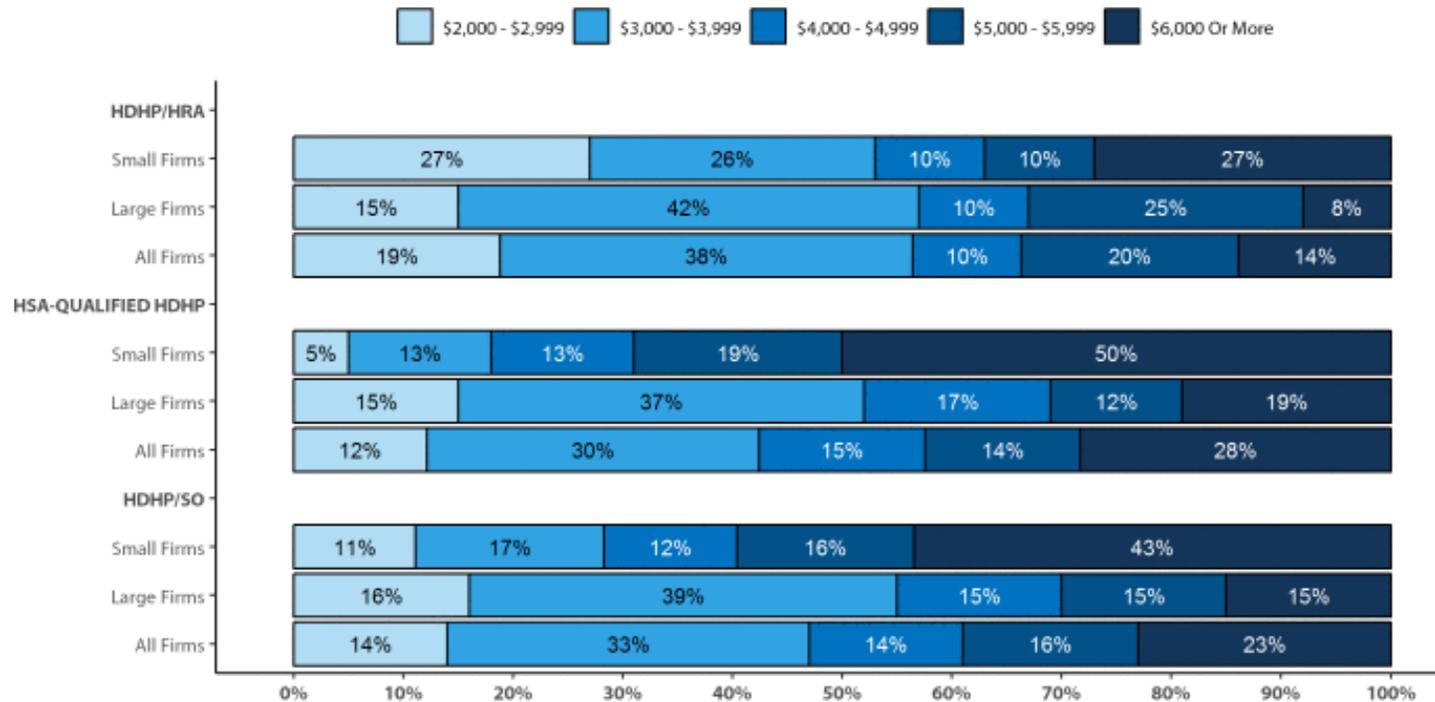
Many People Have Very High Deductibles!

Figure 8.16

Distribution of Covered Workers in HDHP/SOs with the Following Aggregate Family Deductibles, 2018

Legend: $2,000 - $2,999 | $3,000 - $3,999 | $4,000 - $4,999 | $5,000 - $5,999 | $6,000 Or More

HDHP/HRA

	$2,000-$2,999	$3,000-$3,999	$4,000-$4,999	$5,000-$5,999	$6,000 Or More
Small Firms	27%	26%	10%	10%	27%
Large Firms	15%	42%	10%	25%	8%
All Firms	19%	38%	10%	20%	14%

HSA-QUALIFIED HDHP

	$2,000-$2,999	$3,000-$3,999	$4,000-$4,999	$5,000-$5,999	$6,000 Or More
Small Firms	5%	13%	13%	19%	50%
Large Firms	15%	37%	17%	12%	19%
All Firms	12%	30%	15%	14%	28%

HDHP/SO

	$2,000-$2,999	$3,000-$3,999	$4,000-$4,999	$5,000-$5,999	$6,000 Or More
Small Firms	11%	17%	12%	16%	43%
Large Firms	16%	39%	15%	15%	15%
All Firms	14%	33%	14%	16%	23%

NOTE: Deductibles for family coverage are for covered workers with an aggregate amount. Thirty-five percent of covered workers enrolled in an HDHP/HRA and 20% of covered workers in an HSA-qualified HDHP are in a plan with a separate per-person amount. For HSA-qualified HDHPs, the legal minimum deductible for 2018 is $1,300 for single coverage and $2,600 for family coverage. Small Firms have 3-199 workers and Large Firms have 200 or more workers.

SOURCE: KFF Employer Health Benefits Survey, 2018

Implications and Recommendations

- Because of rising costs, there will likely be growing demand for comparative price/quality information

- Upgrade and improve cost tools now to prepare for increased use in the future

- All cost/quality tools should meet high standards for accuracy, content and usability; personalized cost estimates are highly desirable

- Tool providers could address some of the "low-hanging fruit" by following usability guidelines, and arranging user testing

- Head-to-head, binding comparisons for some shoppable services could help reinforce the value proposition
  - "If I go to Facility A to get an MRI -- do I really get the lower price?"

Questions for our Speakers?

- **Use the chat box or to unmute, press *6**

- **Please do not put us on hold!**

Hub Resources on Transparency

Webinar

Resources

Page

Altarum 2019 Transparency Report

Revealing the Truth about Price Transparency

Thank you!

- **To our Speakers: Christine Stanik and Chuck Bell**
- **To our Expert Panel: Stephanie Arenales, Stephanie Severs, Pat Jolley, Doris Peter and Chuck Bell**
- **Robert Wood Johnson Foundation**

Contact Dakota Staren at **Dakota.Staren@Altarum.org** or any member of the Hub staff with your follow-up questions.

Join us at our next webinar:

Single Payer: What Needs to be Included to Bend the Cost Curve?

Friday, May 17th, 2019

2:00-3:00 p.m. ET

Register now at: HealthcareValueHub.org/events