

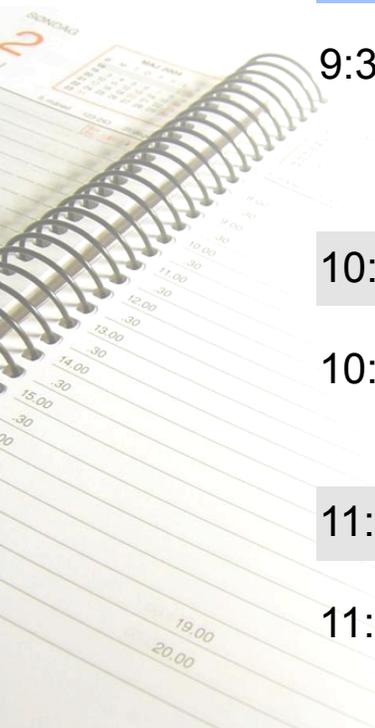
# HIP: Transparency work group – session 1

Discussion document

November 9, 2015

# November 9<sup>th</sup> Agenda: Price and Quality Transparency

Work group 1



<b>Time</b>	<b>Session description</b>	<b>Session type</b>
9:00-9:30	Introduction and goals of the work group	Presentation
9:30-10:10	Price and quality transparency innovation initiatives	Presentation and discussion
10:10-10:20	Break	
10:20-11:20	Transparency focus area exercise	Breakout groups
11:20-11:30	Break	
11:30-11:50	Stakeholder input and full group debrief	Full group discussion
11:50-12:00	Closing and next steps	Presentation

# Goal of work group session 1 is to provide input and align on principles



## Purpose/principles

- Gather input from multiple stakeholders with the objective of building a plan with the highest likelihood of success
- Collaborate with stakeholders across the State to align around a set of guiding principles
- Share informed view of what initiatives are happening across the country

### Session 1

Provide input and align on principles

### Session 2

Test preliminary strategy

### Session 3

Refine strategy and identify interdependencies across broader plan

# Work group charter: Price and Quality Transparency

**Work group title: Price and Quality Transparency**

**Chair: Commissioner Miller**

**Problem statement:**

- Insufficient transparency for consumers, professionals, providers, payers, policy makers leads to inefficient decision making and uncertainty
- Stakeholders collect large amounts of data, which could benefit all stakeholders, but it is either not accessible or not interpretable
- There is a growing need to leverage data in a meaningful way to improve transparency focus areas, driven by:
  - Increasing demand from healthcare consumers to understand quality and out-of-pocket cost of care options due to both increased consumer cost sharing and a growing healthcare “shopping” culture
  - Shifting focus on value vs. volume leading to a need for providers to understand performance due to greater provider accountability for outcomes/health and total cost of care
  - Growing requirement for payers and policymakers to access a high level of data to effectively understand market dynamics

**Mandate for this group:**

- Determine which transparency focus areas are most critical to support the goals of PA and should be highest priority
- Design high-level transparency strategy and recommend state-led or multi-stakeholder levers to reach these goals

**Types of decisions to provide input on for HIP Plan:**

- Transparency focus area prioritization
- Investments required to improve transparency focus areas
- Technology and mediums to share data across and with stakeholders
- Areas where state-wide, regional, local alignment is needed to improve transparency
- Areas where the state should play the role of “actor” vs. “catalyzer”

**Participation expectations:**

- Join 3, 2-3hr work group meetings between now and HIP Plan submission (May 2016)
  - Webinar (Nov 5<sup>th</sup>, 2015)
  - Kickoff (Nov 9<sup>th</sup>, 2015)
  - Review / input on draft model design options (Jan, 2016)
  - Review / input on full draft of HIP Plan (Mar, 2016)
- Potential ad hoc additional meetings
- Communicate updates from work group within your organization and collect feedback to share back

# Milestones for HIP

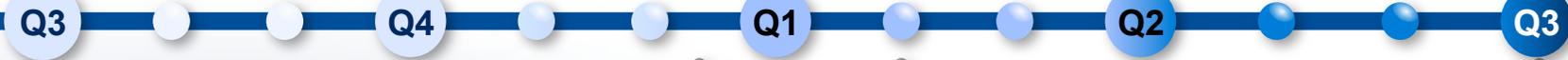
**July**  
*Stakeholder engagement kickoff at NGA*

- Nov**
- *Webinar briefing for work group members*
  - *Work Groups Session 1: Input*

**Jan**  
*Catalyst for Payment Reform payer survey*

**March**  
*Work Groups Session 3: Refine*

**May**  
*Submit HIP plan to CMMI*



2015

2016

**Dec / early Jan**  
*Work Groups Session 2: Test*

**End of Jan / Feb**  
*Draft (outline) of full HIP plan complete*

**Summer**  
*Launch payment model according to implementation plan*

# Price and quality transparency end state vision and objectives

## Performance transparency

- Patients, providers, employers, and other stakeholders have clear understanding of cost and quality performance

## “Shoppable” care transparency

- Patients are empowered, enabled, and incented to make value-conscious decisions around their care choices

## Rewarding value

- Level of transparency enables the implementation of innovative payment models to reward providers for delivering patient outcomes and cost-effectiveness

## Consumer behavior change

- Consumers are able to understand the impact of their behaviors on their own personal health

**Commonwealth plays different roles** to achieve objectives:

- **Catalyzer** of health care change for all
- **Actor** via actions that improve state-run programs

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# Price and quality transparency needs differ by data user...

Data user	High-level use case	Examples
 <p><b>Consumer</b></p>	<ul style="list-style-type: none"> <li>▪ Access meaningful data to inform personal health-related decisions</li> </ul>	<ul style="list-style-type: none"> <li>▪ Make an informed choice about health plans</li> <li>▪ Select a physician or care facility for a required health procedure based on price, quality, safety, etc.</li> </ul>
 <p><b>Provider</b></p>	<ul style="list-style-type: none"> <li>▪ Deliver effective care to patients</li> </ul>	<ul style="list-style-type: none"> <li>▪ Select the right referral pathway for a patient, comparing specialists on price, quality, etc.</li> <li>▪ Track and analyze own performance on core measures</li> </ul>
 <p><b>Payer</b></p>	<ul style="list-style-type: none"> <li>▪ Access market intelligence to inform contract negotiations</li> </ul>	<ul style="list-style-type: none"> <li>▪ Compare performance of different providers and/or facilities when deciding on network structure, negotiating contracts, making acquisitions, etc.</li> </ul>
 <p><b>Policy maker</b></p>	<ul style="list-style-type: none"> <li>▪ Inform policy design and evaluate policy impact</li> </ul>	<ul style="list-style-type: none"> <li>▪ Evaluate implementation of the HIP and impact:               <ul style="list-style-type: none"> <li>– Progress towards APC</li> <li>– VBP penetration</li> <li>– Provider performance against core measures</li> </ul> </li> </ul>

# ...and span focus areas across consumer health, provider care, and payer information

**Focus areas**

Consumer health		Provider care			Payer information	
Health literacy	Self-care / self-monitor data	Primary care	“Shoppable” care episodes, commodities	“Non-shoppable” care episodes, inpatient	Plan design	Payment / claims

**Description**

- Understanding health care delivery and systems
- Awareness of rights
- Access to personal health records
- Quantified health care consumer through self-monitoring
- Regular medical care administered by a primary care provider
- Care that is “shoppable” at the point-of-sale; or
- Care that is not less differentiated on quality
- Care that is not “shoppable” at the point-of-sale (or point of referral)
- Health insurance coverage structure and underlying plan design
- Payer claims and payment information and operating structure

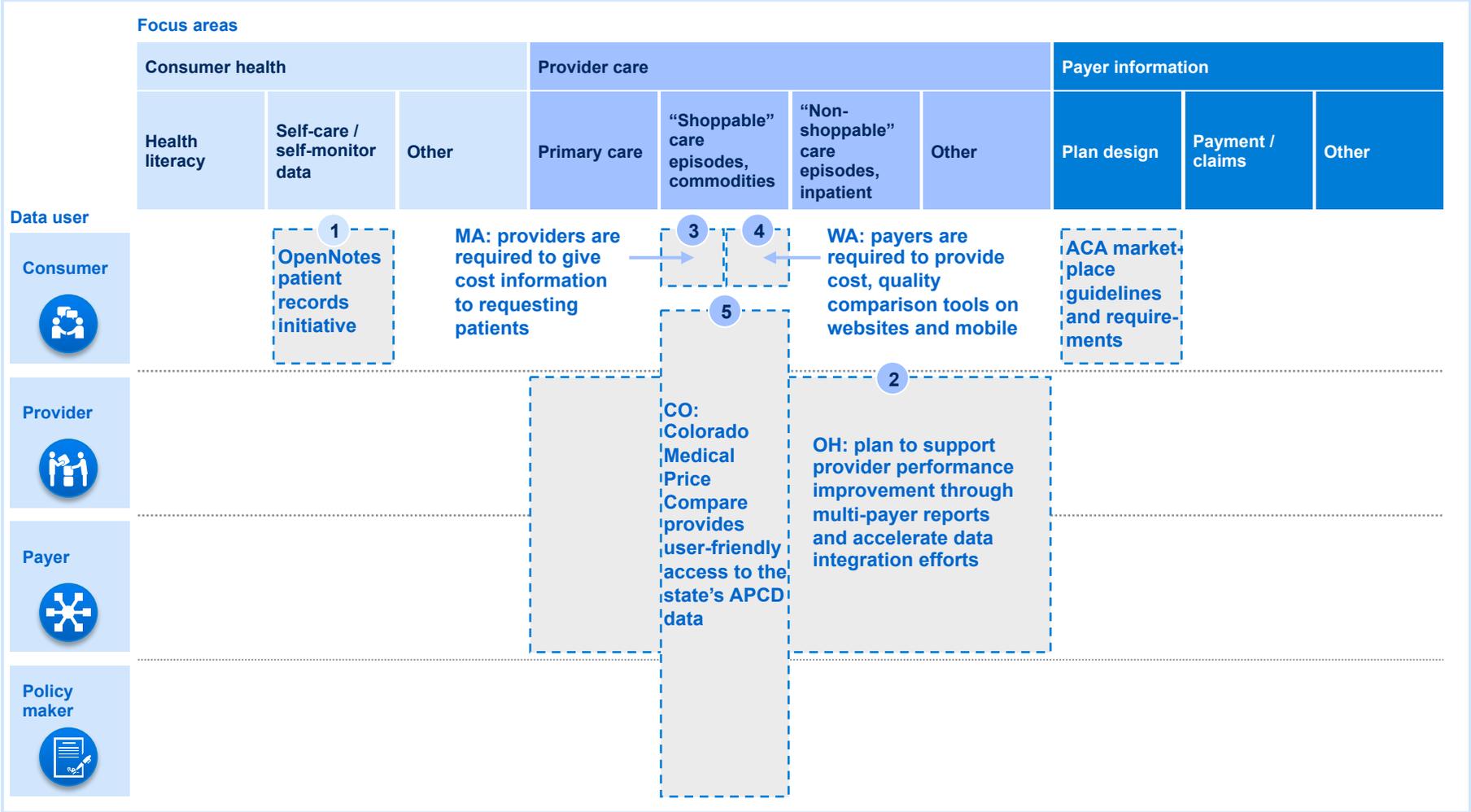
**Examples**

- Types of health care delivery models available (e.g., urgent care, telehealth, ED)
- Stakeholder rights (e.g., patient, provider, payer)
- Personal electronic medical record accessibility
- Personal health behavior monitoring (e.g., Fitbit, Apple health)
- Care for basic health needs
- Referrals to downstream care providers (e.g., specialists)
- Population health management and prevention
- Elective or time insensitive procedures (e.g., hip replacement)
- Imaging diagnostics (e.g., MRI scan)
- Complex care needs that are time sensitive (e.g., heart attack, stroke)
- Overnight stays in a hospital for various care needs (e.g., observation days post health event)
- Communication of information on coverage structure / plan design across plans (e.g., deductible, network structure)
- State-wide population health analyses based on analysis of aggregated claims

**Focus areas consider both price and quality transparency**

# Select examples of price and quality transparency initiatives

X Case examples



# 1 Nationally, test providers share visit notes with their patients through the OpenNotes initiative

**Start date:** 2010

**Number of providers:** 100s of national test sites including all U.S. VA Medical Centers nationwide

**Initiative status:** Ongoing

**Number of patients/members:** More than 5 million

## Goals

- Empower patients to take control of their health by making visit notes written by their providers available to the patient
- Develop partnerships between patients and providers by giving everyone on the medical team, including the patient, access to the same information

## Approach

- Patients can view their clinician's notes through either patient portals (often used in conjunction with EHR systems) or via mail-typed or hand-written notes
- Participating providers will make key decisions about participation, including
  - For what types of care notes will be available (e.g., outpatient only)
  - Whether a provider can exclude a patient from the program
  - Whether the provider can see if the patient has read a note
  - Whether particular notes can be hidden from the patient (for sensitivity reasons)
- OpenNotes is funded by the Robert Wood Johnson Foundation and was originally established in 2010 at three test sites: Geisinger Health System, MD Anderson Cancer Center, and Beth Israel Deaconess Medical Center

## Results/impact

- Patients accessing doctor's notes say it helped them:
  - Notice errors in their records
  - Recall more of what happened during office visits
  - Remember to follow-up on important appointments and take their medication
- 92% of patients opened their visit notes
- 60% of patients reported doing better with taking medications as prescribed because of OpenNotes
- 77% of patients reported OpenNotes made them feel more in control of their care
- 86% of patients believe OpenNotes would be an important factor in choosing a future doctor or plan
- Fewer than 20% of doctors reported taking more time

## Lessons for PA

- Simple transparency solutions can have great impact on improving health and health care delivery
- Initial objections to increased transparency can be handled through demonstrating tangible benefits from increased transparency through test pilots and enabling leading stakeholders to drive innovation

## 2 Ohio will develop a suite of reports to support provider performance improvement and accelerate data integration efforts

Start date: 2015

Number of providers: Full state

Initiative status: Pending

Number of patients/members: Full state

### Goals

- Design and deliver multi-payer data/reports with actionable performance data and data about other providers to Primary Accountable Providers (PAPs), Patient-Centered Medical Homes (PCMHs), and key participating providers
- Accelerate data integration efforts, expand data access across stakeholders, and create potential for other parties to add data over time

### Approach

- **Develop a suite of multi-payer reports**, using data the state has readily accessible, **to meaningfully improve provider performance**
  - Provide **new cuts of data to PCP/specialists**, both within and beyond SIM reporting
  - Share analyses with PCPs to help assess the **cost and quality of specialists within a given radius** and their referral patterns
  - Share reports with PCPs/specialists on quality and cost of care facility performance
- Accelerate efforts to integrate data sets:
  - Focus Enterprise Data Warehouse efforts on **high-value use cases** that will deliver tangible benefits over the next 2 years
  - **Expand access to data** across state agencies and external stakeholders (e.g., researchers, providers)
  - Integrate Medicare data into the Enterprise Data Warehouse and **enable commercial payers and providers to also contribute data**

### Results/impact

- Although it is too early to evaluate Ohio's price and quality transparency initiatives, the state has established preliminary targets, including:
  - Reporting: issue **cutting-edge reports within 1 year**; gain recognition for reports that improve provider performance within 2 years
  - Data integration: deliver **tangible benefits over the next two years** through focused Enterprise Data Warehouse efforts

### Lessons for PA

- Price and quality transparency does not necessarily require direct mandates and legislation
- A use-case approach can help determine opportunities for improvement, especially for technology

### 3 Massachusetts enacted legislation requiring providers to give cost information to requesting patients

Start date: January 1, 2014

Number of providers: Full state

Initiative status: Ongoing

Number of patients/members: Full state

#### Goals

- Improve health care quality while reducing cost through increased price transparency as part of sweeping payment reform legislation passed in August 2012
- Expand patient access to medical cost information and empower patients to comparison-shop for care

#### Approach

- Providers must disclose allowed amount or charge of an admission, procedure, or service within two working days
- Providers must give patients or insurers directly any information (including CPT codes) that the insurer needs to calculate out-of-pocket costs for the patient and are required to cooperate with plan's requests for further information in a timely manner
- Patients should also be given the phone number of the facility's billing office, which may be able to provide additional information about facility costs

#### Results/impact

- According to a pioneer institute study, eighteen months after the effective date the "MA healthcare price transparency law is still not a reality"
  - Staff in only 9 of 23 ophthalmology practices knew about the law
  - Only 13 of 25 gastroenterology practices when asked about "routine screening" colonoscopy provided the cost of all fees within the allowed two business days
  - "The burdens of obtaining prices fall disproportionately on consumers"
- Some health systems, like Atrius Health, however, have developed tools to give providers easy access to their own charges and patient out-of-pocket costs

#### Lessons for PA

- Legislation, however useful by itself, is not sufficient in ensuring compliance from providers and payers
- Consumers are often unaware of their rights and can have difficulty understanding health care data without access to easy-to-use tools

## 4 Washington state required payers to provide cost and quality comparison tools on their websites and through mobile applications

Start date: January 1, 2016

Number of providers: Full state

Initiative status: Pending

Number of patients/members: Full state

### Goals

- Ensure that health care consumers have access to cost and quality comparison tools through their insurance company websites as well as mobile applications

### Approach

- Insurance companies are required to provide a cost and quality comparison tool on their website's homepages as well as through a mobile application by January 1, 2016
  - Payers can build on any existing comparison tools that they have already developed
- Transparency tools are required to provide:
  - Cost data for common treatments (inpatient treatments, outpatient treatments, diagnostic tests, office visits) as well as out-of-pocket costs (conditional on plan specifics)
  - Quality metrics by provider (where available)
  - Patient review option for members to provide ratings or feedback
  - Additional information

### Results/impact

- Given the effective date of the legislation is not until January 1, 2016, it is much too early for data on consumer utilization and impact on medical trend
- In April 2015, Washington passed a bill to establish a fully functional All-Payer Claims Database (APCD) to further increase price transparency with widespread bipartisan support
- Alignment of the Coalition for Health Care Cost Transparency, a broad coalition of business leaders, health care providers, community groups and consumers across Washington, helped enable the passing of new legislation

### Lessons for PA

- Innovation, where possible, should build off existing capabilities
- Alignment across major health care stakeholders can help enable reform

# 5 Colorado Medical Price Compare provides user-friendly access to the state's APCD data

Start date: July, 2014

Number of providers: Full state

Initiative status: Ongoing

Number of patients/members: Full state

## Goals

- Provide consumers a tool to use objective information to inform health care purchasing decisions
- Enable providers and facilities to more accurately benchmark their own performance

## Approach

- Colorado Medical Price Compare ([www.comedprice.org](http://www.comedprice.org)) is a publically available website that displays comparative price and quality information for health care services across Colorado
- Price information is derived from the legislatively mandated Colorado All Payer Claims Database (APCD)
- The tool shows the median price payers and patients pay for specific services at specific facilities, a cost calculator to estimate patient out-of-pocket costs, and information on quality
- Initial launch displays price and quality information for hospital-based services: knee replacement, hip replacement, uncomplicated vaginal birth, cesarean birth (ambulatory surgery centers and additional services to be added)
- The tool also provides reporting information on key metrics, such as total cost of care, ER visits, Diabetes prevalence, etc

## Results/impact

- In addition to consumer use and basic reporting, users have made customized data requests to improve health coverage / rate setting, outcome / cost improvement, and payment reform / bundled payments
- Data on consumer utilization and impact on medical trend is not currently available, however, anecdotal evidence from users suggests excitement about the tool
- Colorado Medical Price Compare tool has faced some delays in terms of adding additional facility types and services (e.g., ambulatory surgery centers will be added in 2016, but were originally planned for the end of 2014)

## Lessons for PA

- Easy-to-use, consumer friendly tools are a significant factor in ensuring a positive user experience
- Ramping up price and quality transparency tools can be challenging and lead to potential delays

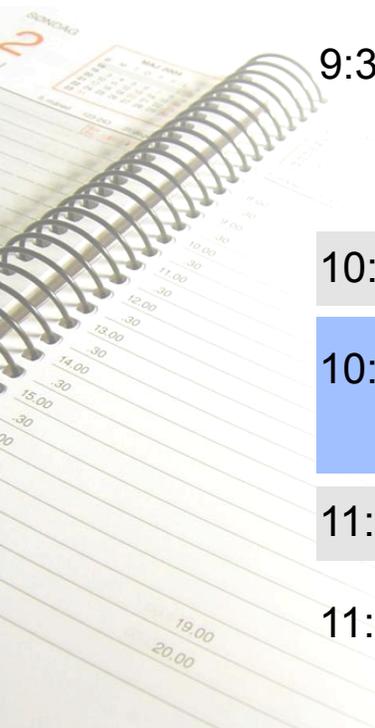
# Summary: price and quality transparency case studies

Example	Description	Lessons for PA
<p><b>1</b> OpenNotes (national)</p>	<ul style="list-style-type: none"> <li>▪ Test providers share visit notes with their patients through the OpenNotes initiative</li> </ul>	<ul style="list-style-type: none"> <li>▪ Simple transparency solutions can have great impact on improving health and health care delivery</li> <li>▪ Initial objections to increased transparency can be handled through demonstrating tangible benefits from increased transparency through test pilots and enabling leading stakeholders to drive innovation</li> </ul>
<p><b>2</b> Ohio</p>	<ul style="list-style-type: none"> <li>▪ Develop reporting mechanism to share useful payer data to help providers improve</li> <li>▪ Integrate data to improve usability and access of existing data across users</li> </ul>	<ul style="list-style-type: none"> <li>▪ Price and quality transparency does not necessarily require direct mandates and legislation</li> <li>▪ A use-case approach can help determine opportunities for improvement, especially for technology</li> </ul>
<p><b>3</b> Massachusetts</p>	<ul style="list-style-type: none"> <li>▪ Enacted legislation requiring providers to provide cost information to requesting patients</li> </ul>	<ul style="list-style-type: none"> <li>▪ Legislation by itself is not sufficient in ensuring compliance from providers and payers</li> <li>▪ Consumers are often unaware of their rights and can have difficulty understanding health care data without access to easy-to-use tools</li> </ul>
<p><b>4</b> Washington</p>	<ul style="list-style-type: none"> <li>▪ Requires payers to provide cost and quality comparison tools on their websites and through mobile applications</li> </ul>	<ul style="list-style-type: none"> <li>▪ Innovation, where possible, should build off existing capabilities</li> <li>▪ Alignment across major health care stakeholders can help enable reform</li> </ul>
<p><b>5</b> Colorado</p>	<ul style="list-style-type: none"> <li>▪ Developed Colorado Medical Price Compare to provide user-friendly access to the state's APCD data</li> </ul>	<ul style="list-style-type: none"> <li>▪ Easy-to-use, consumer friendly tools are a significant factor in ensuring a positive user experience</li> <li>▪ Ramping up price and quality transparency tools can be technically challenging and lead to delays</li> </ul>

Any questions?

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# Price and quality transparency focus area exercise

**Focus areas**

Consumer health			Provider care				Payer information		
Health literacy	Self-care/ self-monitor data	Other	Primary care	“Shoppable” care episodes, commodities	“Non-shoppable” care episodes, inpatient	Other	Plan design	Payment / claims	Other

**Data user**

Consumer



Provider



Payer



Policy maker



**Exercise directions:**

- Join your group’s poster and take some post-its
- For each focus area (and across focus areas, if applicable)
  - Write down opportunities for innovation that are relevant to your assigned data user group
  - Prioritize the opportunities identified by potential impact (high to low)
  - Identify the most significant challenges to achieving the desired level of transparency
- At the end of the exercise, one member from each group will present the groups findings to the rest of the work group

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## Debrief and discussion

- What surprised / excited you from your discussions on price and quality transparency?
- What were the largest opportunities that you identified for price and quality transparency innovation in PA? What were the most significant challenges / barriers?
- Which innovations should be highest priority for price and quality transparency across data users and focus areas?
- Which innovations should be state-led? Which could be state-influenced? Which require multi-stakeholder collaboration?

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## Next steps

- Participate in follow-up webinars / calls
- Meet in January for work group session 2 to test preliminary strategic plan
- Continue to provide input on price and quality transparency innovation strategic plan; preliminary draft to be shared prior to work group session 2

Questions

