



 **EMPLOYERS' FORUM OF INDIANA**
Addressing the challenges of the local healthcare marketplace

EFI All-Stakeholder Meeting

Gloria Sachdev, Pharm.D.

President and CEO, Employers' Forum Of Indiana

Indiana Landmarks Center

September 15, 2022

Twitter: @EmployrsForumIN

LinkedIn: @EmployersForumIndiana

AGENDA



Welcome and Introductions
Sage Transparency
National Academy for State Health Policy – Hospital Cost Tool
Open Discussion: What are you doing to align payment with value?

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Sage Transparency

National Academy for State Health Policy – Hospital Cost Tool

Open Discussion: What are you doing to align payment with value?



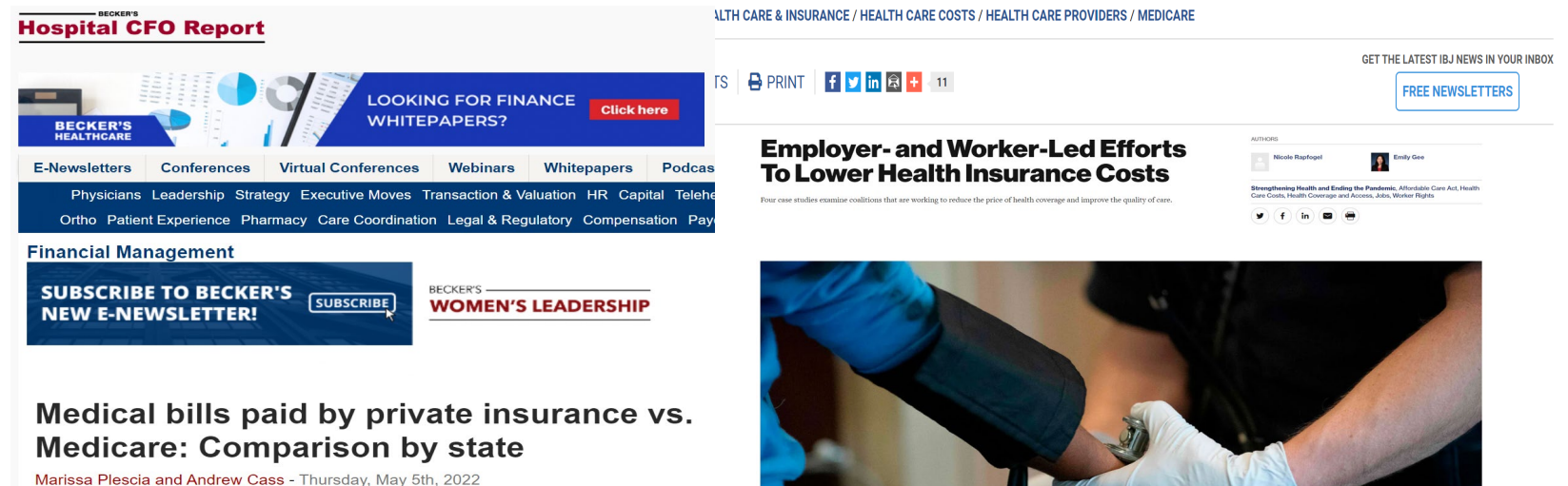
Sage Transparency: A HUGE SUCCESS!

- More than 11,000 sessions since 5-5-22
- More than 350 article mentions
 - Read articles on EFI website
<https://employersforumindiana.org/news/?efi-in-the-news>



Indiana ranked seventh in nation for hospital charge disparities

May 5, 2022 | John Russell



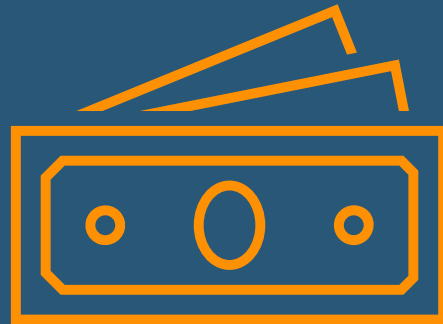
OUTPOURING OF POSITIVE FEEDBACK....

“The Houston Business Coalition on Health and Texas Employees for Affordable Healthcare find the Sage Transparency Dashboard extremely valuable. It has been the transparency tool we most utilize because it combines the most relevant data points from the RAND, NASHP, and Quantros. It is easy to access and navigate. I personally use it daily to educate employers, legislators and other stakeholders. We provide a link to it on our websites for all in the community to explore. It will be the primary tool we utilized to advocate for legislative change in Texas.”

- Chris Skisak, Executive Director of the Houston Business Coalition on Health

SO WHAT?

WHAT PROBLEM ARE WE TRYING TO ADDRESS?



THE BURDEN OF MEDICAL DEBT IS A HIGH FOR PEOPLE

March 10, 2022

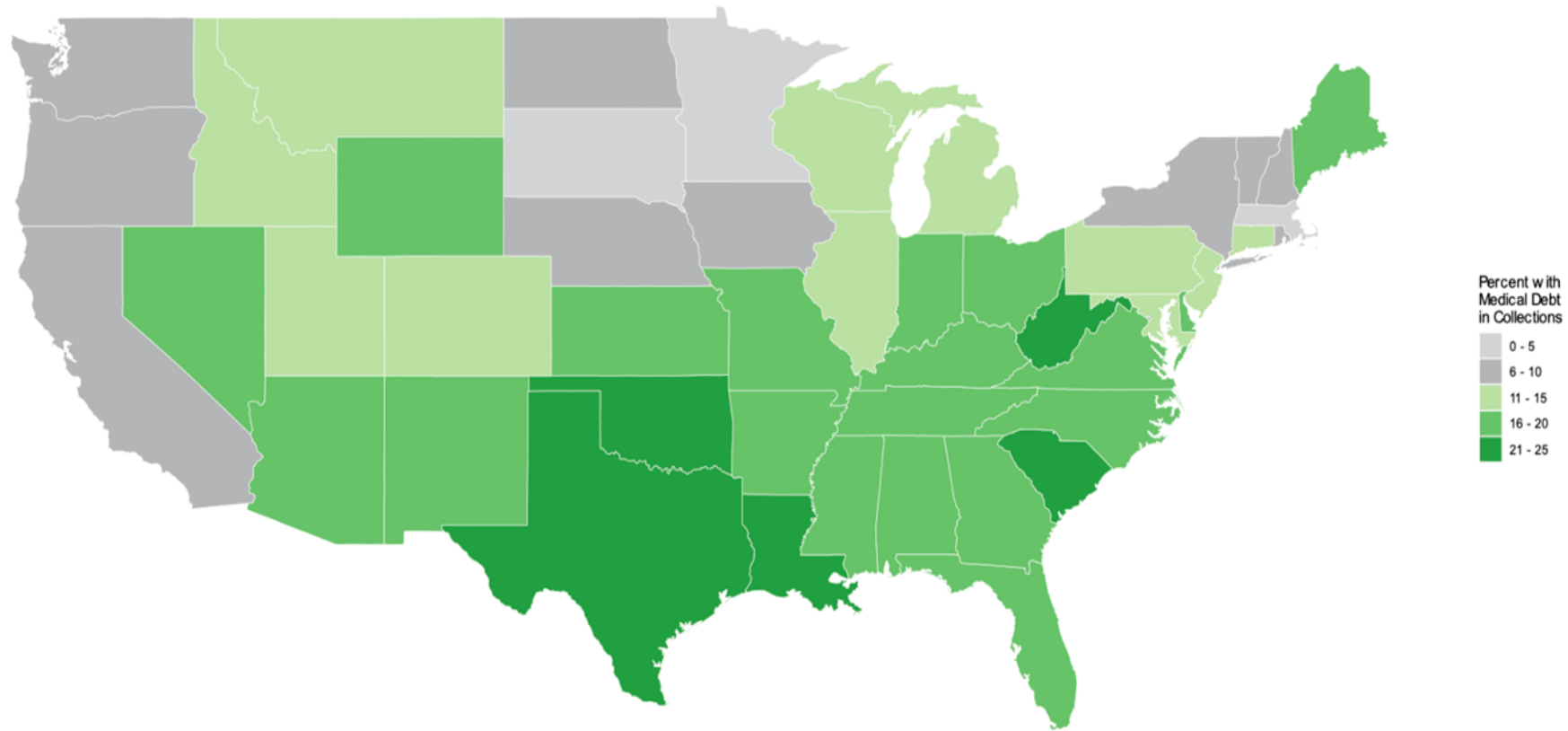
- Study conducted in 2020.
 - Data analyzed from the Survey of Income and Program Participation (SIPP) to understand how many people have medical debt & how much they owe.
 - This national survey asked people 15 years and older in the household whether they owe money for medical bills not paid in full as of December 2019, excluding bills that will likely be paid by the insurance company.
- Findings:
 - **23 million people (nearly 1 in 10 adults) owe significant medical debt.**
 - People in the U.S. owe at least \$195 billion in medical debt.
 - Approx. 16 million people (6% of adults) in the U.S. owe over \$1,000 in medical debt and 3 million people (1% of adults) owe medical debt of more than \$10,000.

MEDICAL DEBT BURDEN IS RUINING PEOPLE'S CREDIT

February 2022

- Analysis of consumer credit records conducted by the Consumer Financial Protection Bureau (CFPB) during June 2021.
- Findings:
 - **58% of all third-party debt collection tradelines were for medical debt, making medical debt the most common debt collection tradeline on credit records.**
 - \$88 billion in medical debt on consumer credit records as of June 2021.
 - Demographics likely to have more medical debt than the national average:
 - Black
 - Hispanic
 - Young adults
 - low-income individuals of all races and ethnicities

FIGURE 3: STATE-LEVEL DISTRIBUTION OF MEDICAL DEBT, DECEMBER 2020



Source: CFPB CCP.

Share of individuals in each state who have a medical debt in collections on their credit file as of December 2020, according to the CFPB's Consumer Credit Panel.²³ Percent values for each state are listed in Appendix A, pg. 48.

HEALTH CARE DEBT CAN INHIBIT ACCESS

June 16, 2022

- National survey by Kaiser Family Foundation of 2,375 adults conducted Feb 25-Mar 20, 2022 via online & telephone
- Results:
 - **1 in 7 adults with health care debt say they have been denied care by a provider due to unpaid bills**
 - 41% of adults currently have debt caused by medical or dental bills
 - Approx 1/3 have health care debt owed of less than \$1,000

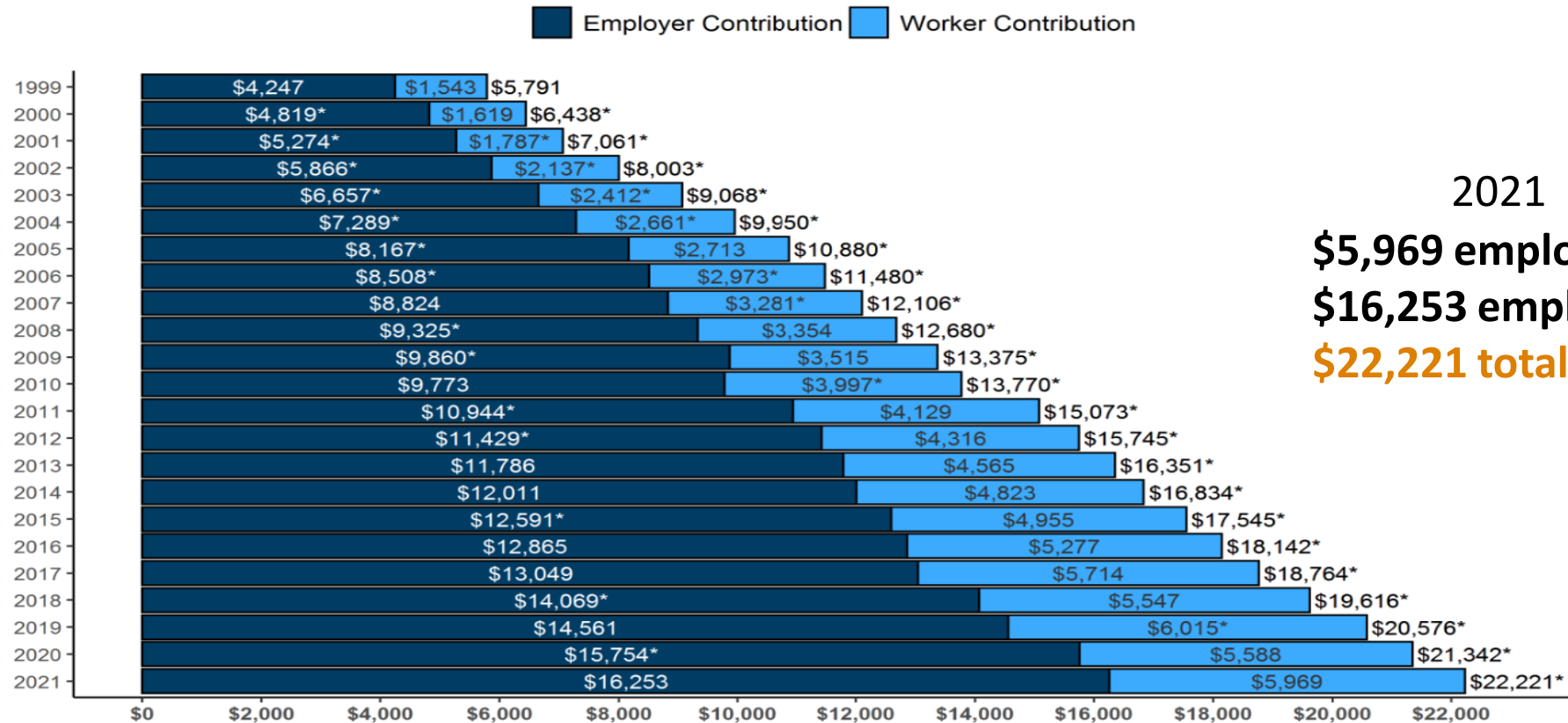
<https://www.kff.org/report-section/kff-health-care-debt-survey-main-findings/>

ADDITIONAL MEDICAL DEBT REFERENCES

1. As the Pandemic Eases, What Is the State of Health Care Coverage and Affordability in the U.S.?: [Link](#)
2. 2019 Pew Research Center: [Link](#)
3. Gauging the State of Financial Capability in the U.S.: [Link](#)
4. How Does Cost Affect Access to Care?: [Link](#)
5. Americans' Challenges with Health Care Costs: [Link](#)
6. How Does Medical Debt Affect Your Credit Score?: [Link](#)

PROBLEM: U.S. EMPLOYEES & EMPLOYERS ARE PAYING A LOT MORE \$\$\$ FOR HEALTH INSURANCE PREMIUMS: FAMILY COVERAGE, TREND 1999-2021

Average Annual Worker and Employer Contributions to Premiums and Total Premiums for Family Coverage, 1999-2021

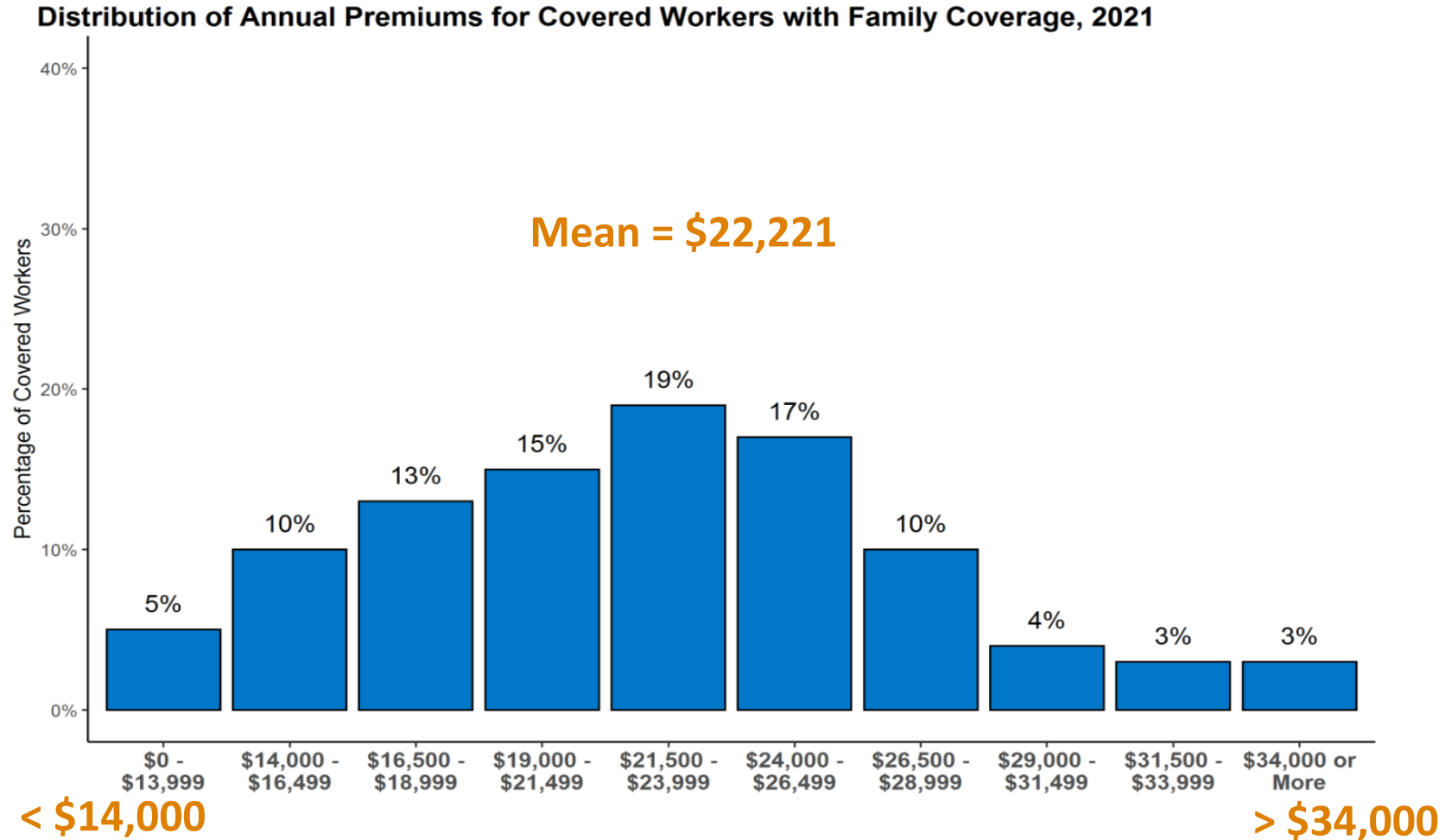


2021
\$5,969 employee +
\$16,253 employer =
\$22,221 total

* Estimate is statistically different from estimate for the previous year shown (p < .05).

SOURCE: KFF Employer Health Benefits Survey, 2018-2021; Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 1999-2017

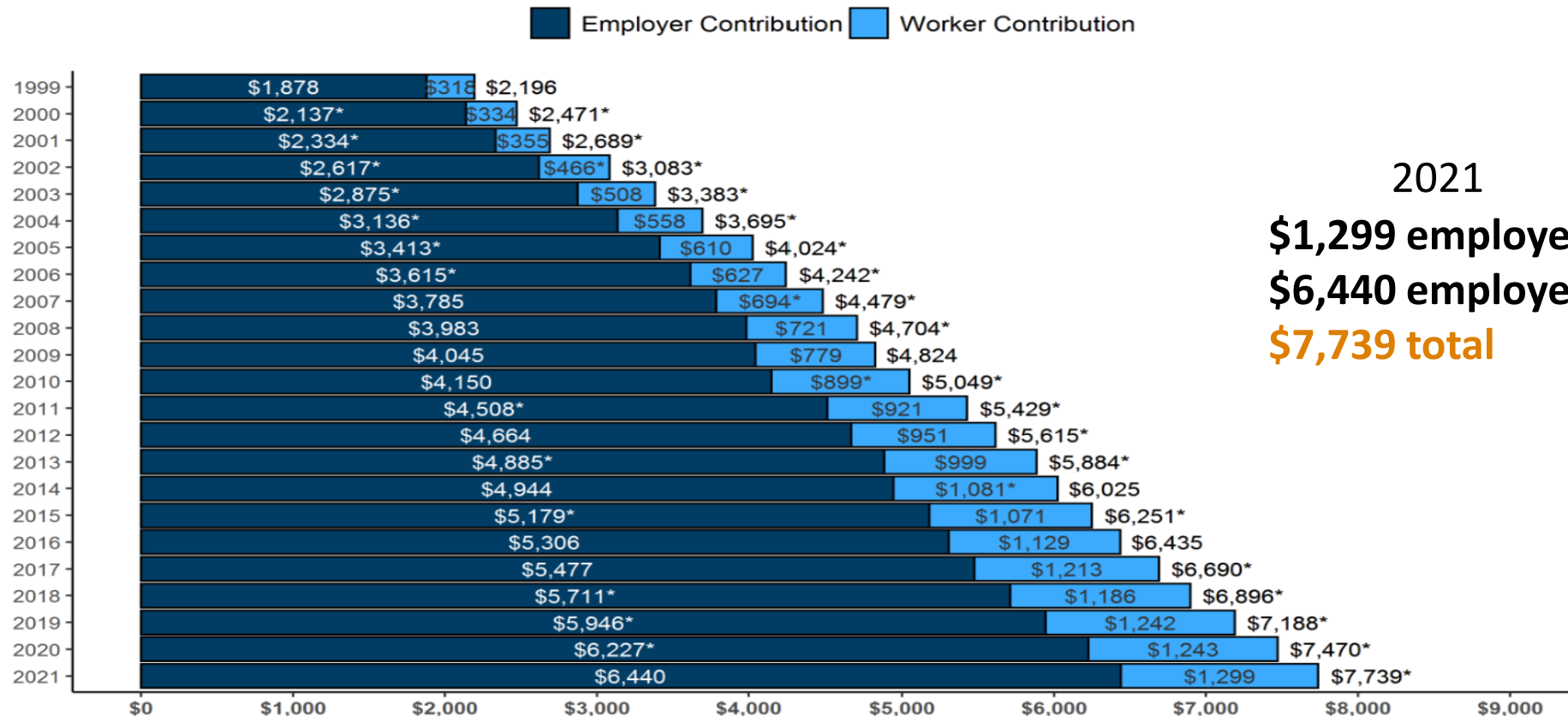
U.S. HEALTH INSURANCE FAMILY PREMIUMS VARY CONSIDERABLY, 2021



SOURCE: KFF Employer Health Benefits Survey, 2021

PROBLEM: U.S. EMPLOYEES & EMPLOYERS ARE PAYING A LOT MORE \$\$\$ FOR HEALTH INSURANCE PREMIUMS: SINGLE COVERAGE, TREND 1999-2021

Average Annual Worker and Employer Contributions to Premiums and Total Premiums for Single Coverage, 1999-2021



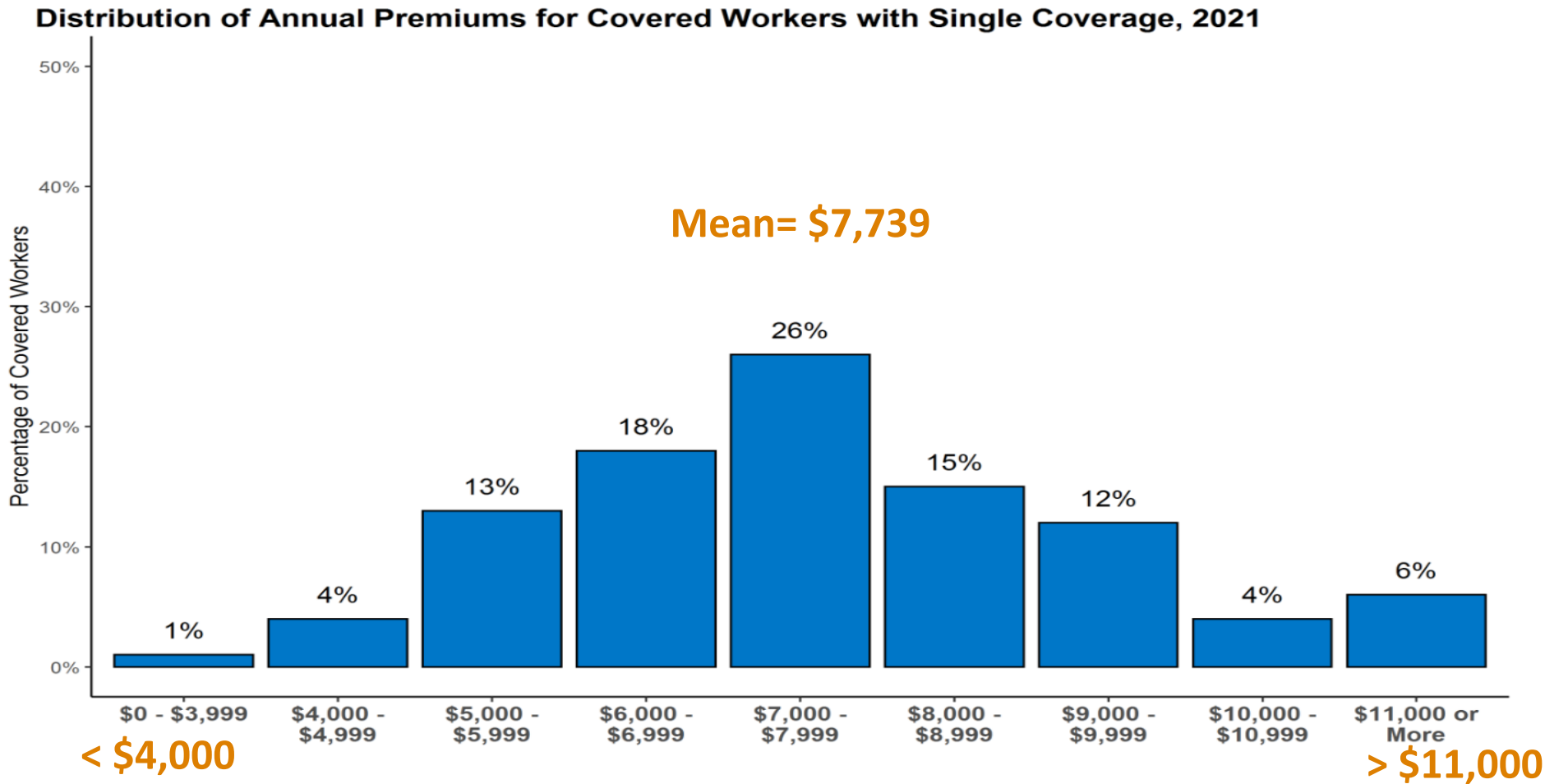
2021
\$1,299 employee +
\$6,440 employer =
\$7,739 total

* Estimate is statistically different from estimate for the previous year shown (p < .05).

SOURCE: KFF Employer Health Benefits Survey, 2018-2021; Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 1999-2017

<https://www.kff.org/report-section/ehbs-2021-section-6-worker-and-employer-contributions-for-premiums/>

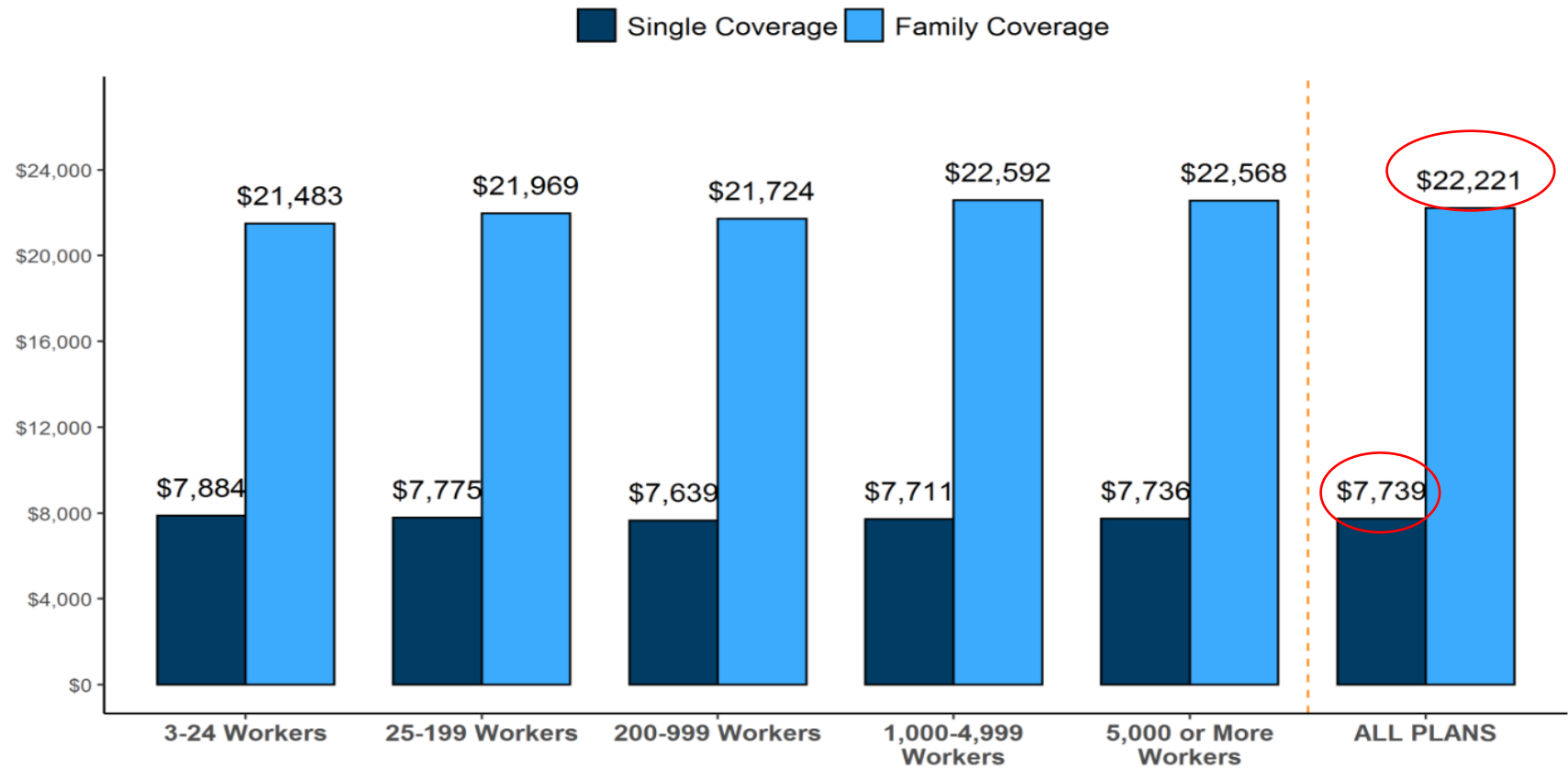
U.S. HEALTH INSURANCE SINGLE PREMIUMS VARY CONSIDERABLY, 2021



SOURCE: KFF Employer Health Benefits Survey, 2021

U.S. AVERAGE ANNUAL PREMIUMS: ALL EMPLOYER SIZES ARE HIGH, 2021

Average Annual Premiums for Covered Workers, Single and Family Coverage, by Firm Size, 2021



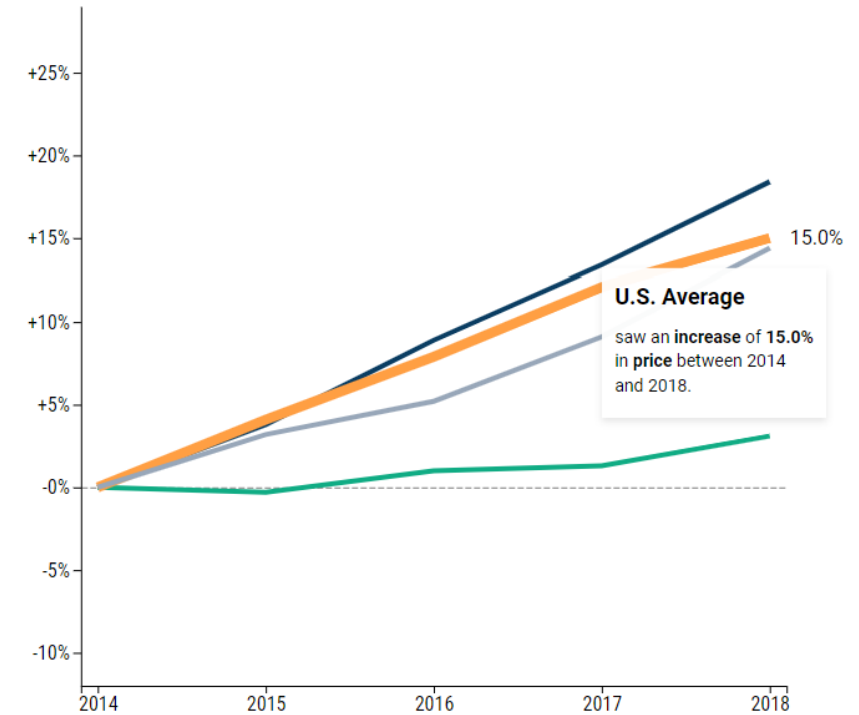
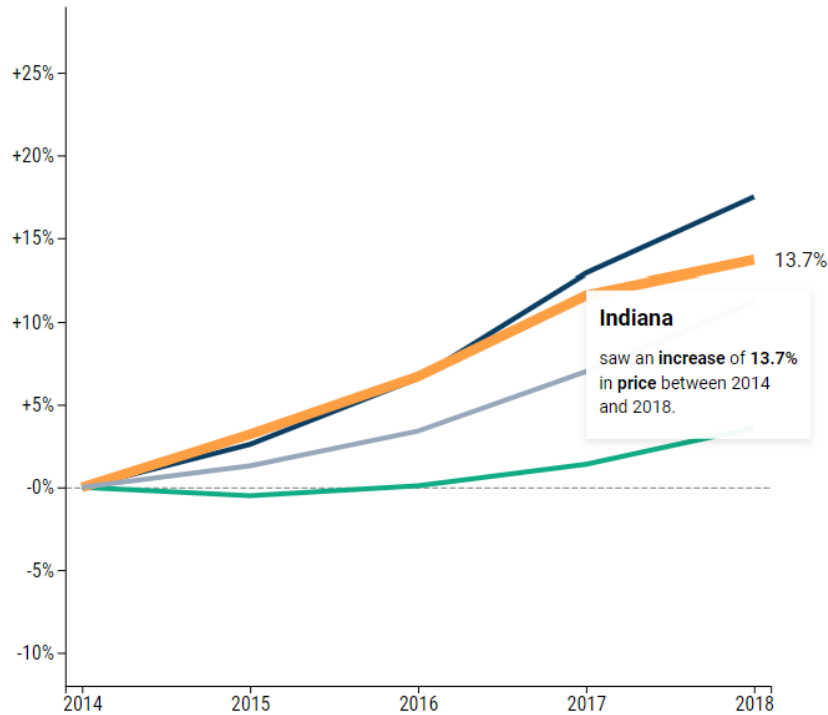
Tests found no statistical difference from All Plans estimate ($p < .05$).
SOURCE: KFF Employer Health Benefits Survey, 2021

Indiana: Price Is Driving Up Spending, Not Utilization

Cumulative Growth in Spending per Person by State since 2014

CHOOSE A STATE: 

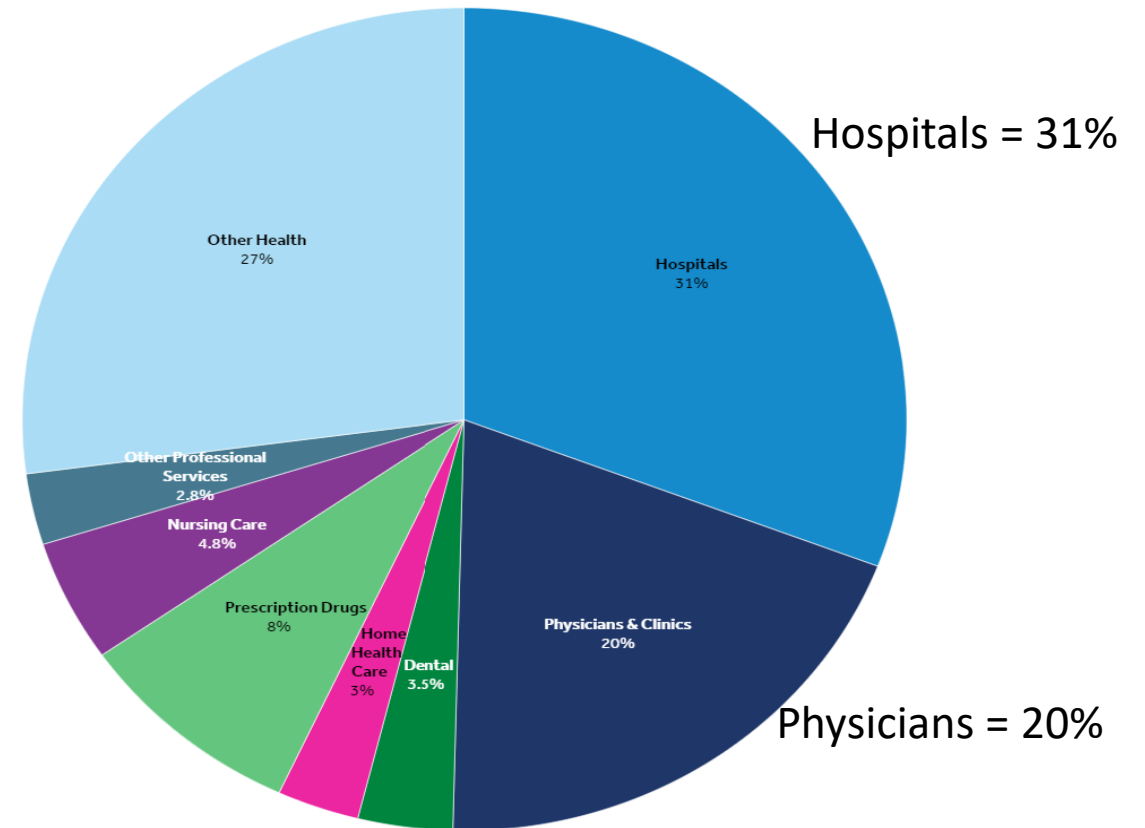
☒ Spending ☒ Utilization ☒ Price ☒ GDP Per Capita 



Hospital & Physician Services Represent Half of Total Health Spending

Relative contributions to total national health expenditures, 2020

Hospitals Physicians & Clinics Dental Home Health Care Prescription Drugs Nursing Care Other Professional Services Other Health



Note: 'Other Health' includes spending on durable and non-durable products; residential and personal care; administration; health insurance; and other state, private, and federal expenditures. 'Other professional services' includes spending for services provided by chiropractors, optometrists, physical, occupational, and speech therapists, podiatrists, private-duty nurses, and others. Nursing care represents expenditures for nursing care facilities and continuing care retirement communities.

Source: KFF analysis of National Health Expenditure (NHE) data • Get the data • PNG

Peterson-KFF
Health System Tracker

<https://www.healthsystemtracker.org/chart-collection/u-s-spending-healthcare-changed-time/#Relative%20contributions%20to%20total%20national%20health%20expenditures,%202020>

Solution: Begins with Transparency to Inform Purchasing and Policy Decisions



RAND Hospital Price Transparency Studies

- First of its kind hospital transparency study in the country as publicly lists hospitals by name
- Conceived and commissioned by the Employers' Forum of Indiana
- Analysis conducted independently by RAND Corporation
- Funded by Employers, Robert Wood Johnson Foundation, & Arnold Ventures (no funding accepted from insurers or hospitals)

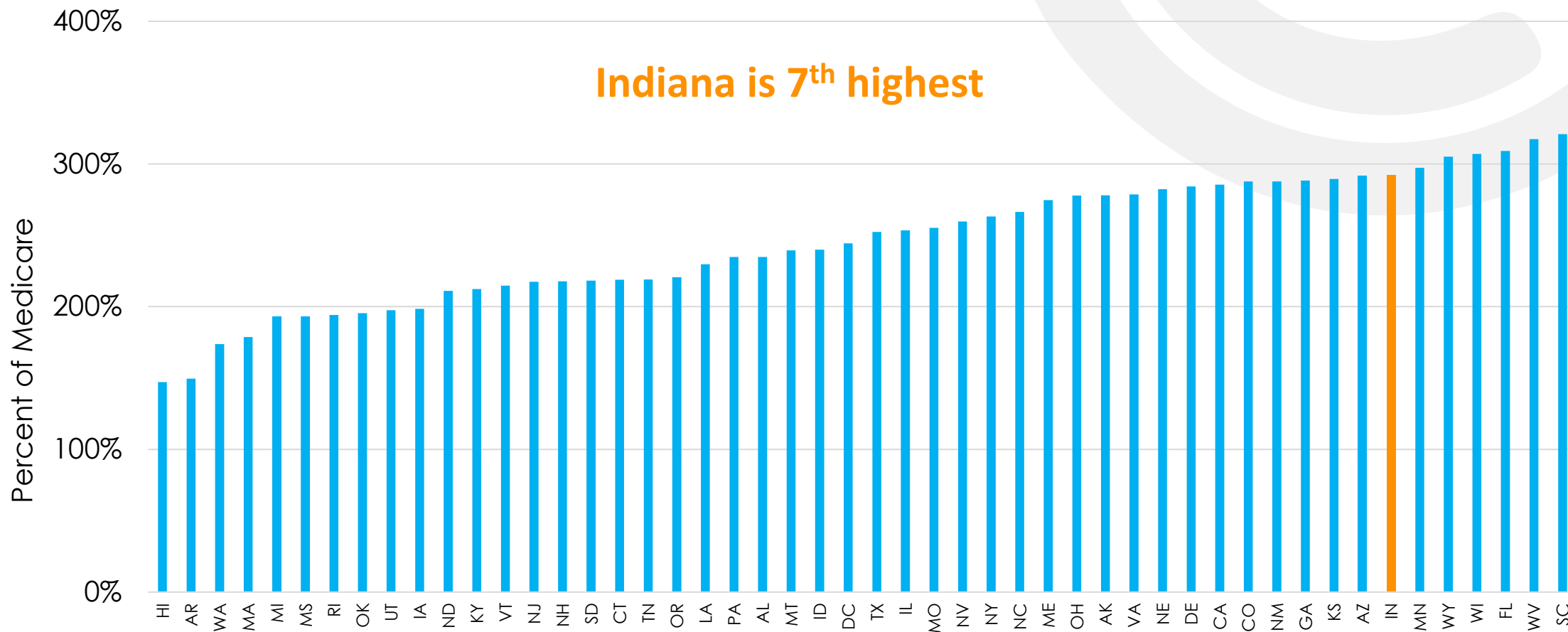


RAND 1.0 - RAND 4.0 HOSPITAL PRICE TRANSPARENCY STUDIES: OVERVIEW

	RAND 1.0	RAND 2.0	RAND 3.0	RAND 4.0
Services	Hospital Inpt & Outpt	Hospital Inpt & Outpt	Hospital Inpt & Outpt Fees Professional Inpt & Outpt Fees	Hospital Inpt & Outpt Fees Professional Inpt & Outpt Fees
States	IN	25 States	49 States (excludes Maryland)	49 states and the District of Columbia (excludes Maryland)
Years	2013 - 2016	2015 –2017	2016 – 2018	2018 - 2020
Hospitals	120	1,598	3,112	4,102
Claims	14,000 inpt facility stays 275,000 outpatient facility services	330,000 inpt facility stays 14.2 million outpt facility services	750,000 inpt facility stays (and professional fees) 40.2 million outpt services (and professional fees)	1.3 million inpt facility stays (and professional fees) 12.2 million outpt services (and professional fees)
Allowed Amounts (Hosp)	\$695,000 million faciltiy total: \$336 million inpt \$359 million outpt	\$12.9 billion total: \$6.3 billion inpatient \$6.6 billion outpatient	\$33.8 billion total: \$15.7 billion inpatient \$14.8 billion outpatient \$3.3 billion professional	\$78.8 billion total \$36.5 billion inpatient facilities, \$34.7 billion outpatient facilities \$7.6 billion professional
Data Sources	Participating self-funded employers	Self-funded employers, 2 all payer claims databases, and health plans	Self-insured employers, 6 state all-payer claims databases, & health plans across the US	Employers, health plans and 11 APCDs

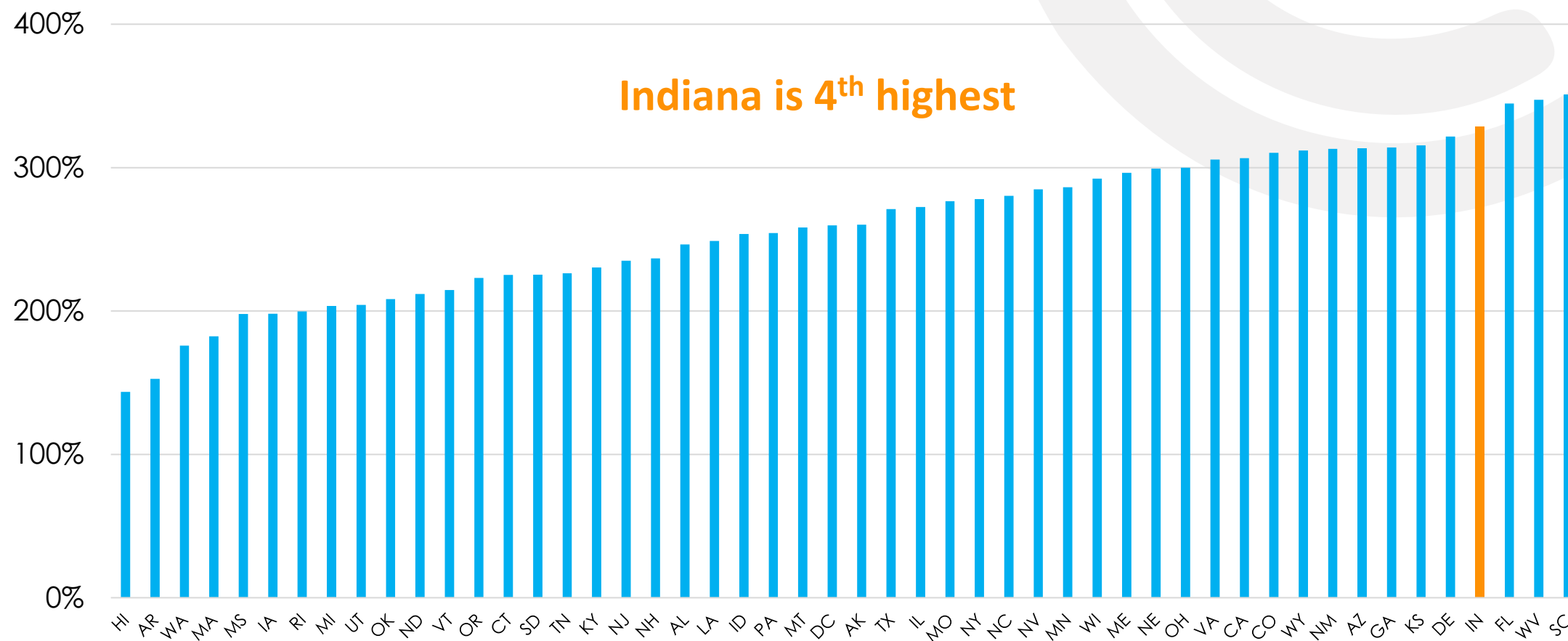
TOTAL HOSPITAL COMMERCIAL PRICES RELATIVE TO MEDICARE

Relative Price, Inpatient and Outpatient plus Professional



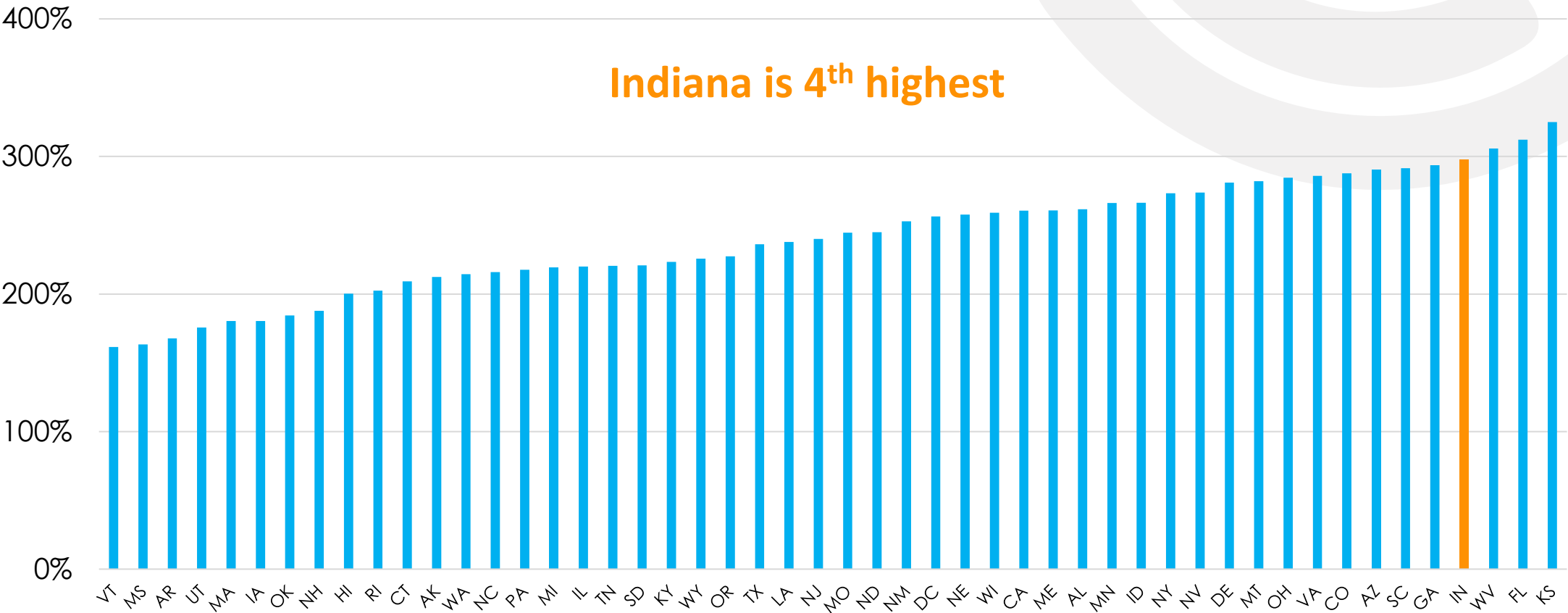
FACILITY PRICES RELATIVE TO MEDICARE

Relative price, Inpatient & Outpatient facility without Professional



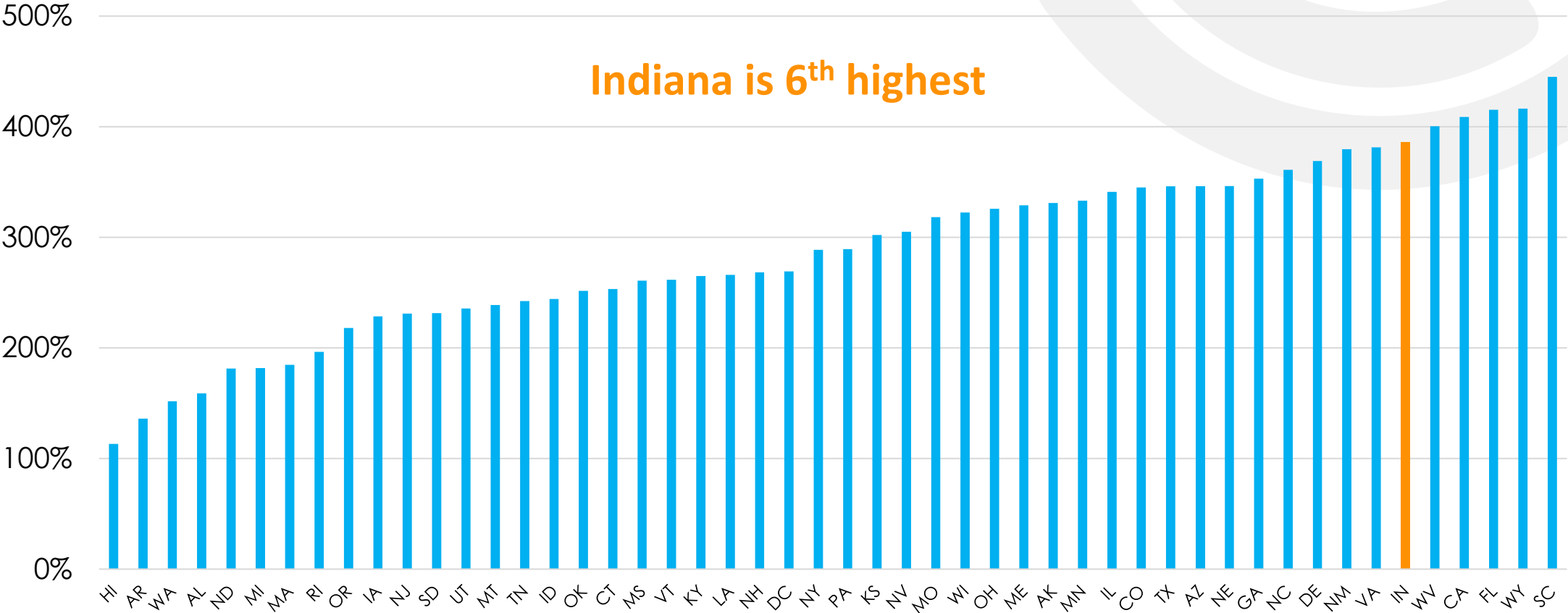
INPATIENT FACILITY PRICES RELATIVE TO MEDICARE

Relative price, Inpatient facility without Professional



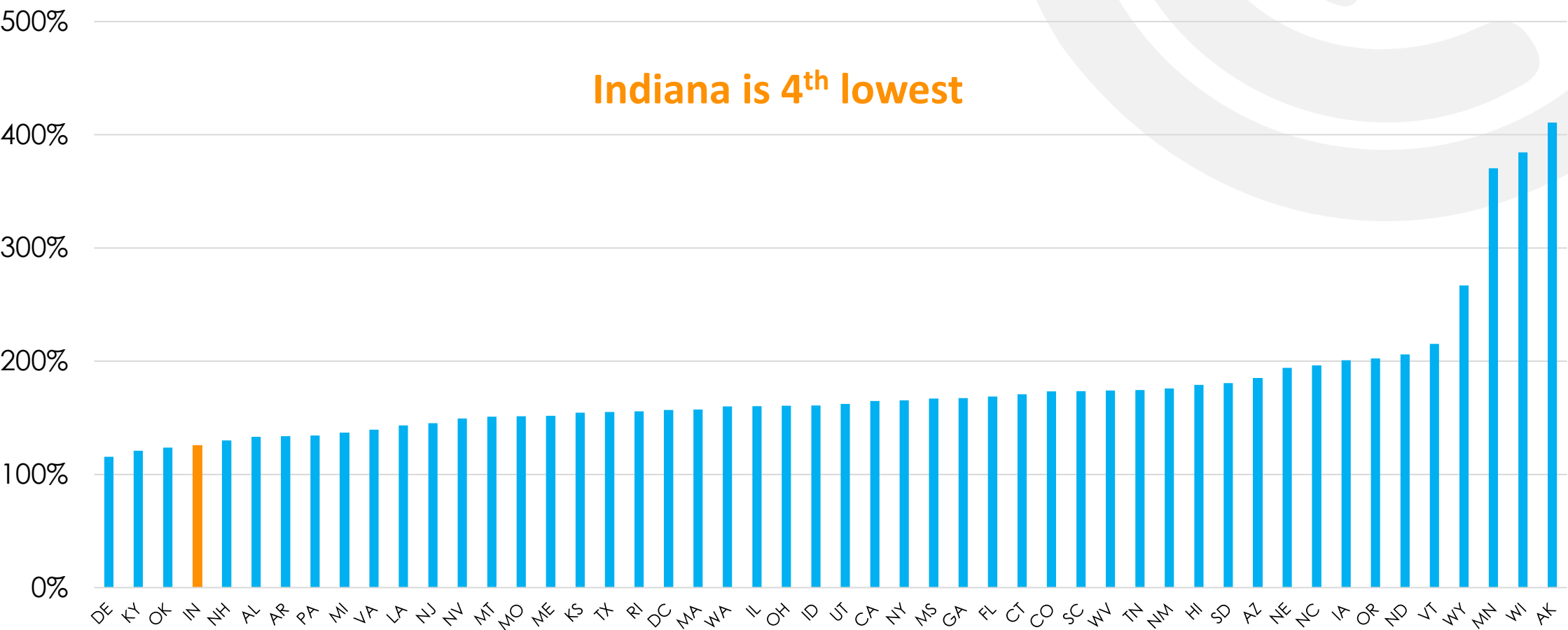
OUTPATIENT FACILITY PRICES RELATIVE TO MEDICARE

Relative price, Outpatient facility without Professional



PROFESSIONAL FEES RELATIVE TO MEDICARE

Relative price, Inpatient & Outpatient Professional without Facility



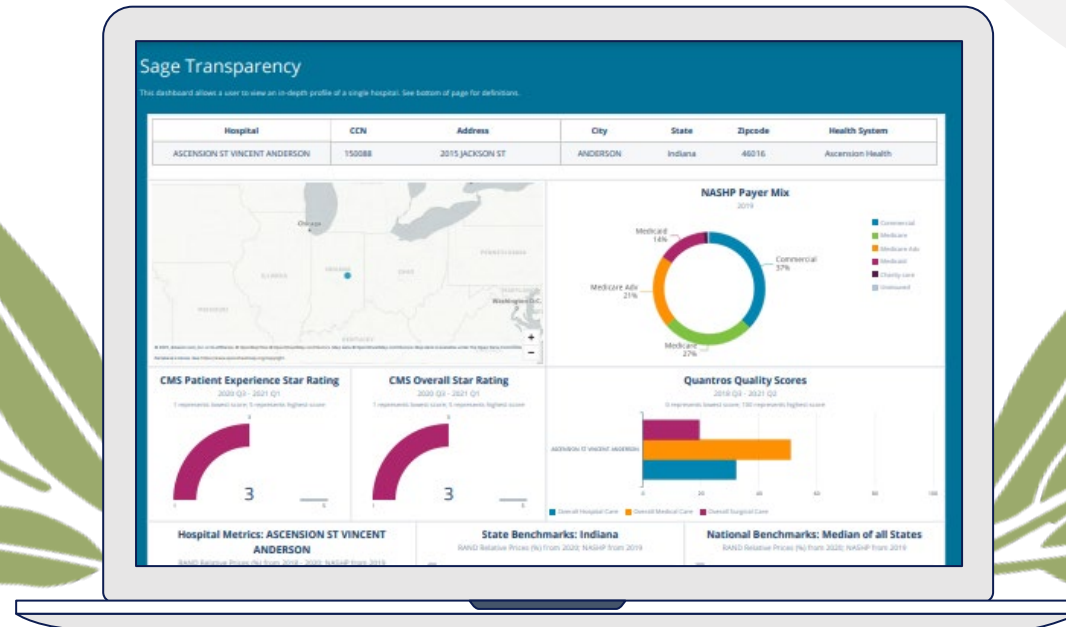
ENROLL IN RAND 5.0 TODAY!

- <https://employerptp.org/enroll/>
- Is there anything that needs to be added in the RAND 5.0 Study?



LAUNCHED ON MAY 5, 2022!

Sagetransparency.com



Sage Transparency's Hospital Price, Quality, Cost Data Sources

PUBLIC

RAND 4.0

Prices paid by employers & insurers

Claims data from employers, insurers, and APCDs

NASHP Hospital Cost Tool

Commercial breakeven price

Federal government data submitted by hospital

CMS Hospital Star Rating

Quality ratings

Posted by the federal government

PROPRIETARY

Turquoise Health

Prices posted by payer

Hospitals' own websites aggregated by Turquoise Health into clinical categories

Quantros/Healthcare Bluebook

Quality ratings

Determined by Quantros



Future Direction

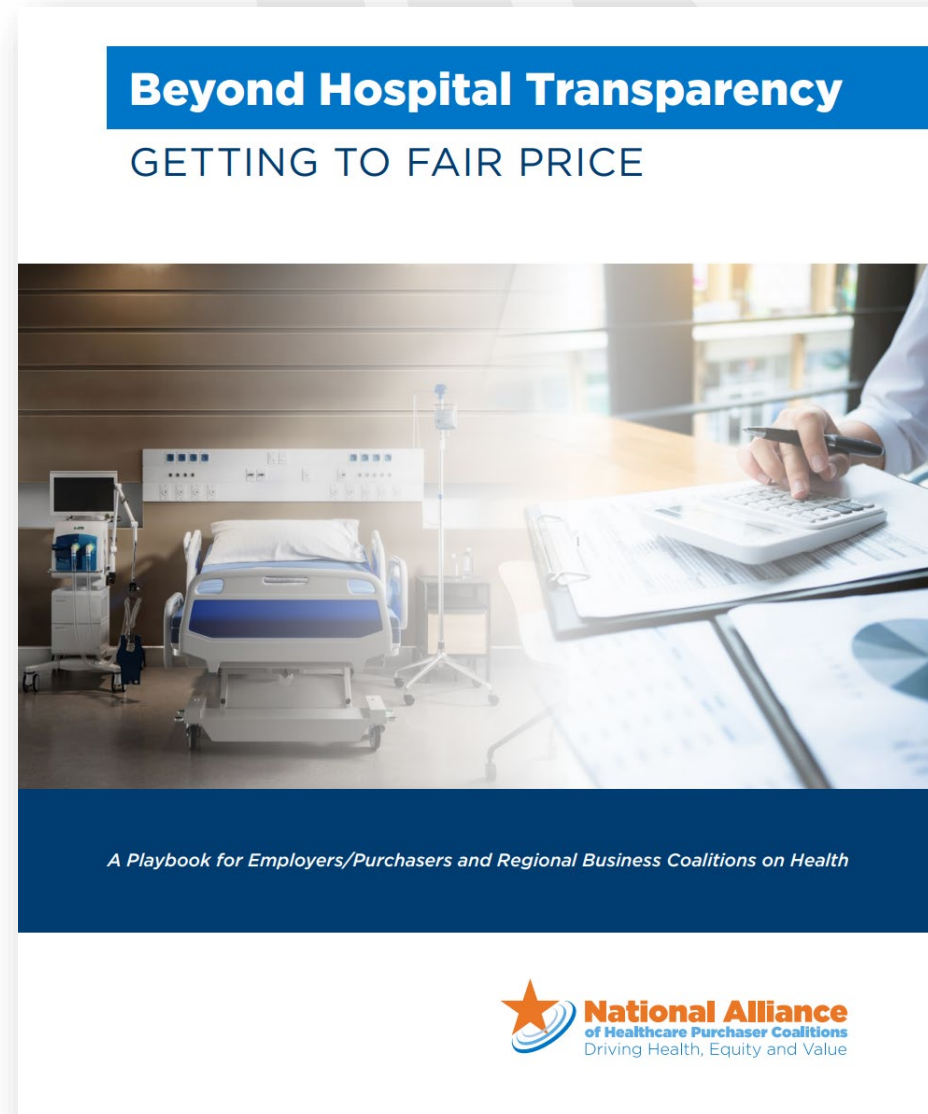
Support the Market, including adding more to Sage Transparency

1. RAND 4.0 **Ambulatory Surgical Center (ASC) and Standardized Price** data
2. National insurance data regarding **provider negotiated prices** (when available and cleaned up)
3. Develop a **private dashboard** for Employers' Forum of Indiana members to request customizable reports



Excellent Resource From The National Alliance Of Healthcare Purchaser Coalitions

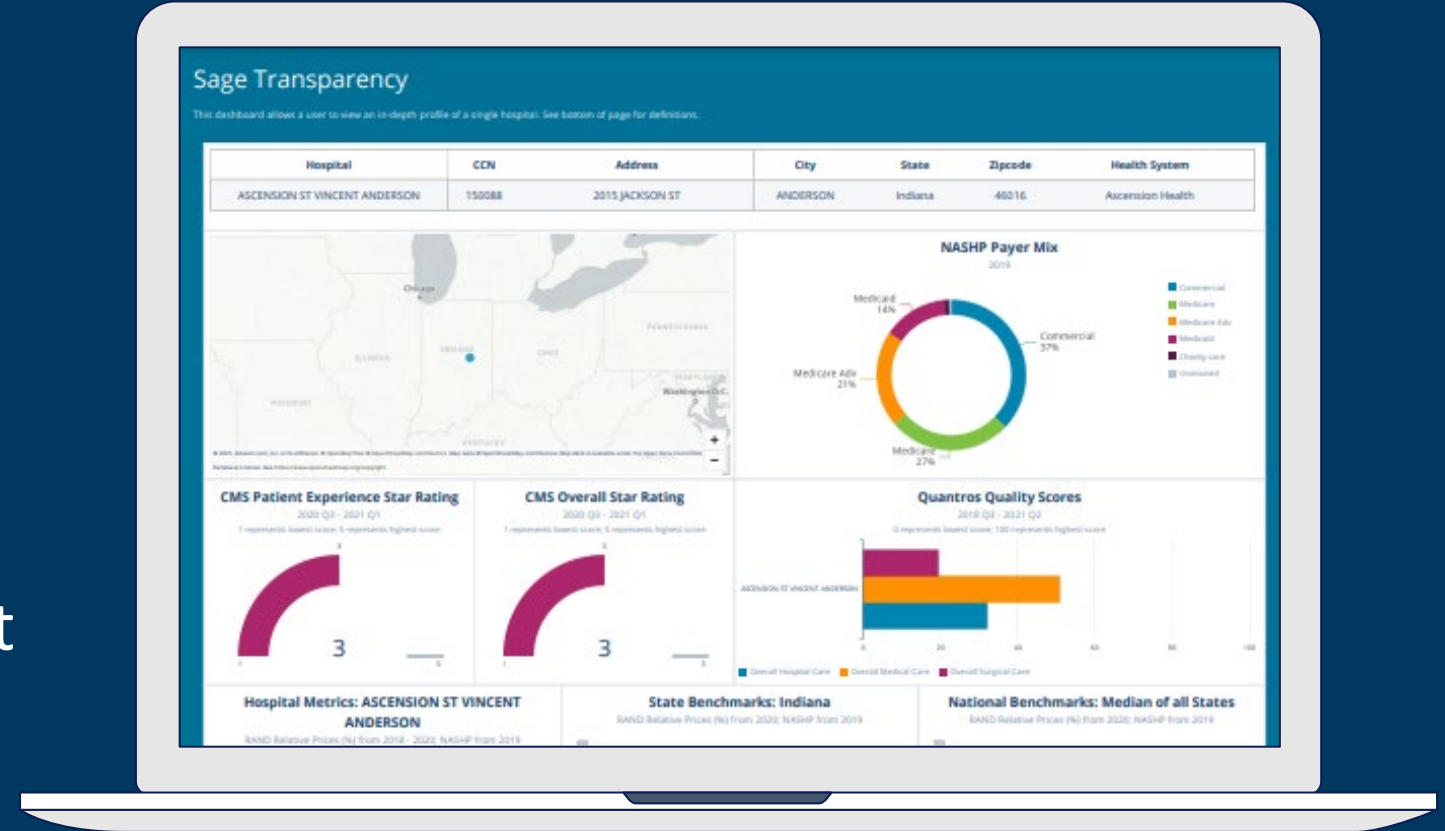
- Beyond Hospital Transparency: Getting to Fair Price: [Link](#)
- Hospital Price Transparency Initiative: [Link](#)
- Published September 2022



DEMO

Sage Transparency

Hospital Price, Quality, and Cost
data: freely & publicly available



JOIN US NEXT TIME

WHAT: Employers' Forum of Indiana All Stakeholder meeting

WHEN: November 3, 2022 from 12:00am - 2:00pm ET
Followed by an informal Networking Session from 2:00 – 3:00pm ET

WHERE: Indiana Landmarks (lunch provided)

RSVP: Agenda and Calendar invite will be sent early October

Agenda: www.employersforumindiana.org

Q & A



THANK YOU!

If you have interest in being part of the solution,
you are welcome to be a member of the Forum.



Gloria Sachdev

gloria@employersforumindiana.org