



Where Do We Go From Here?

Suzanne Delbanco, Ph.D.
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About CPR

An independent non-profit corporation **working to catalyze employers, public purchasers and others** to implement strategies that produce higher-value health care and improve the functioning of the health care marketplace.

- 32BJ Health Fund
- Aircraft Gear Corporation
- Aon
- Arizona Health Care Cost Containment System (Medicaid)
- CalPERS
- Compassion International
- Covered California
- Equity Healthcare LLC
- General Motors
- Group Insurance Commission, MA
- Hilmar Cheese Company, Inc.
- The Home Depot
- Independent Colleges and Universities Benefits Association
- Mercer
- Miami University (Ohio)
- Ohio Medicaid
- OhioPERS
- Pennsylvania Employees Benefit Trust Fund
- Pitney Bowes
- Purdue University
- Qualcomm Incorporated
- San Francisco Health Service System
- Self-Insured Schools of California
- South Carolina Health & Human Services (Medicaid)
- State of Tennessee
- TennCare (Medicaid)
- UNITE HERE HEALTH
- Walmart Inc.
- Washington State Health Care Authority
- Willis Towers Watson

Tackling the Tough Challenges for Purchasers Since 2010

Payment Reform



Price Transparency



Provider Consolidation



Data Access



EDUCATION

- Webinars and virtual summits
- Online education courses
- State of the marketplace reports



TOOLS & SUPPORT

- Toolkits
- Case studies
- Program evaluation
- Product evaluation
- Market assessment



COORDINATION

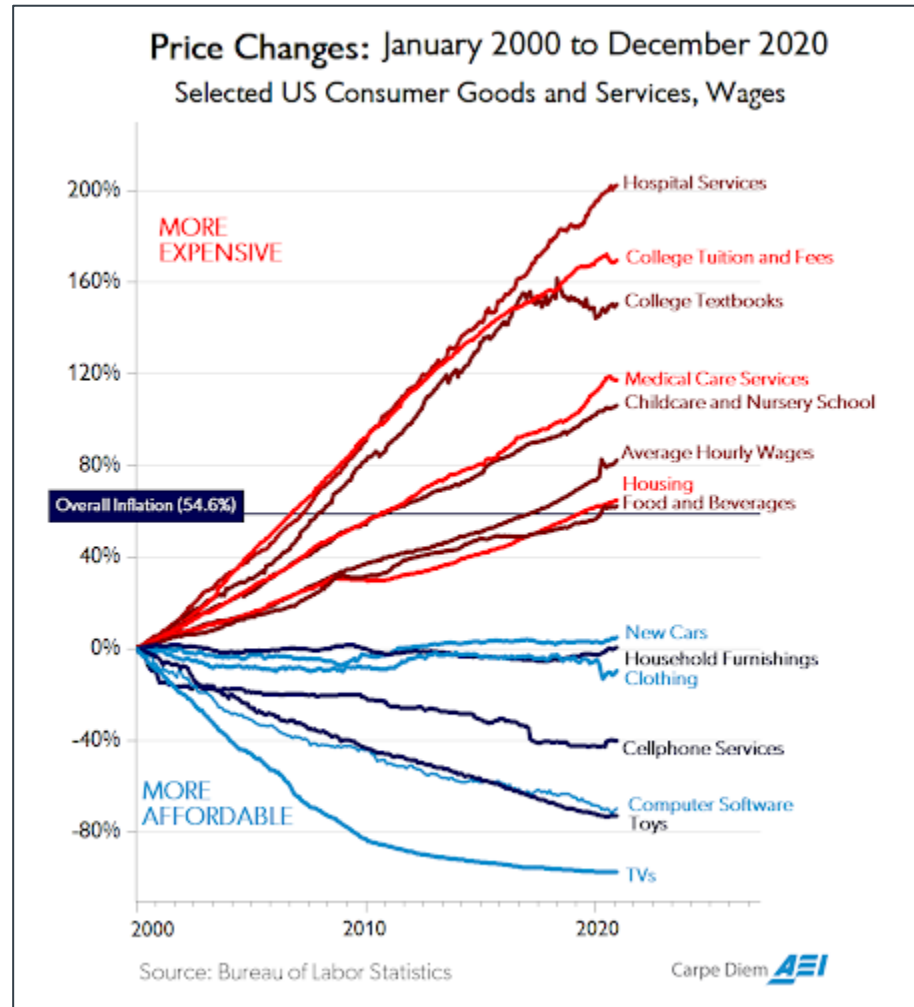
- Shared Agenda
- Health Plan User Groups
- Purchaser collaboratives
- Curbside consulting



RESEARCH & ANALYSIS

- Amicus curiae briefs
- Scorecards on Payment Reform
- State report cards
- White papers

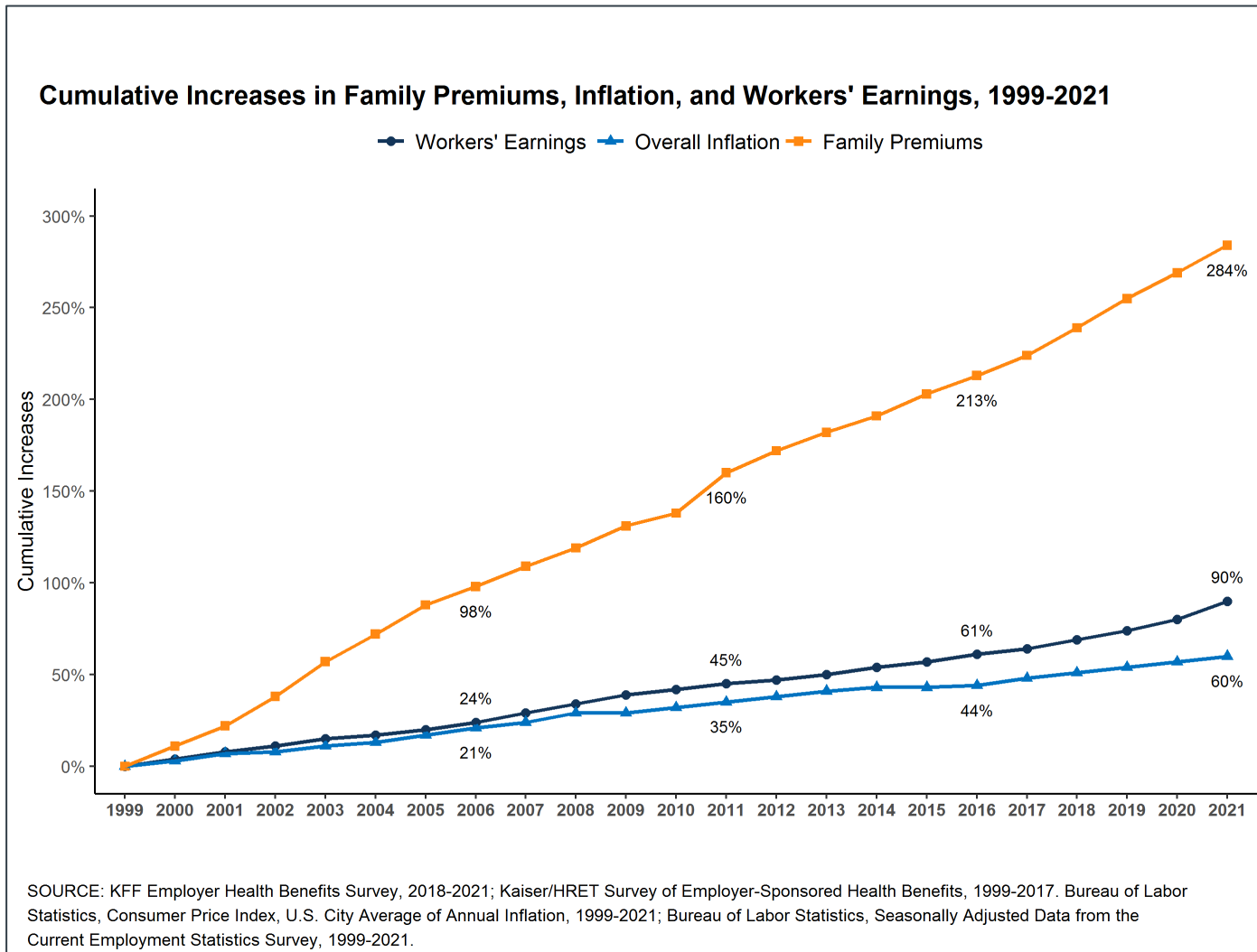
Hospital Prices Have Risen Even More Than College Tuition!



Source: <https://www.aei.org/carpe-diem/chart-of-the-day-or-century-7/#:~:text=During%20the%20most%20recent%202022,and%20for%20average%20hourly%20wages.>

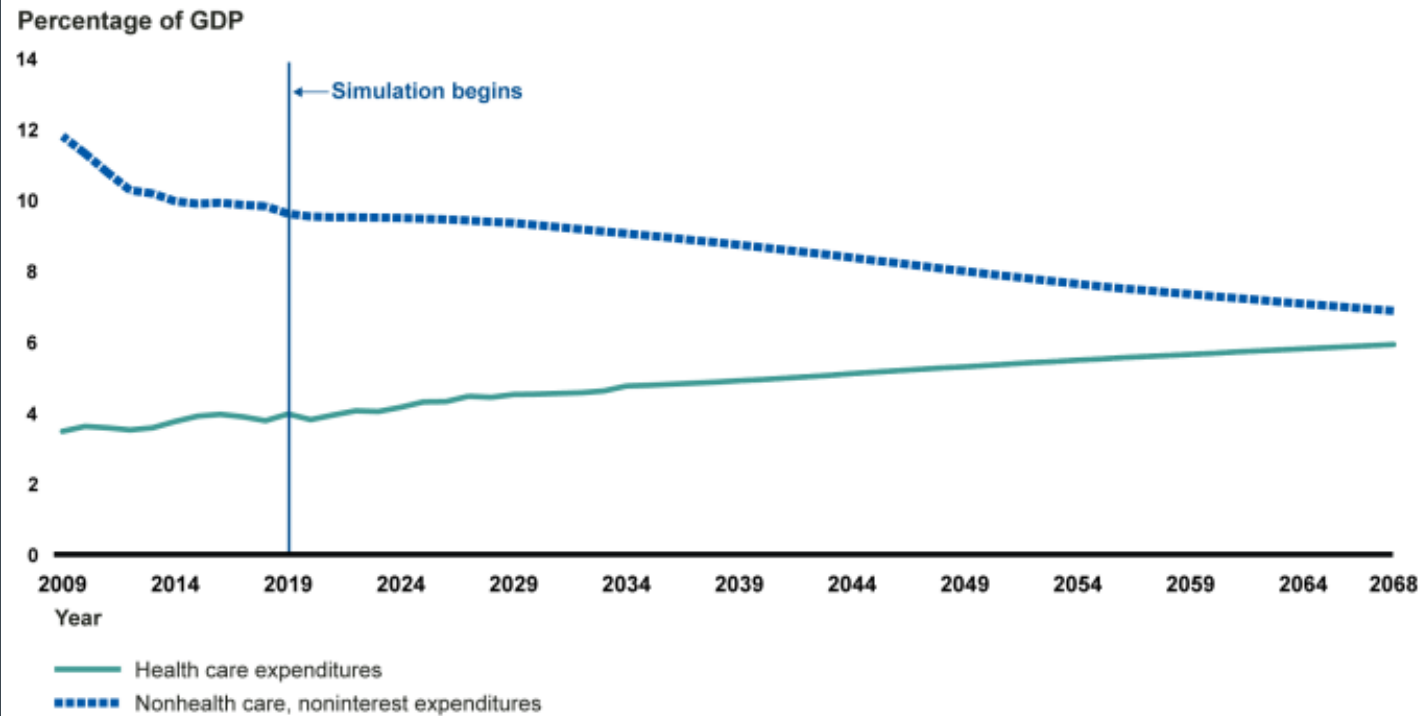
I Gave My Staff Member a Raise and a Pay Cut 2 Weeks Apart

Figure 5



I'm Burned Out on School Bake Sales and [Fill in the Blank]-a-Thons

Figure 4: Health and Nonhealth, Noninterest Expenditures of State and Local Governments as a Percentage of Gross Domestic Product (GDP), 2009 through 2068



Source: GAO analysis of data from the Agency for Healthcare Research and Quality, Bloomberg, Board of Governors of the Federal Reserve System, Board of Trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds, Bureau of Economic Analysis, Bureau of Labor Statistics, Census Bureau, Centers for Medicare & Medicaid Services, Congressional Budget Office, and the Social Security Administration. | GAO-20-269SP

Note: Health expenditures include Medicaid social benefit payments, other social benefit payments for health care, and health benefits for state and local government employees and retirees. Nonhealth, noninterest expenditures include all other operational expenditures other than interest payments.

Source: <https://www.gao.gov/assets/gao-20-269sp.pdf>

Only a Minority of Employer-Purchasers Use Bold Strategies

These approaches have been tried in the commercial market; some have also been implemented by Medicaid agencies.



Photo credit JP Valery

- **Benefit design:** cost sharing, reference pricing
- **Provider network design:** narrow, tiered, high performance networks, center of excellence programs for specific services and procedures
- **Direct contracting** with health care systems
- **Provider payment reform:** Episode-based payment, shared savings, partial capitation to primary care providers, Medicare-based reference pricing
- **Aggregated purchasing**

Bold Strategies Require Transparency and Data



A Purchaser's Bill of Rights: Tenets of Data Stewardship

- 1. Data Ownership & Access:** Self-insured purchasers **own their claims and clinical data** and have the right to **access and share data** with business associates.
- 2. Data Use:** Self-insured purchasers retain the right to **use data to fulfill Plan Fiduciary obligations.**
- 3. Data Timeliness & Accuracy:** Purchasers expect to receive **complete and accurate data delivered on time**, and at a pre-determined frequency.

Commercial Claims Data are Valuable; Not Everyone Wants to Share



- “I can provide you these data, but not this piece with it.”
- “These data are proprietary now that we’ve _____ it.”
- “We can’t share this with ___ because they are a competitor of ours.”
- “That DUA does not cover your request for those data. We’ll need another one.”
- “It will take us _ months to program those data to go to _____.”
- “We’ll look into why you only received _% of the data and why it’s inconsistent”

CPR Offers Free Tools for Purchasers to Reclaim Data

ROAD MAP FOR 2023



Unfortunately, your own claims data can only tell you so much...

Most purchasers don't generate enough data from their own plan members to create a full picture of the provider landscape. But opening the "data aperture" takes elbow grease...

Narrowest
Lens



*Purchaser's
individual claims
data*

REQUIREMENTS:

Commitment from health plan or TPA to provide



*RAND Hospital
Price Transparency
Database*

REQUIREMENTS:

Above + willingness from other self-insured purchasers to supply data



*All Payer Claims
Database (APCD)*

REQUIREMENTS:

Above + government legislation to build, maintain and provide access

Broadest
Lens

How do we Further Level the Playing Field?

If transparency isn't enough because hospitals are un-shamable... and even though many reflexively reject regulation as a solution...







Photo credit: Markus Spiske

Key policies could help level the playing field, enhance competition on the right things (e.g. quality) and contain prices.

Some examples include:

- Massachusetts ban on anti-tiering/steering provisions in provider contracts as well as “most favored nation” clauses
- Rhode Island caps on increases in the prices health plans pay providers

Four-Course Policy Menu – Robust Eaters Select ≥One from Each Course

 Ban/Punish Bad Behavior	 Prevent (further) Erosion of Competition	 Regulate Costs and Prices	 Build Oversight Infrastructure
<p>Ban anticompetitive contracting practice, such as:</p> <ul style="list-style-type: none">• Anti-tiering/steering• “All or nothing”• Gag Clauses• Exclusive Contracting• Non-Compete Clauses	<ul style="list-style-type: none">• Horizontal and vertical merger notification• Horizontal and vertical merger approval• Public option	<ul style="list-style-type: none">• Cap OON prices at Medicare multiple• Health plan rate notification• Caps on State EE Health Plan prices• Cap provider prices and/or price increases• Cap insurance premium rates and/or rate increases• Global budgets	<ul style="list-style-type: none">• All Payer Claims Database + staffing and resources to administer• Independent Health Care Cost Commission + staffing and resources

THANK YOU

Suzanne Delbanco, Ph.D.
Executive Director
sdelbanco@catalyze.org