

Transparency

Background: The Commission explored whether price transparency would serve to reduce health care costs. Some literature reviewed by the Commission (will identify/ list sources) reflects that increased transparency of provider costs, when the information is made available in a publically accessible format, results in lower pricing by providers whose charges are significantly higher than the norm. Additionally, when data is made available to primary care providers at the point of care combined with a value-based payment, it has been shown to result in lower spending and higher quality. It was also clear from the literature that consumer behavior with respect to health care is not driven solely or even principally by cost, but by a number of considerations, including the recommendation of their providers, where they may receive in network care, and convenience. Without information about quality, and without clear, meaningful, and accessible information generally not currently available, price transparency has not had a significant effect to-date on patient behavior. The Commission acknowledged that for transparency to benefit consumers, information about health care costs must be presented in a place and form that is accessible and understandable - especially as consumers continue to assume more financial responsibility in the cost of their care.

Potential Recommendations:

- Create more transparent and publicly available data with a focus primarily around facilities and providers’ prices using resources including but not limited to APCD. Data should be timely and regularly updated for the public.
- Transparency should include quality, price, and a choice of options that are available - a system that helps people and payers make choices based on clinical outcomes as well as price.
- The Commission supports the work of the APCD and feels that the data it will provide can help guide the discussion around cost going forward
- Provide data to providers and clinicians at point of service.
- Support a statewide total cost of care initiative (payments) to get an understanding of state costs relative to others.
- A patient understands patient responsibility and accountability, and options as it relates to cost and care especially as it relates to balance billing. If patient has a significant financial requirement or if the patient controls where money goes, transparency is important and impacts their decision making (virtually all cash, direct pay, and concierge practices publish their prices).
- Transparency is beneficial to more than consumers, important to payers as well to understand similar provider groups and how they render services, and have a consistent metric for pricing.
- The Commission recognized the importance of price transparency as it relates to pharmaceuticals.

Parking Lots Items:

- This warrants more attention, including an advisory committee dedicated to the topic of transparency. Important to get the on-the-ground sentiment related to this topic.
- Strengthen the state’s ability to provide Explanation of Benefits (EOB) to clients when they incur a charge to identify potential provider fraud.
- Align with value based payment efforts (needs to be defined). Develop a shared common understanding of quality

	<p>versus cost (metric), to be a better purchaser.</p> <ul style="list-style-type: none"> • Disclosure and the publishing of fees/ taxes imposed on providers.
<p>Workforce</p>	<p>Background: The Commission explored what role workforce played in the cost of care. Some literature reviewed by the Commission (will identify/ list sources) indicates that many health care professionals are not performing work reflecting the fullest extent of their education and training largely due to the various regulations and restrictions. The time that a physician spends performing a task that a nurse practitioner (NP), physician assistant (PA), physical therapist (PT), pharmacist, or other health professional is qualified to perform unnecessarily drives up health care costs. Data indicated that the lack of accessible primary care professionals or the lack of primary care professionals willing to accept publically insured patients may drive patients to seek specialists for the delivery of primary care services or drive patients to seek emergency health services for routine care. A 2012 study found that two in five American adults receive primary care services from specialists.¹ <i>Additionally, research suggests that the increased availability of specialists lead to higher costs.</i> Studies have shown that health care spending is higher in regions with a larger proportion of physician specialists. A career in specialty medicine, such as orthopedics or dermatology, requires more education but leads to greater financial rewards over the long term. The promise of substantially higher income, which also increases ability to pay off their student loan debts, creates an incentive for medical students to pursue specialty care. In addition, Colorado developed a Health Workforce Development Strategy reflective of voices from more than 100 individuals representing more than 50 separate organizations from a myriad of disciplines and areas of expertise.</p> <p>Potential Recommendations:</p> <ul style="list-style-type: none"> • Support and allow people to have meaningful access to primary care. Including but not limited to: <ul style="list-style-type: none"> ○ Support health care professionals to be able to practice at the top of their scope of practice. ○ Improve the supply and practice of nonprofessional individuals such as community health workers and other community members that can support efficient and cost effective community based delivery models. • Develop a workforce policy body that aligns state efforts, data sets, and assesses community needs to assess workforce needs on-going. • Revise federal Graduate Medical Education (GME) programs rules and regulations. <ul style="list-style-type: none"> ○ Seek additional slots in training programs in areas of CO workforce need. ○ Seek flexibility in GME requirements, especially in primary care, rural, and underserved training programs. • Investigate pathways to assist health care professionals seeking to re-enter the CO workforce and for those that are foreign trained. • Promote and support health care providers practicing in identified rural and underserved areas by increasing funding, eligibility, and policies for efforts that reduce debt load for those willing to serve in these areas including but not limited to the Colorado Health Service Corps. <p>Parking Lots Items:</p> <ul style="list-style-type: none"> • Evaluate the adequacy of reimbursement for primary care and how that impacts access.

	<ul style="list-style-type: none"> • Fund primary care adequately (incentives). • Continue the Medicaid primary care provider bump in reimbursement rates. • Align workforce efforts with value based payment efforts.
<p>Payment and Delivery Reform</p>	<p>The Commission explored the role payment and delivery reform plays in reducing the cost of care. The State of Colorado employees and commercial employers, in their capacities as payers and purchasers, have a key role to play in shifting to payment structures that reward high quality care and reduce the volume incentives inherent in fee-for-service reimbursement. Experimentation in these sectors should be encouraged. Simultaneously, it is also important to understand the traditional capitation (as applied in the late 1980’s) may also not be the answer. Payment reform, particularly when multiple payers work together, offers the potential not only for promoting value in health care but also for supporting new delivery models that better integrate providers and services and increase their accountability for defined populations. There are many new forms of payment emerging today and these each need to be studied as potentials ways to better align payment and continuity of quality care. At this point no one, single approach appears to be ideal. We expect these multiple approaches to morph, over time.</p> <p>Recommendations:</p> <ul style="list-style-type: none"> • Adopt bundled methodologies as appropriate in Medicaid and the State’s employees’ purchase of certain procedures and conditions. • Encourage experimentation with new forms of pricing and reimbursement in arenas such as: <ul style="list-style-type: none"> ○ Use of reference pricing in Medicaid and/or for the State’s employees ○ Further expansion of Bundled payment in PERA • Expansion of PRIME contract to other RCCO regions based on the success on the Western Slope. • Adoption of VBID (Value Based Insurance Design) approach to benefit design for the State’s employees, e.g., high value services with low or no copay, lower value services with higher copays.
	<p>Parking Lots Items:</p> <ul style="list-style-type: none"> • Assessment of the various types of evolving reimbursement models
<p>Market Competitiveness</p>	<p>Recommendations:</p> <ul style="list-style-type: none"> • <p>Parking Lots Items:</p> <ul style="list-style-type: none"> •
<p>Social Determinants of Health, Environmental Justice</p>	<p>Recommendations:</p> <ul style="list-style-type: none"> • <p>Parking Lots Items:</p> <ul style="list-style-type: none"> •
<p>Regulatory Costs</p>	<p>Recommendations:</p> <ul style="list-style-type: none"> •

	Parking Lots Items: <ul style="list-style-type: none"> •
Administrative Costs	Recommendations: <ul style="list-style-type: none"> •
	Parking Lots Items: <ul style="list-style-type: none"> •
Technology	Recommendations: <ul style="list-style-type: none"> •
	Parking Lots Items: <ul style="list-style-type: none"> •
Incentive Mechanisms	Recommendations: <ul style="list-style-type: none"> •
	Parking Lots Items: <ul style="list-style-type: none"> •
Other topics	

ⁱ Kale, M.S., et al. "Visits for Primary Care Services to Primary Care and Specialty Care Physicians, 1999 and 2007." *Archives of Internal Medicine*. August 2012.