Health Care Price Visibility Project

Background and Invitation: On October 25, 2014 the NPA held a multi-stakeholder strategy session to identify new opportunities for high impact delivery system reform. More than 30 people opted to focus on the topic of price in health care. They were first divided into 3 groups, each of which spent about an hour developing possible approaches to addressing price issues in health care. Groups were encouraged to use the NPA’s Good Stewardship Project as an example to spur ideas. Each small group then presented its idea(s) to the larger group. A combined concept emerged, with four-phase development needs. We invite you to be part of this new project’s development…

Phase 1: Develop a project name that “captures and attracts”
Several were suggested: Financial Toxicity; Money Matters; First: No Financial Harm; Show Me the Money. An ideal name will capture consumer concerns and nutshell well for the media. Consumers must be part of this brainstorming process, as they are ultimately disadvantaged by a lack of price visibility. Marketing the project will be crucial and the name will set the stage and tone.

Phase 2: Physician financial stewardship: responsibilities to our patients
We assume that it is important for physicians to interact in some way with patients around prices and that facilitating this interaction be part of the project. This makes it vital for physicians to assess the degree of financial vulnerability a patient may be feeling. There was discussion about options for identifying the degree of financial distress patients may be experiencing. Concern was expressed about the difficulty in identifying a tool to do so. Some in group thought that there were validated tools already developed that could be used.

Phase 3: Techniques for price visibility
The project will identify prices of a significant subset of common, elective, and familiar products and services—including drugs, surgeries, hospital services, doctor services—perhaps 50-100 overall. Physician participants could use this data. They could also choose to use their own price data or go to their hospital and ask for a list of the price of 50-100 most common services or they could go to a major insurer. Another possible approach to data collection is to have all data collected by a dedicated analyst or have it drawn from Healthcare Blue Book. Many felt strongly that generating price data for 50-100 products or services could be helpful to the larger community described in Phase 4. Healthcare Blue Book has documented negotiated prices for hundreds of procedures in multiple markets—in most cases the variation in negotiated price is 5 times. In some cases we have physician participants in a health system, hospital, medical group or state that has a price visibility strategy in place. They could evaluate its effectiveness as part of the project.
Phase 4: Promoting policy change
The final phase would be one of knowledge-sharing, regardless of project outcome. For example if 50 physicians tried to facilitate hospital price visibility and none succeeded, this would be powerful information to share with the media, with physician colleagues, and with the legislature. If 10 succeeded it would be big news. Some states do have price visibility efforts underway. Massachusetts mandates insurers, hospitals and doctors notify patients within 48 hours of the price of a requested product or service. Is it working? Oregon insurers claim they all have web tools that provide real time information about price and level of benefits. How well do they really work? Project data will ultimately be shared with the public and used to pressure hospitals to guarantee price visibility.

Goals:
1. Develop a 2-page description of a price visibility proposal by the end of January 2015. The proposal will describe pilot implementation of price visibility strategies and/or evaluation of such strategies already implemented
2. Assess interest in and commitment by NPA members to participate in such a project.
3. Submit proposal for funding
4. Complete the project to stimulate and guide next efforts in price visibility

Higher level questions the project would seek to answer:
1. Is price visibility valuable/feasible at the physician/patient level?
2. If so, what are its outcomes?
3. Are any existing price visibility efforts working at the physician/patient level?
4. Can this project identify dysfunctional markets in which price visibility is not present and clarify the harms that result?

How YOU Can Get Involved:

1. Send your thoughts! We would like to receive your initial input by December 9th. Above, we have outlined the ideas surfaced in October’s group-work, but you may have other suggestions on this topic. Now is the time to share your ideas.

2. Join the proposal-writing group.

3. If you are not interested in the proposal-writing group but may be interested in participating in the project, please let us know.

To share your thoughts and availability for this project, please email Dr. John Santa at john.santa@npalliance.net