



Connect.  
Collaborate.  
Colorado-style.



# The New Health Care Consumer

*Engaging Consumers in Decision-Making*

**Amy Downs**

December 5, 2014



# Three Takeaways

- Consumers have more choices regarding their health insurance and care.
- Consumers need transparent information and options to make decisions that maximize value.
- We are still learning how to engage consumers in health care and coverage decisions.

# The Road to Engagement

**Engagement**



**Comprehension**



**Transparency**



A young child with dark hair, wearing a red t-shirt and grey pants, is lying on their back on the dusty ground. They are propped up on their elbows, looking towards the right. A clear plastic water bottle is on the ground near their feet. In the background, there is a rustic building constructed from stacked stones with a wooden door and a window. The building is situated in a flat, arid desert landscape under a clear blue sky. The ground is dry and dusty with scattered rocks.

# Hitting Rock Bottom in Bolivia



# The New Retail Market

## Traditional Market

Limited platform  
for comparison

Passive employers, price  
insulated employees

Defined benefit

Disruptive for employers  
to switch plans

Lower deductibles

Broad provider networks

## Retail Market

Creation of exchanges  
for comparison

Greater employer engagement,  
price sensitive employees

Defined contribution

Individuals can switch plans  
seamlessly

Higher deductibles

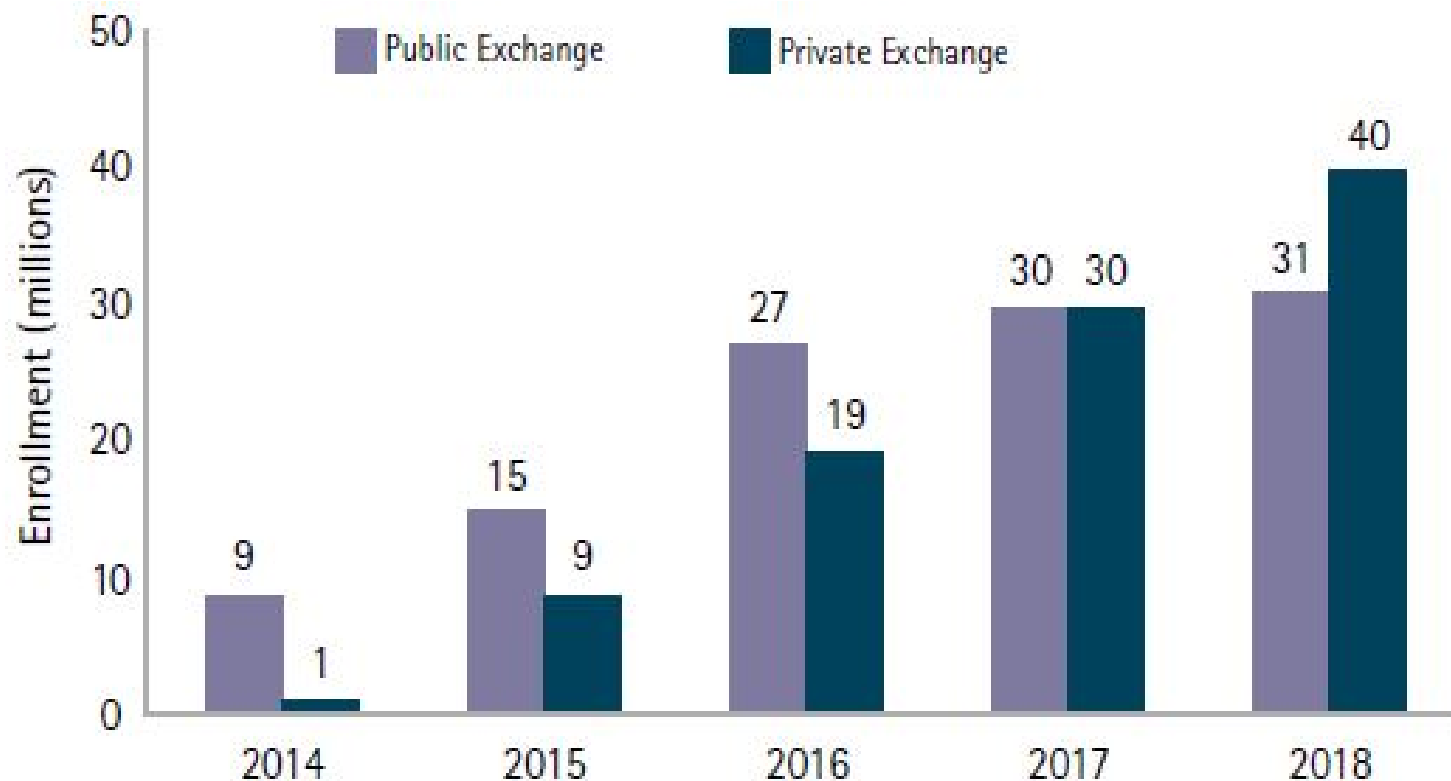
Narrow provider networks

Trend #1:

# From Limited to Expanded Tools for Comparison



# Exchange Projections: 71 Million People By 2018

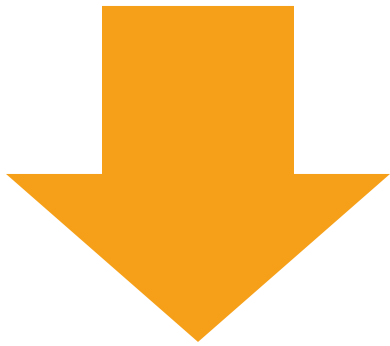


SOURCES: Congressional Budget Office, Accenture



Trend #2:

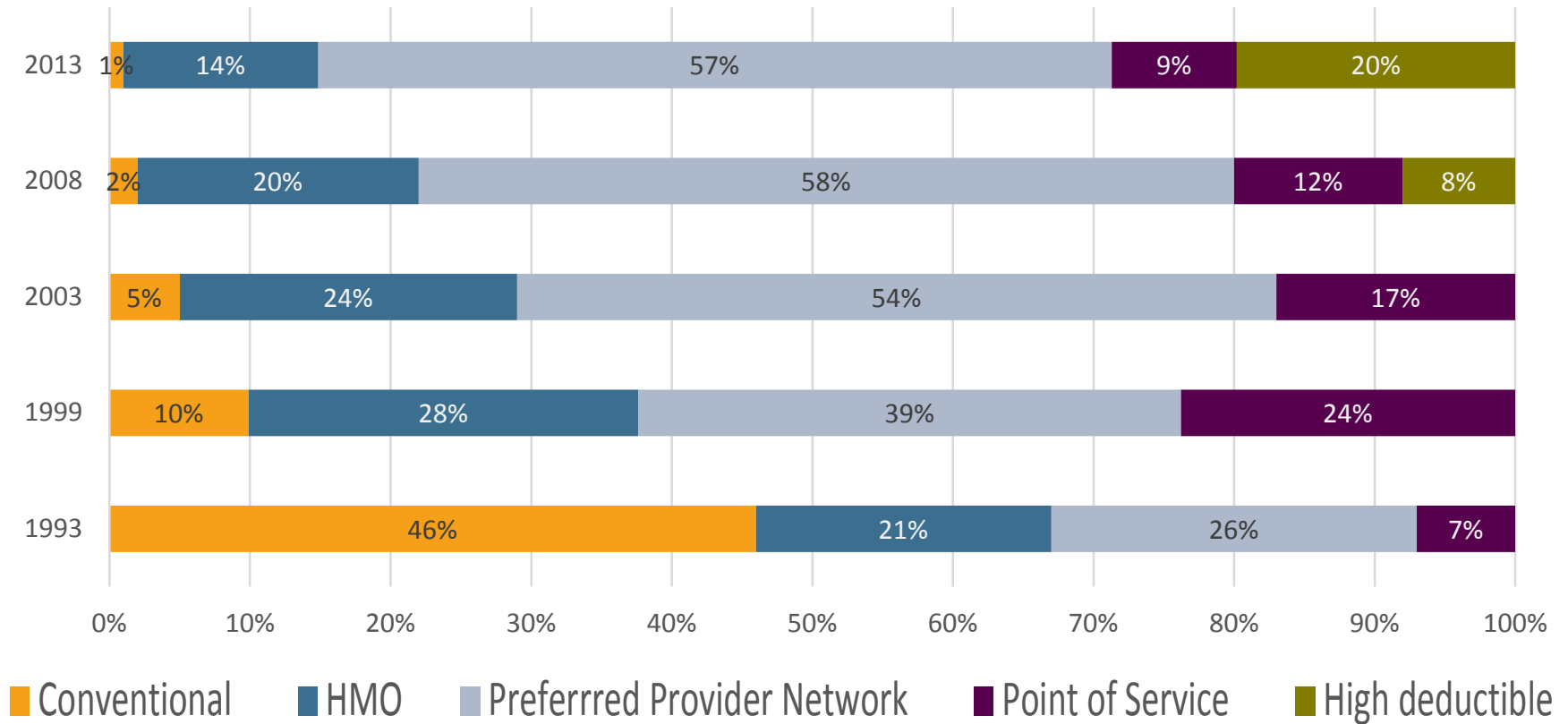
## From Defined Benefit to Defined Contribution



## Trend #3:

# From Price-Insulated to Price-Sensitive Employees

Enrollment by Insurance Plan Type, U.S., 1993-2013



Trend #4:

## From Broad to Narrow Networks



# Are Consumers Ready?

72%

of retail healthcare consumers are most concerned about affordability



less than 30%

are willing to change care settings or doctors to save costs



SOURCE: 2012 Accenture Healthcare Consumer Survey

# Transparency is the First Step, But It's Not Engagement



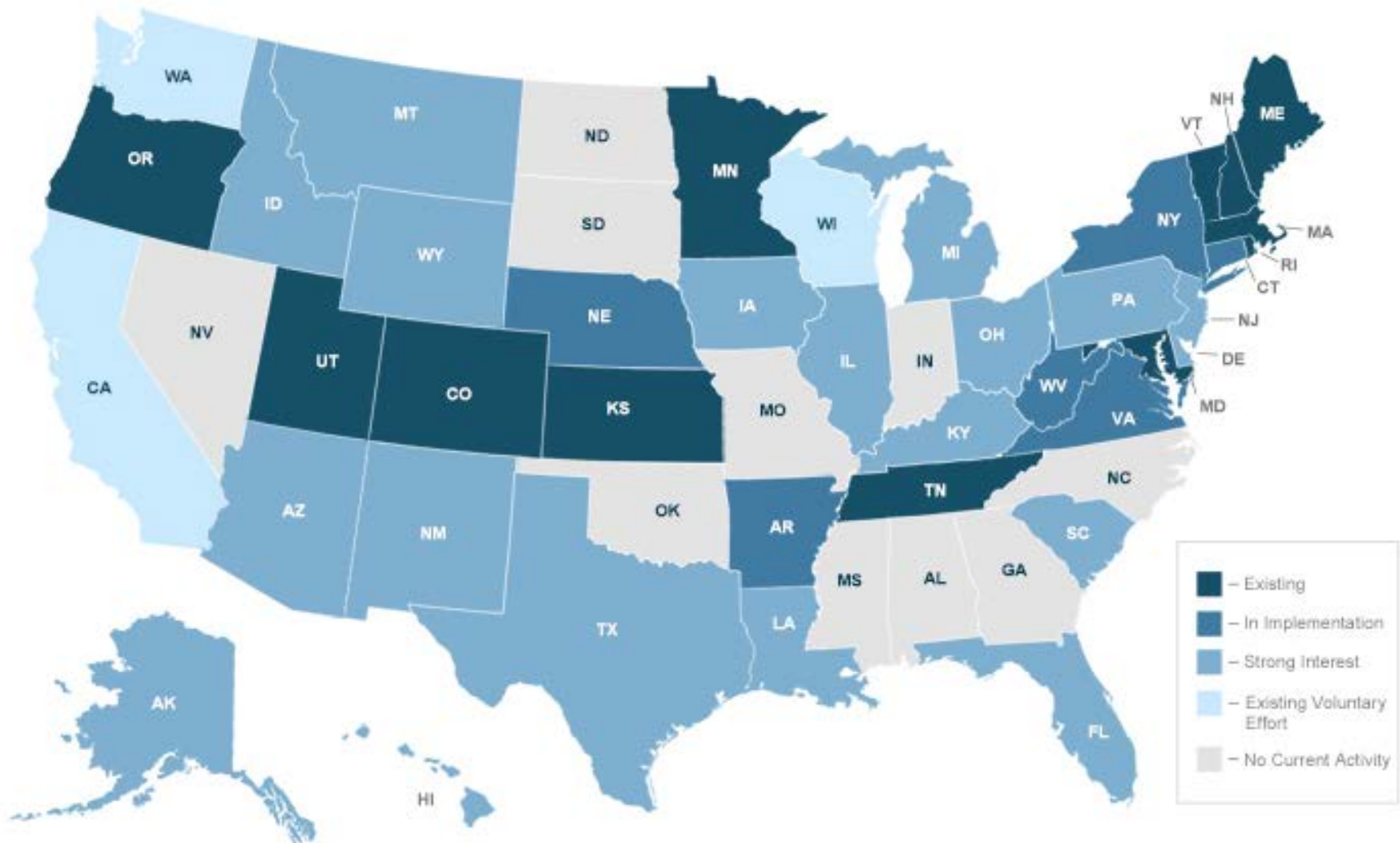
SOURCE: 2012 Accenture Healthcare Consumer Survey



# National Market is Betting on a Big Payoff



# A National Trend: All Payer Claims Databases



**HCCI**

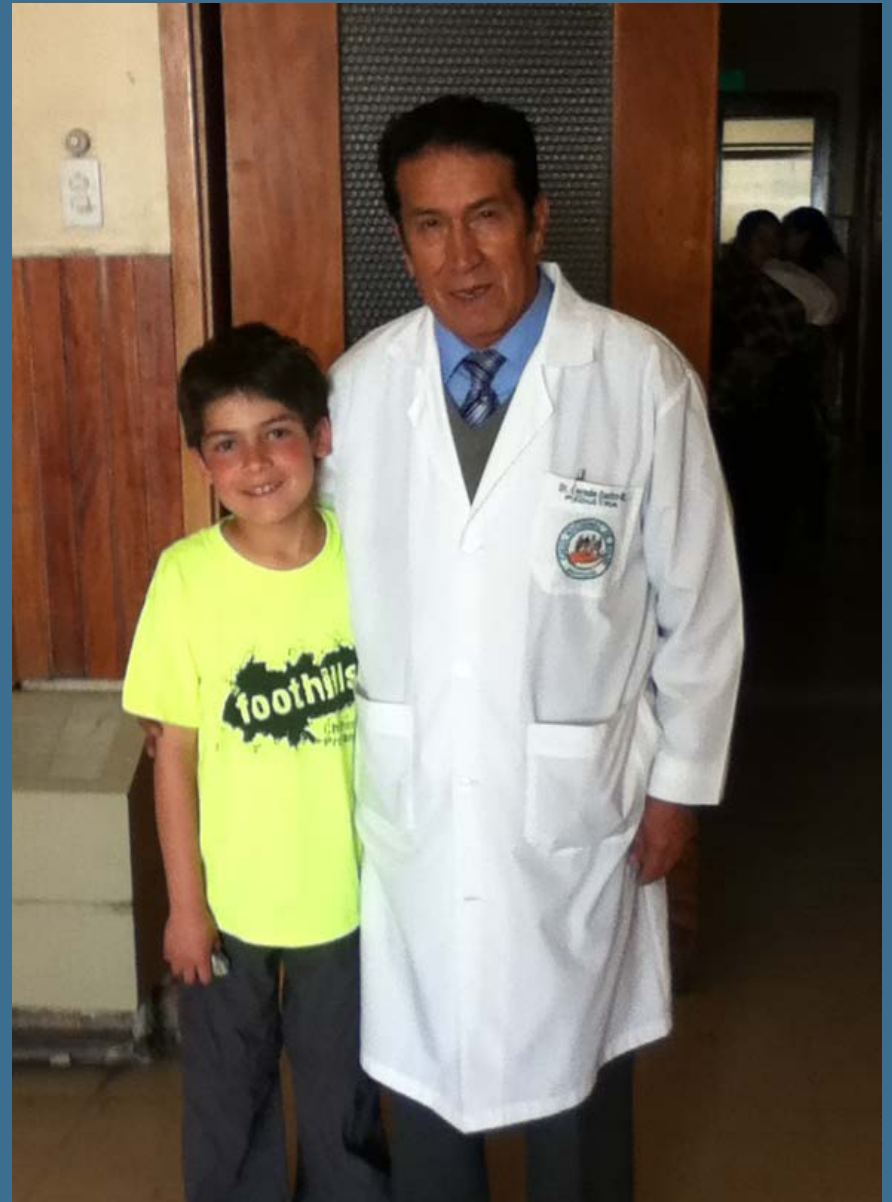
**HEALTH CARE COST  
INSTITUTE**

# How Much was Nathaniel's Hospital Bill?

A. \$10 ←

B. \$150

C. \$1,000



# Three Takeaways

- Consumers have more choices regarding their health insurance and care.
- Consumers need transparent information and options to make decisions that maximize value.
- We are still learning how to engage consumers in health care and coverage decisions.





Amy Downs

(720) 382-7091 [downsa@coloradohealthinstitute.org](mailto:downsa@coloradohealthinstitute.org)



 #HIHC14



CENTER FOR IMPROVING  
**VALUE** IN HEALTH CARE

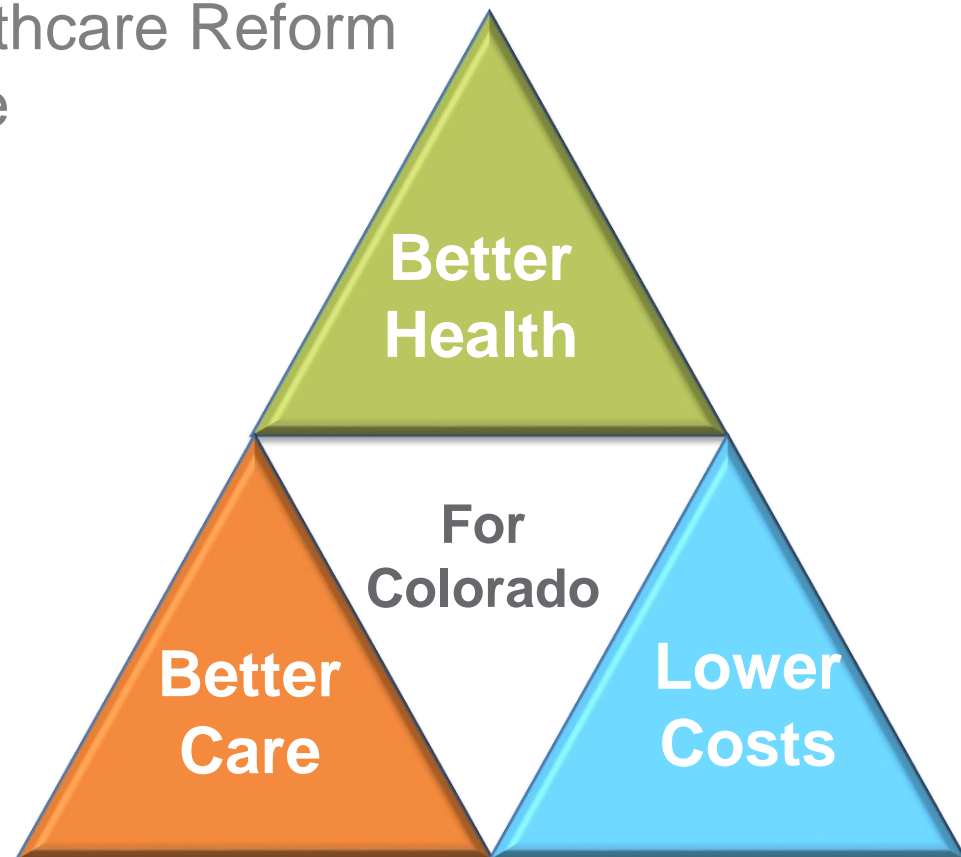
# The New Health Care Consumer: Engaging Consumers In Decision- Making

Hot Issues in Health Care  
April 11, 2014

Higher Quality. Lower Cost. A Healthier Colorado.

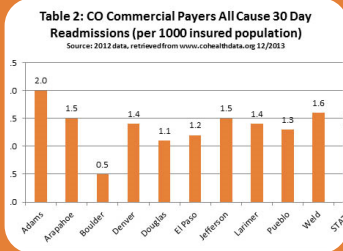
## Who We Are

- Non-profit, non-partisan organization
- Founded through recommendation of Blue Ribbon Commission on Healthcare Reform and Governor's office
- Triple Aim Mission:



# How We Do It

## DATA



- We administer the Colorado All Payer Claims Database, the state’s most **comprehensive source** of health care cost, quality and utilization claims data.



## CONSULTING

- We **unlock information and insights** that guide how health care gets delivered, used and paid for.



## CONNECTING

- We **bring together** organizations and individuals who share our cause, to **design and drive collective change**.

# Who We Do It For





# The APCD... is here and its available

*So...*

*how do we collectively make  
the best use of it to effect  
positive health care change?*

# By making it accessible!

*(As long as it is appropriate, efficient, value-added,  
and within privacy/security guidelines)*

# Why an All Payer Claims Database?

Consumers...



*“How much will my knee MRI cost and what are my best options?”*

Clinicians and Facilities...



*“How do I compare to my peers and demonstrate value?”*

Businesses...



*“Which health plan provides the best value providers for our premium?”*

Legislators and Policy Experts...



*“How do spending and utilization compare between regions?”*

# Basic Categories of APCD Uses

- Free public site with aggregated county/state-level data
  - Of interest to policymakers, researchers, communities
- Free public site with comparative price/quality info
  - Of interest to consumers, employer purchasers, payers
- Non-public datasets and custom reports
  - Of interest to providers, purchasers, researchers, policymakers

## Find Prices for Medical Services

Search for comprehensive prices for select hospital-based services.

- Step 1  
Service
- Step 2  
Location
- Step 3  
Insurance

Your selected search criteria will appear here.

### Select a Medical Service

What type of service are you searching for?

Maternity Care ▼ i

Cesarean Birth ▼

- Cesarean Birth
- Vaginal Birth

Next

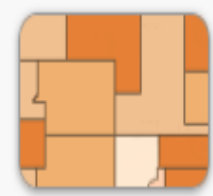
## Find Costs and Utilization by Geography

Search for health care costs and utilization of services by county and ZIP Code 3.

Choose one of the most viewed selections.

- Total Cost of Care (TCC)
- TCC Compared to Expected (C2E)
- Percent Generic Scripts
- 30 Day All Cause Readmissions (per population)
- ER Visits
- Diabetes Prevalence
- Asthma Prevalence
- Illness Burden

**Total Cost of Care**  
 represents the total dollars paid for all health care services received by an individual such as hospital, clinic, physician visits, and prescription costs. Amounts paid by both the insurer and by the individual in the form of copays, deductibles and other cost sharing mechanisms are included. The results are displayed as a total dollars per person for the year. The rate represents the population living in that geography, not where the services were received.



County	2014	2015	2016
Adams	11,147	11,147	11,147
Alamosa	11,147	11,147	11,147
Arapahoe	11,147	11,147	11,147
Aspen	11,147	11,147	11,147
Boulder	11,147	11,147	11,147
Chaffee	11,147	11,147	11,147
Clear Fork	11,147	11,147	11,147
Costilla	11,147	11,147	11,147
Crow	11,147	11,147	11,147
Delta	11,147	11,147	11,147
Douglas	11,147	11,147	11,147
El Paso	11,147	11,147	11,147
Fremont	11,147	11,147	11,147
Garfield	11,147	11,147	11,147
Gunnison	11,147	11,147	11,147
Huerfano	11,147	11,147	11,147
Jefferson	11,147	11,147	11,147
Kit Carson	11,147	11,147	11,147
Kit Carson	11,147	11,147	11,147
La Plata	11,147	11,147	11,147
Larimer	11,147	11,147	11,147
Lincoln	11,147	11,147	11,147
Logan	11,147	11,147	11,147
Mesa	11,147	11,147	11,147
Mineral	11,147	11,147	11,147
Monte Vista	11,147	11,147	11,147
Morgan	11,147	11,147	11,147
Niagara	11,147	11,147	11,147
Ouray	11,147	11,147	11,147
Park	11,147	11,147	11,147
Pueblo	11,147	11,147	11,147
Rocky Mountain	11,147	11,147	11,147
Saguache	11,147	11,147	11,147
Seminole	11,147	11,147	11,147
Silver	11,147	11,147	11,147
Snow	11,147	11,147	11,147
Teller	11,147	11,147	11,147
Weld	11,147	11,147	11,147
Windsor	11,147	11,147	11,147

View Map

View Report

View all [Maps](#) or [Reports](#)

[Maps](#) | [Reports](#) | [Resources](#)

### Filter the Claims Data:

Select criteria below to filter the data from the APCD.

Type of healthcare metric:

[What's this?](#)

Type of payer data:

[What's this?](#)

Show data for:

2009 2010 2011 2012

View by:

[What's this?](#)

Show metric as:

 Actual value  
 % change from previous year

### Display Results:

Select how you would like the results displayed.

[Map](#) | [Data Sheet](#)

Click on up to three areas on the Map below, for detailed reporting.

[Export](#)

### Counties selected for reports:

No areas selected.

[Create Report](#)

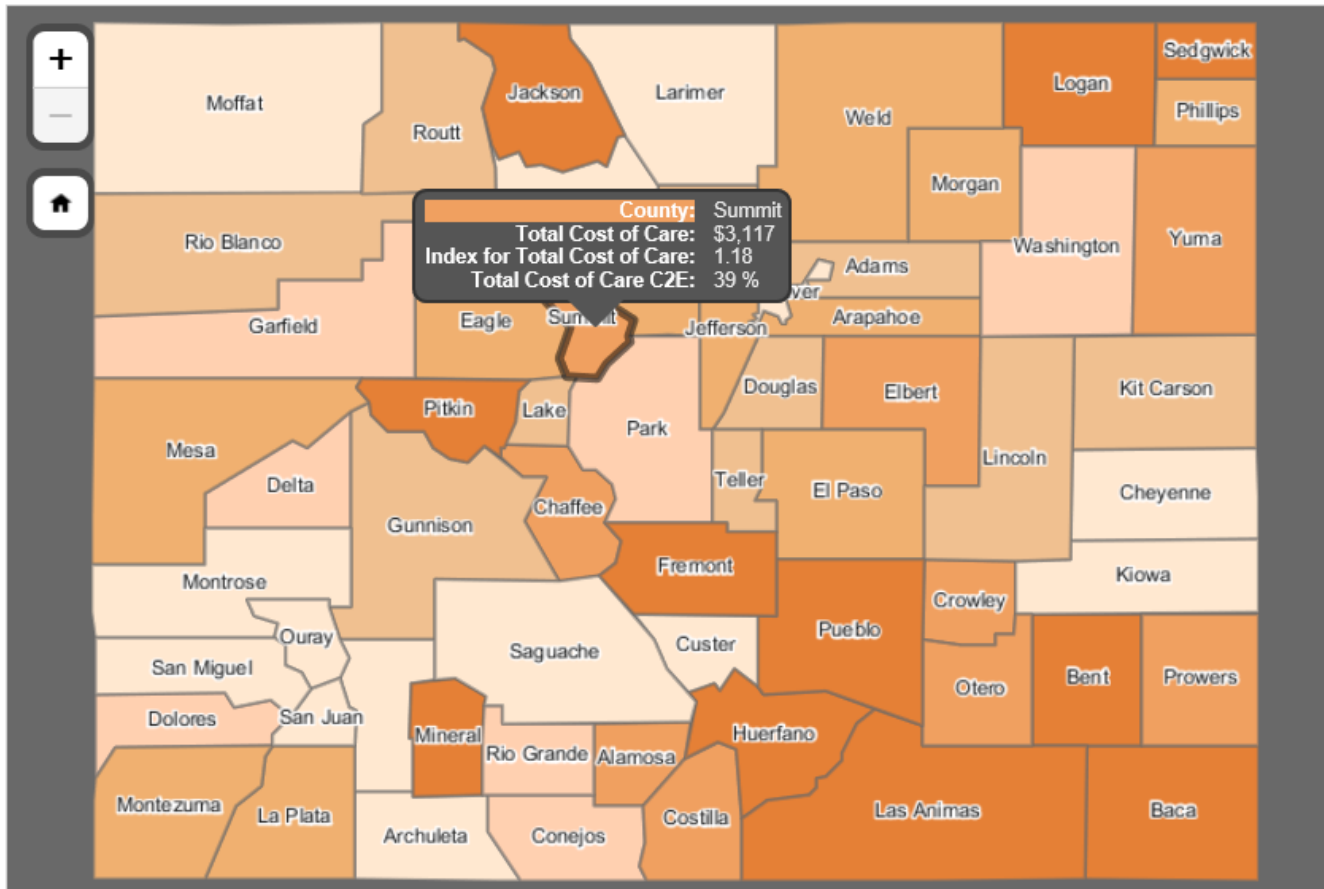
### Help

- [All Current Payers](#)
- [Compared to Expected \(C2E\)](#)
- [Completeness Score \(C-score\)](#)
- [County Index](#)
- [Total Cost of Care \(TCC\)](#)

### Legend

**Total Cost of Care  
Dollars Per Person Per Year**

- Less than \$2,400
- \$2,400 to \$2,600
- \$2,600 to \$2,800
- \$2,800 to \$3,000
- \$3,000 to \$3,500**
- Greater than \$3,500
- No Data





## Filter the Claims Data:

Select criteria below to filter the data from the APCD.

Type of healthcare metric:  
*not applicable for reports*

Type of payer data:  
  
[What's this?](#)

Show data for:

## Display Results:

Select how you would like the results displayed.

View by:  
  
[What's this?](#)

Selected Areas :

## Report

Category:

[Total Cost of Care](#)  
[Total Cost of Care Trend Graph](#)

## Snapshot Reports

[Total Imaging Services](#)  
[High Cost Imaging Services](#)

## Report Filters

Comparative

## Total Cost of Care

	Denver		Eagle		Summit		State
	C4		C2		C2		C2
Completeness Score							
Illness Burden Score	0.75		0.69		0.74		0.78
	Actual	C2E Dollars	Actual	C2E Dollars	Actual	C2E Dollars	Actual
▼ Dollars Paid Per Person Per Year							
Total Cost of Care	\$2,383	3%	\$3,728	90%	\$3,834	73%	\$2,700
Inpatient Facility Cost	\$369	9%	\$696	138%	\$786	124%	\$490
Outpatient Facility Cost	\$573	2%	\$1,142	126%	\$1,017	78%	\$709
ER Facility Cost (subset of Outpatient Cost)	\$164	6%	\$136	4%	\$192	39%	\$157
Professional Cost	\$786	7%	\$1,390	109%	\$1,541	109%	\$881
Ancillary Cost	\$113	23%	\$113	40%	\$107	14%	\$112
Rx Cost	\$542	-8%	\$387	-10%	\$382	-20%	\$508
% Generic	30%	1%	31%	-5%	30%	-9%	31%
▼ Dollars Paid Per Person Per Year by Gender/Age							
Female	\$2,717	3%	\$3,767	70%	\$4,286	56%	\$3,010
1 - Child (0-17)	\$1,466	11%	\$1,734	43%	\$2,097	2%	\$1,380
2 - Young adult (18 - 34)	\$2,279	5%	\$3,040	63%	\$4,037	76%	\$2,478
3 - Mature adult (35 - 64)	\$3,512	1%	\$4,922	77%	\$5,064	58%	\$3,957
Male	\$2,037	4%	\$3,697	115%	\$3,437	95%	\$2,381
1 - Child (0-17)	\$1,805	16%	\$1,662	28%	\$2,815	72%	\$1,693

A pound sign [#] indicates that the data for this metric is not currently available.  
 A dash [-] indicates that the index was not calculated due to suppression of the value.



# Importance of Price Transparency for Consumers

What if you knew how much  
health care services actually  
COST?



# Initial Release CO Medical Price Compare

- Started with elective hospital procedures
- Price/Quality information for four inpatient services:
  - Vaginal Birth
  - Cesarean Birth
  - Hip Replacement
  - Knee Replacement

## Find Prices for Medical Services

Search for comprehensive prices for select hospital-based services.

**Step 1**  
Service


Step 2  
Location

Step 3  
Insurance

Your selected search criteria will appear here.

### Select a Medical Service

What type of service are you searching for?

Select a Category... 

Next

## Find Costs and Utilization by Geography

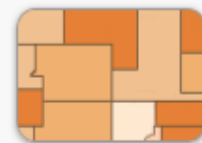
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### Total Cost of Care

represents the total dollars paid for all health care services received by an individual such as hospital, clinic, physician visits, and prescription costs. Amounts paid by both the insurer and by the individual in the form of copays, deductibles and other cost sharing mechanisms are included. The results are displayed as a total dollars per person for the year. The rate represents the population living in that geography, not where the services were received.



[View Map](#)



[View Report](#)

[View all Maps or Reports](#)

## How to Use this Website

This website provides transparent price, quality, cost of care and utilization information across Colorado.

## Where Does this Data Come from?

The information on this website comes from claims data submitted to the [Colorado All Payer Claims Database \(APCD\)](#) by health insurance plans. The CO APCD currently

## New Insights & Testimonials

[Letter of Commendation for CO Medical Price Compare](#)

[Start](#) > [Search Results](#)

## Search Criteria

Vaginal Birth; University of Colorado Hospital (80045); Private Insurance

[Search Again](#)

### Vaginal Birth

Note that Saint Joseph Hospital and Good Samaritan prices for private insurance are lower in part due to a high percentage of Kaiser patients which only reflect hospital payments. Additional bills for the provider and other services are not included. To view non-Kaiser prices at these hospitals, see... [Show More](#)

## Search Results

 Display [Facilities](#) within [10 miles](#)
[Hospital Quality](#)
[Patient Perspective](#)

 Display as: [Table](#) | [Map](#)

 Show [10](#) entries

 Search by Name: 

Type	Provider	Distance	Estimated Price	Patient Complexity
Facility	<a href="#">University of Colorado Hospital</a>	0 mi.	\$8,603	Medium
Facility	<a href="#">Kindred Hospital Aurora</a>	1 mi.	**	**
Facility	<a href="#">The Medical Center of Aurora</a>	4 mi.	\$8,151	Medium
Facility	<a href="#">Rose Medical Center</a>	5 mi.	\$8,919	Medium
Facility	<a href="#">Presbyterian/St. Luke's Medical Center</a>	7 mi.	\$7,212	Medium
Facility	<a href="#">Exempla Saint Joseph Hospital</a>	7 mi.	\$5,186	Medium
Facility	<a href="#">Denver Health</a>	8 mi.	**	**
Facility	<a href="#">Porter Adventist Hospital</a>	9 mi.	**	**
Facility	<a href="#">Swedish Medical Center</a>	10 mi.	\$8,047	Medium

Showing 1 to 9 of 9 entries



## Calculate My Estimated Price



Use this calculator to provide an estimate of your price for this service at this facility. Please review the [disclaimer](#).

Deductible

\$ 2500



Coinsurance

20 %



Insurance

Aetna



Calculate

	Estimated Price
Your Contribution	\$3,115
Insurance Contribution	\$2,462

OK

# Hospital Quality Indicator Summary

## Hospital Quality Indicator Summary



Search:

Facility Name	Colon Procedures Surgical Site Infection Rate	Pressure Sore Rate	Post-surgical Blood Clot (DVT) / Lung Artery Clot (PE) Rate	Postoperative Bloodstream Infection (Sepsis) Rate
	Compared to National Average 2011-2012	Compared to State Average 2012	Compared to State Average 2012	Compared to State Average 2012
St. Vincent Hospital	***	***	***	***
Sterling Regional MedCenter	***	Average	Average	Average
Swedish Medical Center	Average	Worse than Average	Worse than Average	Average
The Medical Center of Aurora	Average	Worse than Average	Average	Worse than Average
The Memorial Hospital at Craig	***	Average	Average	***
University of Colorado Hospital	Better than Average	Average	Average	Average
Vail Valley Medical Center	***	Average	Average	Average
Valley View Hospital	***	Average	Average	Average
Wray Community District Hospital	***	Average	Average	***
Yampa Valley Medical Center	***	Average	Average	Average
Yuma District Hospital	***	Average	***	***

## Wide Variation in Prices Exist

- Price Variation is substantial, and not necessarily tied to better outcomes
- Knee Replacement - \$25,000 to \$58,000
- Hip Replacement - \$25,000 to \$36,000
- Uncomplicated Vaginal Birth - \$5,500 - \$11,000
- Cesarean Sections - \$10,000 - \$15,000





# Consumer Focus Group Testing

- Held two Focus Groups prior to release of initial consumer site in July 2014, will conduct more focus groups in 2015
- Lessons Learned:
  - Consumers want as much information as possible and are hungry for information. Quality, cost calculator, illness burden, all important.
  - Terminology is a challenge. Many consumers didn't understand terms like commercial insurance, illness burden, etc. Have to simplify and give lots of explanation.
  - Would like site to be offered in other languages.



## Next Phases (planned for 2015)

- 10-15 more procedures
- Ambulatory Surgery Centers
- Endoscopy Centers
- Free-Standing Diagnostic Facilities
- Physician Group level outpatient services
- Improve functionality, descriptions, search options based on focus group testing

# CO APCD – Sample Non-Public Users/Uses

- GI group: Structure bundled payments
- State Division of Insurance: Informed changes to geographic rating areas
- Consumer advocacy group: Identify lowest negotiated rates at hospitals to inform negotiations for uninsured
- Researchers:
  - Assess cost savings from integrated primary/behavioral health
  - Develop consensus approach to measuring total cost of care in primary care

# Issues/Challenges

- Self-funded data
- Medicare restrictions
- Hospital concerns
- National competition

# Stakeholder Engagement and Governance



- “No surprises” approach to get buy-in/input from stakeholders early and often
- APCD Advisory Committee:
  - Legislative mandate
  - Broad representation
- Data and Transparency Advisory Committee
- Data Release Review Committee
- Stakeholder Groups:
  - CO Hospital Association and Ambulatory Surgery Center Association
  - CO Medical Society, Local Medical and Specialty Societies, Nurses, Community Health Centers
  - Consumer Groups, Policy Shops, etc.
  - State Government Agencies



## Consumer Engagement – next steps



- Additional round of Consumer Focus Groups/Feedback to begin in January 2015
- Reach out to employers, physician groups and other organizations to promote website and make available through their digital sites
- Work with digital development orgs to create apps (e.g. ER visit prices combined with wait times and driving directions) or other tools and resources



# **CIVHC is considered the “model” for other states to follow**



- Quasi Public-Private organization
- Strong Governance Model
- Stakeholder Transparency focus – versus solely for internal state use.
- Public and Non-Public Use
- Sustainability Model
- Focus on Accessibility
- Expanding data set and uses
- Overarching requirement – Must benefit Coloradoans





# In summary...



## **Colorado did it right! -**

*But... needs are evolving with continued enhancements and changes required*

**We have to...**

- **Make the information more accessible**
- **And in a manner that will be meaningful to each healthcare stakeholder group to achieve the Triple Aim**

**(And remember it must be appropriate, efficient, value-added,  
and within privacy/security guidelines)**



# Contact Information

- Ana English, CIVHC CEO  
[aenglish@civhc.org](mailto:aenglish@civhc.org)
- Join our email list ([www.comedprice.org](http://www.comedprice.org) home page, or [civhc.org](http://civhc.org) home page)
- Follow CIVHC on social media:



@CIVHC\_News



Facebook.com/CIVHC



LinkedIn ([linkedin.com/company/2096991](https://www.linkedin.com/company/2096991))