

Price Transparency

HJR 20 Subcommittee

January 17, 2018

Steve Loveless, MHA
President SCL Health Montana



St. Vincent Healthcare
St. James Healthcare
Holy Rosary Healthcare











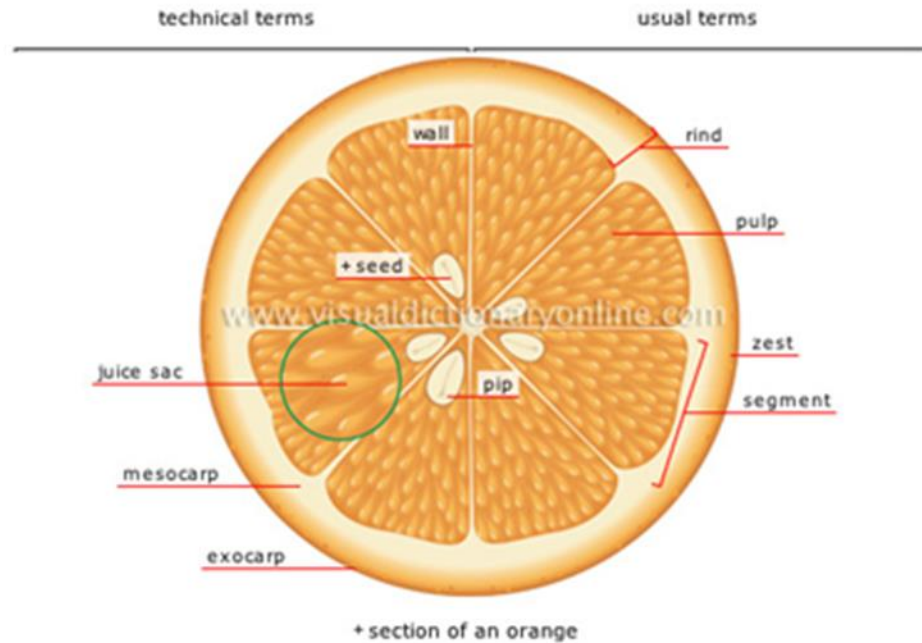
Healthcare



Segmented Care



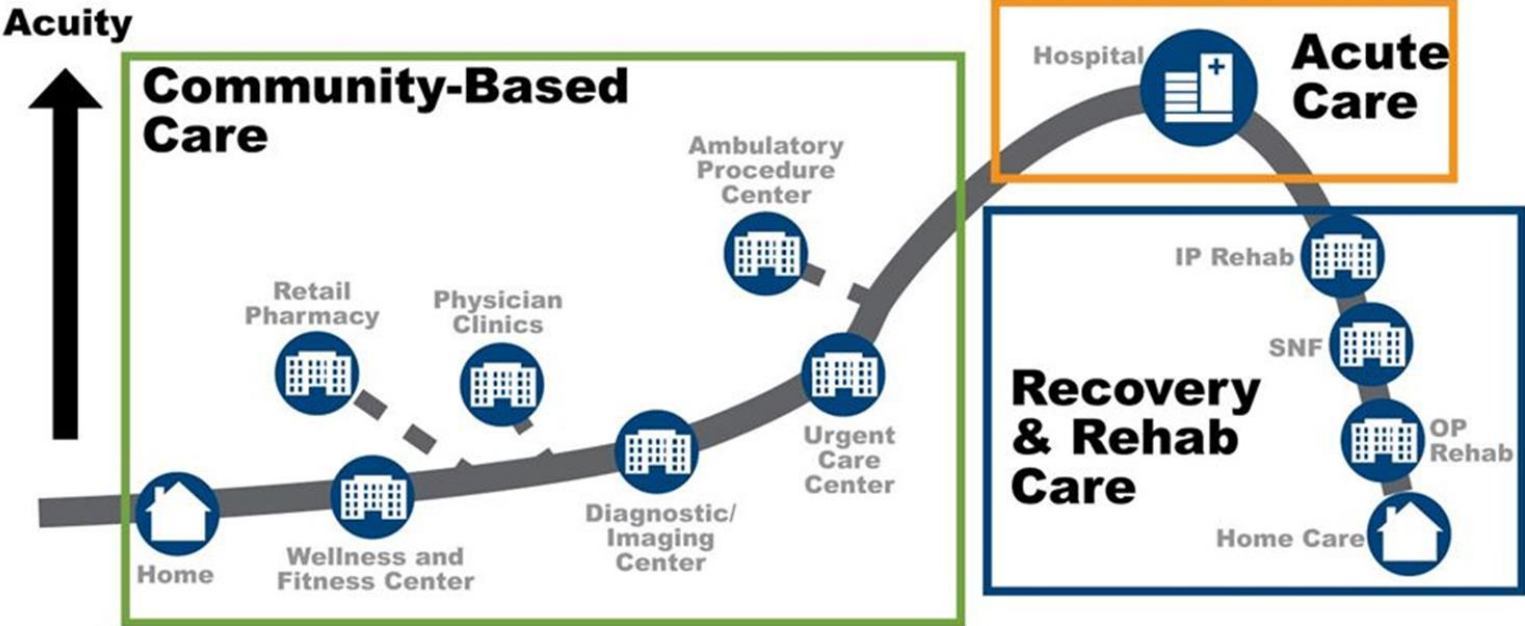
Approach in Transition



A Closer Look



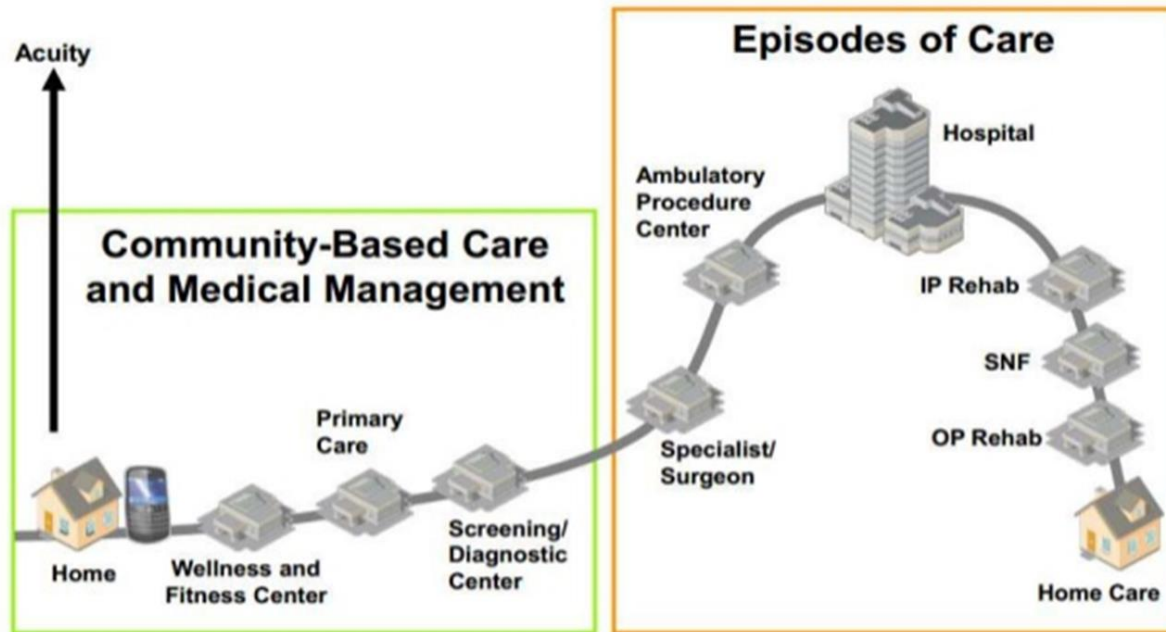
Continuum of Care



Source: Sg2

What Does The Future Hold?

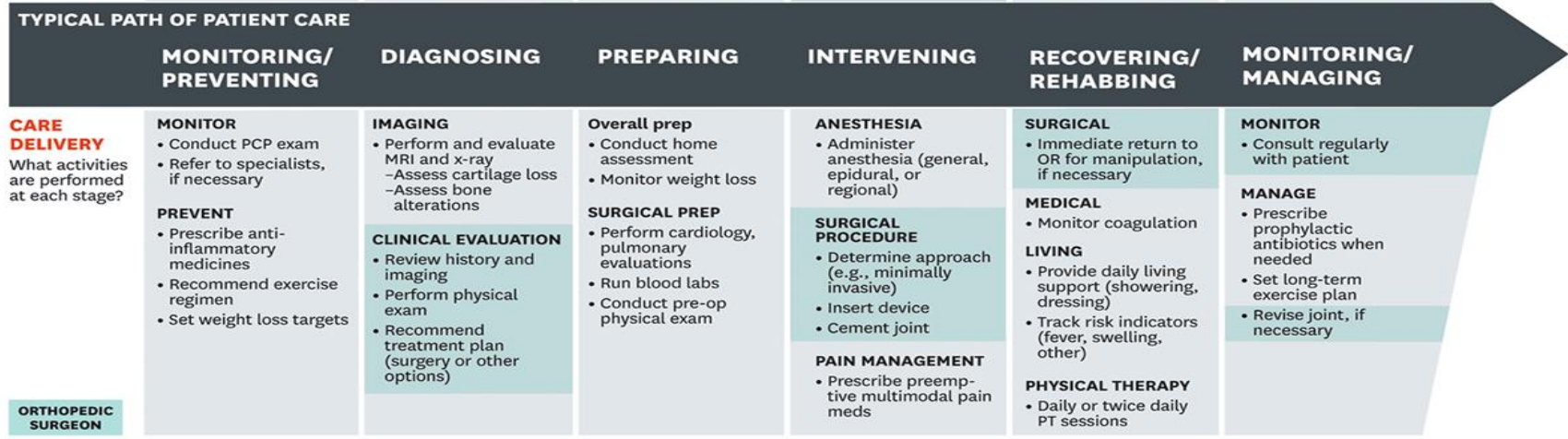
Expect to Be Held Accountable for the Continuum of Care—Owned or Not



Source: Sg2

The Care Delivery Value Chain: A Case Study

INFORMING AND ENGAGING What do patients need to be educated about?	<ul style="list-style-type: none"> Importance of exercise, weight reduction, proper nutrition 	<ul style="list-style-type: none"> Meaning of diagnosis Prognosis (short- and long-term outcomes) Drawbacks and benefits of surgery 	<ul style="list-style-type: none"> Setting expectations Importance of nutrition, weight loss, vaccinations Home preparation 	<ul style="list-style-type: none"> Expectations for recovery Importance of rehab Post-surgery risk factors 	<ul style="list-style-type: none"> Importance of rehab adherence Longitudinal care plan 	<ul style="list-style-type: none"> Importance of exercise, maintaining healthy weight
MEASURING What measures need to be collected?	<ul style="list-style-type: none"> Joint-specific symptoms and function (e.g., WOMAC scale) Overall health (e.g., SF-12 scale) 	<ul style="list-style-type: none"> Loss of cartilage Change in subchondral bone Joint-specific symptoms and function Overall health 	<ul style="list-style-type: none"> Baseline health status Fitness for surgery (e.g., ASA score) 	<ul style="list-style-type: none"> Blood loss Operative time Complications 	<ul style="list-style-type: none"> Infections Joint-specific symptoms and function Inpatient length of stay Ability to return to normal activities 	<ul style="list-style-type: none"> Joint-specific symptoms and function Weight gain or loss Missed work Overall health
ACCESSING Where do patient care activities take place?	<ul style="list-style-type: none"> PCP office Health club Physical therapy clinic 	<ul style="list-style-type: none"> Specialty office Imaging facility 	<ul style="list-style-type: none"> Specialty office Pre-op evaluation center 	<ul style="list-style-type: none"> Operating room Recovery room Orthopedic floor at hospital or specialty surgery center 	<ul style="list-style-type: none"> Nursing facility Rehab facility Physical therapy clinic Home 	<ul style="list-style-type: none"> Specialty office Primary care office Health club



For more on the CDVC, see *Redefining Health Care: Creating Value-Based Competition on Results*, by M.E. Porter and E.O. Teisberg (Harvard Business Review Press, 2006).

A Closer Look At The Typical Path of Patient Care: Knee Replacement

Typical Path of Patient Care

	MONITORING/ PREVENTING	DIAGNOSING	PREPARING	INTERVENING	RECOVERING/ REHABBING	MONITORING/ MANAGING
Point of Care	<ul style="list-style-type: none"> • PCP Office • Health Club • Physical Therapy Clinic 	<ul style="list-style-type: none"> • Specialty Office • Imaging Facility 	<ul style="list-style-type: none"> • Specialty Office • Pre-op Eval Center 	<ul style="list-style-type: none"> • OR • Recovery Room • Orthopedic Unit 	<ul style="list-style-type: none"> • Nursing Facility • Rehab Facility • Physical Therapy Clinic • Home 	<ul style="list-style-type: none"> • Specialty Office • PCP Office • Health Club
Care Delivery	<ul style="list-style-type: none"> • Monitor • Prevent 	<ul style="list-style-type: none"> • Imaging • Clinical Eval 	<ul style="list-style-type: none"> • Overall Prep • Surgical Prep 	<ul style="list-style-type: none"> • Anesthesia • Surgical Procedure • Pain Management 	<ul style="list-style-type: none"> • Surgical • Medical • Living • Physical Therapy 	<ul style="list-style-type: none"> • Monitor • Manage

Considerations to get to price

What is the procedure?

What is the payer source?

What is the plan within the payer source?

Is there co-insurance?

What is the deductible/is it met?

Is the patient in or out of network?

Is the provider employed or independent?

Is the provider in our out of network?

What are the patient comorbidities?

What are the provider preferences for this procedure?

Is what was anticipated in the surgical intervention what occurred?

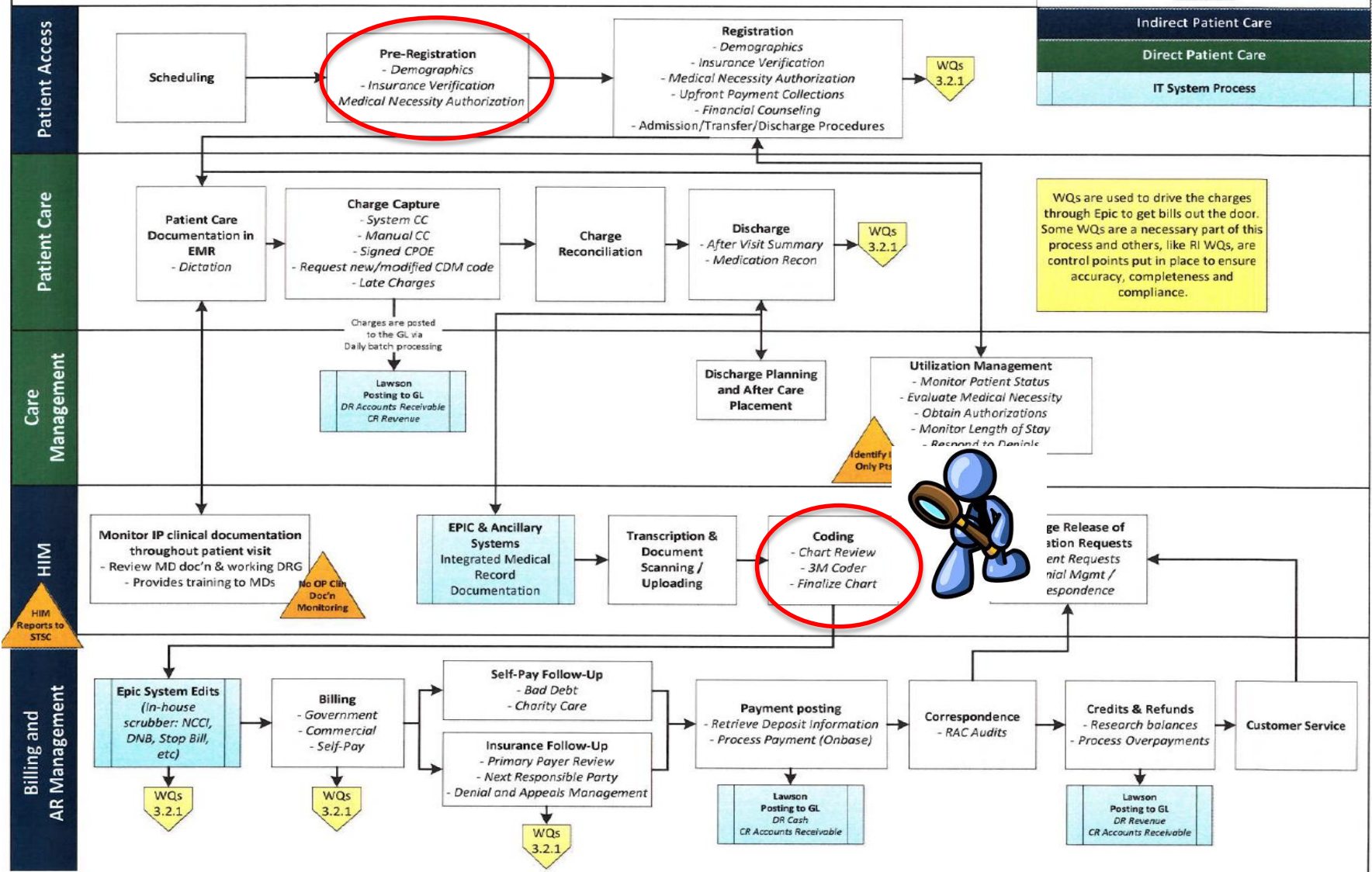
Is the recovery as anticipated, is there a post acute stay, and a repeat of the questions

LEGEND

Indirect Patient Care

Direct Patient Care

IT System Process



Price Alone Is Not The Answer



Determinants of Health?



40% Behavior

30% Genetics

20% Environment/Public Health

10% Health Care Delivery

- Tobacco
- Diet/Activity Patterns
- Alcohol
- Sexually Transmitted Disease
- Suicide, Violence & Accidents

Steven A. Schroeder, M.D., *We Can Do Better – Improving the Health of the American People*, New England Journal of Medicine, 357:12, p. 1221, Sept. 20, 2007.

Montana Hospital Association Pricing

<https://www.mtha.org/education/>



MHA PricePoint System
 2625 Winne Ave
 Helena, MT 59601
 (406) 442-1911

- INPATIENT
- OUTPATIENT SERVICES
- OTHER OUTPATIENT
- CONSUMER INFORMATION
- CONTACT
- HOSPITAL QUALITY DATA
- MT INFORMED PATIENT HOME
- MHA HOME

Welcome to Montana PricePoint

This Web site allows health care consumers to receive basic, facility-specific information about services and charges.

PricePoint provides information about two categories of services. Please select one of the following:

- INPATIENT** **Inpatient Services:** Services for which the patient is admitted to the hospitals.
- OUTPATIENT SERVICES** **Outpatient Services:** Selected services provided on an outpatient basis, such as outpatient surgery and invasive diagnostic procedures.
- OTHER OUTPATIENT** **Other Hospital Outpatient Services:** Selected non-surgical services provided on an outpatient basis, such as radiologic diagnostic procedures.

montanapricepoint.org

Montana Hospital PricePoint System

SELECTED FACILITY

WITH NO OTHER PROCEDURES

Principal Procedure	Number of Cases (% of Total Cases)	Lower Charge	Median Charge	Higher Charge
Removal of Medial and Lateral Cartilage, Scope (29880)	NR (NR)	NR	NR	NR
Removal of Medial or Lateral Cartilage, Scope (29881)	5 (100%)	\$11,856	\$12,019	\$12,559
Shaving of Cartilage, Scope (29877)	NR (NR)	NR	NR	NR
Repair, primary torn cruciate ligament (27407)	0 (0%)	0	0	0
Repair of anterior ligament, Scope (29888)	NR (NR)	NR	NR	NR
Excision of Knee Cartilage, Medial OR Lateral (27332)	0 (0%)	0	0	0

NR = 1 - 4 Discharges (Not Reported)

- Notes About this Table
- Understanding Facility Charge Information
- Why Charges May Differ Between Facilities
- Contact the Facility

ALL FACILITIES IN SPECIFIC MEDICARE CLASS

WITH NO OTHER PROCEDURES

Principal Procedure	Number of Cases (% of Total Cases)	Lower Charge	Median Charge	Higher Charge
Removal of Medial and Lateral Cartilage, Scope (29880)	128 (100%)	\$3,135	\$3,824	\$5,468
Removal of Medial or Lateral Cartilage, Scope (29881)	473 (100%)	\$2,807	\$4,174	\$8,261
Shaving of Cartilage, Scope (29877)	45 (100%)	\$2,468	\$3,600	\$9,508
Repair, primary torn cruciate ligament (27407)	NR (NR)	NR	NR	NR
Repair of anterior ligament, Scope (29888)	144 (100%)	\$10,667	\$13,076	\$16,841
Excision of Knee Cartilage, Medial OR Lateral (27332)	0 (0%)	0	0	0

NR = 1 - 4 Discharges (Not Reported)

- Notes About this Table
- Understanding Facility Charge Information
- Why Charges May Differ Between Facilities
- Contact the Facility

Show hospitals in that group

ALL MONTANA FACILITIES

WITH NO OTHER PROCEDURES

Principal Procedure	Number of Cases (% of Total Cases)	Lower Charge	Median Charge	Higher Charge
Removal of Medial and Lateral Cartilage, Scope (29880)	175 (100%)	\$3,135	\$4,845	\$7,363
Removal of Medial or Lateral Cartilage, Scope (29881)	614 (100%)	\$2,807	\$4,893	\$8,715
Shaving of Cartilage, Scope (29877)	51 (100%)	\$2,468	\$3,816	\$9,320
Repair, primary torn cruciate ligament (27407)	NR (NR)	NR	NR	NR
Repair of anterior ligament, Scope (29888)	167 (100%)	\$10,841	\$13,841	\$20,825
Excision of Knee Cartilage, Medial OR Lateral (27332)	0 (0%)	0	0	0

SCL Health's Philosophy to Price Transparency

Promoting and supporting price transparency is something SCL Health believes is the right thing to do.

At SCL Health we also believe that clinical quality and safety metrics, patient satisfaction and consumer reviews will benefit our consumers.

SCL Health Transparency Actions

- Began the development of the electronic infrastructure to share pricing by facility in early 2017
- Piloted in one Colorado care site with the most common outpatient procedures
- Added the most common inpatient procedures, physician/provider and ER charges by level to the site; on January 1, 2018 spread to all SCL Health Colorado care sites

SCL Health Transparency Site

- <http://www.sclhealth.org.patients-visitors/understanding-medical-costs/>
- Top 50 inpatient services and procedures performed
- Most common outpatient charges
- Most common physician/provider charges
- ER charges by level of care for patients that do not have insurance

SCL Health Transparency Next Steps

Will now begin to look at Montana with the expectation of adding St. Vincent followed by St. James and Holly Rosary

Summary

Why is this so difficult?

Traditional healthcare structure has led to segmentation

As consumers we lack the expertise

Payer options, coding, billing and pricing processes are complex

Price alone is not the answer

Need to understand the total cost of care

Individual providers don't have all the information needed

Our Future

