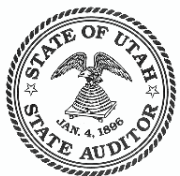




Health and Human Services Interim Committee

Healthcare Payment Transparency

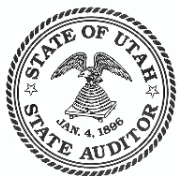
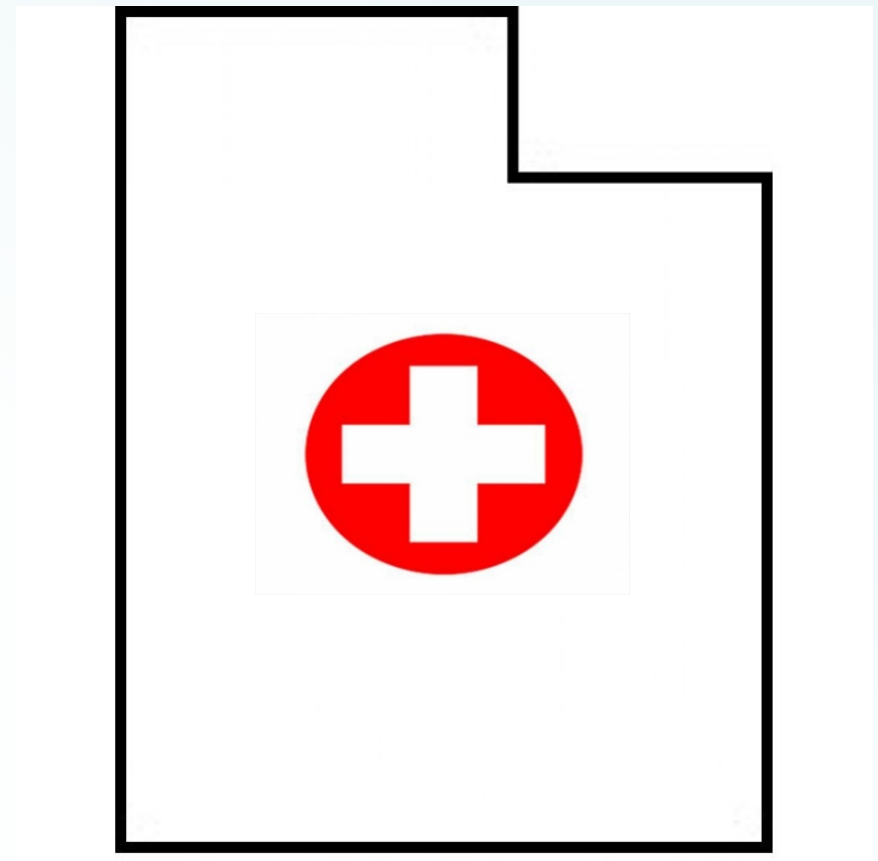
October 16, 2019



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STATE AUDITOR**

Overview

- Currently, no easy way for most Utah patients and providers to find the price of or expected payment amount for healthcare procedures before receiving care
- OSA started working on a transparency project October 2018

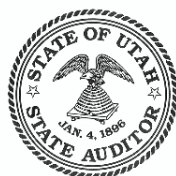
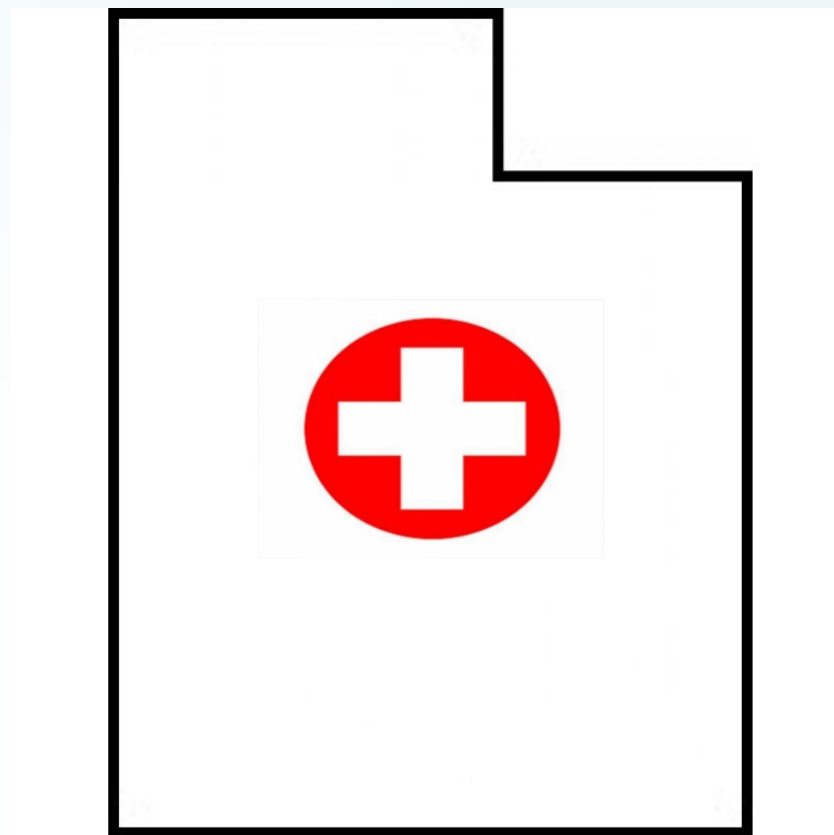


Legislation

- 2019 General Session

OSA commissioned to create a public-facing tool that “...present[s] health care price information for consumers in a way that is clear and accurate.” (Utah Code 67-3-11)

- OSA understands ‘price’ to represent the (total) amount paid for a procedure



Approach

- Studied methodologies and cost tools from other states and organizations
 - New Hampshire
 - Maine
 - Colorado
 - PEHP
 - National Health Cost Institute
- Working with
 - UT DOH Office of Health Care Statistics
 - PEHP
- Met with
 - UMA
 - Comagine Health
 - Individual providers
 - Other stakeholders



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Methodology

- Data comes from the All-Payer Claims Database (APCD)
 - Includes data from June 1, 2016 – December 31, 2017
- Dataset excludes Medicaid and Medicare data
- Removed outliers
 - Excluded top/bottom 5% of claims for each provider
 - Excluded providers with a low frequency (≤ 10) of a given procedure
 - Excluded providers with a median price $< 25\%$ the average median price



Methodology

- Payment amount includes plan-paid, prepaid, copay, coinsurance, and deductible amounts
- Bundled claims for surgical and imaging procedures to find the total payment amount for the encounter
- Contacted providers for feedback on methodology
- Allow providers opportunity to review their associated analysis



Initial Results

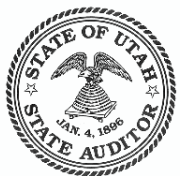
Large disparities in procedure payment amounts

Urine Analysis Procedure

- Lowest payment provider: \$2
- Highest payment provider: \$77

Hip Replacement Procedure

- Lowest payment provider: \$23,216
- Highest payment provider: \$42,347



Utah Health Cost Tool

Use the search boxes below to choose a procedure and view average costs.
You may also search by city, zip code, and/or provider name.

Procedure Name

Colonoscopy

City

(Multiple values)

Zip Code

Provider

Statewide Average Cost: \$2,523

Lowest Cost in State: \$823

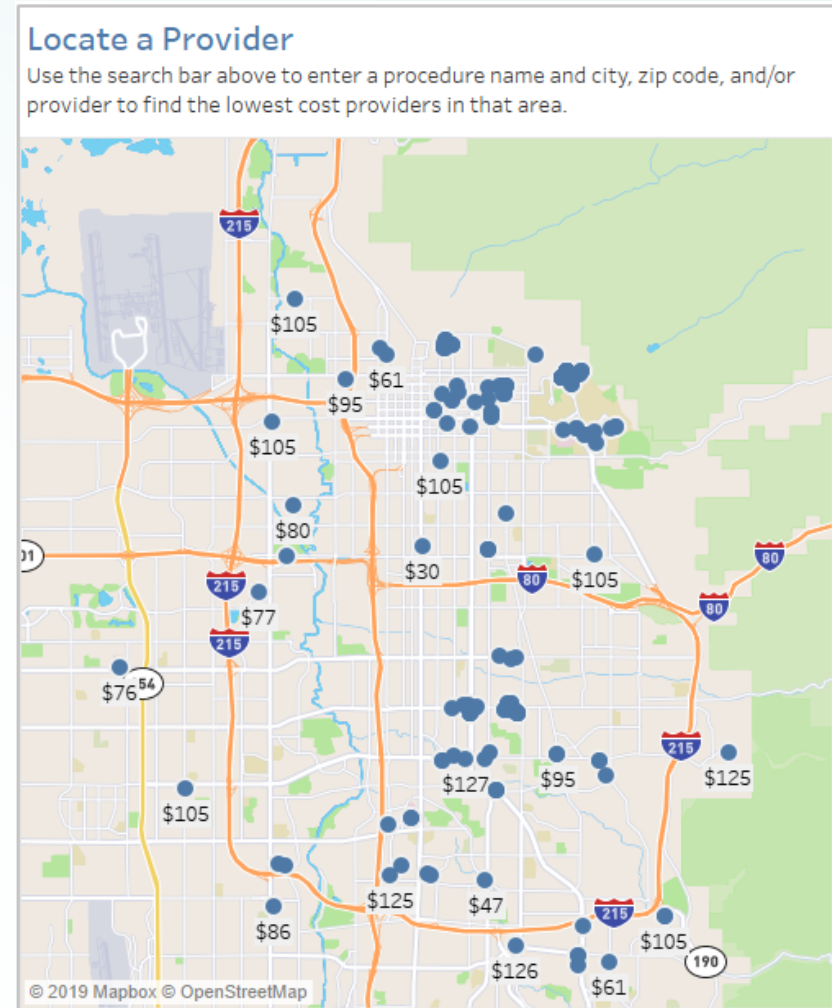
Highest Cost in State: \$6,573



Provider	City	Cost
Granite Peaks Gastroenterology	Sandy	\$823
Northpointe Surgical Center	West Valley	\$1,284
University Of Utah Hospital	Salt Lake City	\$1,345
Wasatch Endoscopy Center	Sandy	\$1,734
Bountiful Surgery Center	Salt Lake City	\$1,815
Alta View Hospital	Sandy	\$1,917
Utah Surgery Center	Salt Lake City	\$1,926
Lds Hospital	Salt Lake City	\$1,975
Wasatch Front Surgery Center	Salt Lake City	\$2,096
Salt Lake Regional Medical Center	Salt Lake City	\$2,164
University Health Care Hospitals And Cli..	Salt Lake City	\$2,264
Jordan Valley Medical Center - West Vall..	West Valley	\$2,606
St. Mark's Hospital	Salt Lake City	\$3,276
Salt Lake City Veterans Affairs Medical C..	Salt Lake City	\$3,450
Primary Childrens Hospital	Salt Lake City	\$6,573

Current Development Status

- Full completion (analysis completed and providers contacted):
 - Knee Replacement (27447)
 - Colonoscopy (45380)
 - Urine Analysis (81000-81003)
 - Established patient office visit (99211-99215)
- Analysis completed for over 150 procedures
- Includes:
 - Simple procedures (e.g. office visit)
 - More complex procedures that require bundling claims (e.g. knee replacement)



Next Steps

- Analysis:
 - Continue analysis of additional procedures
 - Continue contacting providers for review of procedure analysis
 - Continue to seek feedback regarding concept of operations and usage scenarios
- Develop a public-facing website

