CONSUMER COST TRANSPARENCY REPORT CARD

A consumer-focused comparative assessment of the cost estimation tools of three leading Massachusetts health insurers.

This report card was developed by Health Care For All (HCFA) to assess the effectiveness of the online cost estimation tools of the three largest health insurers in Massachusetts. Grades were determined by HCFA staff using research-based criteria and incorporating feedback from an electronic survey filled out by consumers who tested their health plan’s cost estimator tool.

GRADING SCHEME

A = Effectively meets criterion
B = Meets criterion but needs improvement for effectiveness
C = Does not yet meet criterion but has some of the necessary elements
D = Does not have any of the necessary elements

AID IN DECISION-MAKING

| Can compare costs of multiple providers on one screen | B | A | A |
| Can compare quality of multiple providers on one screen | A | B | B |
| Inclusion information about providers for decision-making (e.g., taking new patients, language spoken) | A | B | B |
| Members report of how likely they are to use the tool (1:Very unlikely - 5:Very likely) | D | B | C |
| System Usability Score (68 is average score for any system) | D | C | B |

AVERAGE GRADE FOR THIS MEASURE

C

B-

B-

1 While our evaluator was not able to view specific out-of-pocket costs, Blue Cross officials told us that a fraction of their members are able to see their costs.

2 The SUS is a validated tool for measuring usability. See www.usability.gov/how-to-and-tools/methods/system-usability-scale.html.
**ACCESSIBILITY**

| Reference to the tool on pages of the home health plan website | B Listed in box titled “Find a Doctor” on home page, and in Cost & Quality Tools page. | B On public “For Members” page under “Cost & Quality” subheading (below the fold) is a link to public “Now iKnow” tool info page. | B Sub-item of “mytuftshealthplan.com” box (above the fold) is “EmpowerMe: Treatment Cost Estimator.” |
| Clearly labeled link to tool on member portal homepage | A Listed under “I want to…” menu on member portal homepage | A Under first subheading “My Plan” is a link to the “Now iKnow” tool. Link is highlighted with “New” label. | B Listed under “What’s New” (but link does not access tool) and under “Decision Tools” sidebars on member portal homepage |
| Accessibility on mobile devices | B Viewable but not fully optimized. | A | A |
| Member rating of how easy it was to find the tool | B Average rating of 3.9 (“Neither difficult nor easy”). | C Average rating of 3.0 (“Somewhat difficult”). | A Average rating of 4.5 (“Somewhat easy”). |
| Availability in other languages | C Only presented in English. Some elements display in Google translate. | D Only presented in English and does not display in Google translate. | D Only presented in English and does not display in Google translate. |

**AVERAGE GRADE FOR THIS MEASURE**

| | C | C | C+ |

**COMPREHENSIVENESS**

| Availability of cost information for: | MASSACHUSETTS | HARBORVILK PILGRIM HEALTHCARE | TUFTS HEALTH PLAN |
| Both inpatient and outpatient services | B Inpatient procedures available, but not searchable with general names (i.e. “heart surgery” has no results). | D Cost information not available for inpatient procedures. | D Cost information not available for inpatient procedures. |
| Behavioral health services | | D Providers listed but does not show costs. | A Yes, psychotherapy with behavior management. |
| Prescription drugs | D Not found. | D Not found. | D Not found. |

**AVERAGE GRADE FOR THIS MEASURE**

| | D | D | C- |

**OVERALL GRADE**

| | MASSACHUSETTS | HARBORVILK PILGRIM HEALTHCARE | TUFTS HEALTH PLAN |
| | C- | C | C |

Meets some key criteria but missing some necessary elements. The major concerns with the BCBS tool are: the presentation of the out-of-pocket maximum in place of a specific estimate for out-of-pocket cost; the way cost estimates must be accessed through the “Find a Doctor” tool; and the limited number of services with cost information available.

Meets some key criteria but missing some necessary elements. The major concerns with the HPHC tool are the limited number of services with cost information available and the member challenges with finding cost information. Presentation of cost estimation as total cost and member out-of-pocket is clear, but should be accompanied by quality information to be most effective.

Meets some key criteria but missing some necessary elements. The major concern with the Tufts tool is the limited number of services with cost information available. The Tufts tool is the same vendor design as HPHC, and so shares both the clear presentation of cost estimation as total cost and member out-of-pocket and the need for accompanying quality information.
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BACKGROUND

Rising health care cost sharing – deductibles and copays – threaten to negate progress toward health care access made by recent coverage reforms. Average deductibles for care are increasing, as is the number of Americans with high deductible health plans. More than a fifth of Massachusetts residents with insurance the whole year reported out-of-pocket spending that exceeded 5% of their income. According to 2014 Massachusetts Health Insurance Survey research done by the Center for Health Information and Analysis, over a third of Massachusetts residents reported out-of-pocket health care spending greater than $1000 during the previous 12 months.

In 2012, the Commonwealth of Massachusetts enacted comprehensive legislation aimed at controlling health care costs. The law (Chapter 224 of 2012, An Act Improving The Quality Of Health Care And Reducing Costs Through Increased Transparency, Efficiency And Innovation) implements multiple strategies to reduce costs, including provisions for increased transparency from government, insurers, and providers about health care costs to consumers.

The law requires insurers and third party payers to have a toll-free phone number and website to provide to members in real time the estimated price and the member’s estimated cost sharing (deductible, co-pay) for a proposed admission, procedure, or service. The cost estimates are binding; patients can’t be charged more than quoted estimate if they get those services. Under guidance promulgated by the state’s Office of Consumer Affairs, if the insurer requires CPT (Current Procedural Terminology – a technical description of medical services) or other codes, the insurer gets the information directly from the provider, and patients need not provide codes. Upon request, insurers must provide prices for multiple providers in clear, comparable formats. The consumer cost websites must be “consumer friendly,” be available in other languages, and accommodate the visually impaired.

The architects of Ch. 224 posited that the consumer cost transparency provisions would lower health care spending through the market forces of patients choosing lower-cost providers. The state developed a web site (www.GetTheDealOnCare.org) with links to the various insurers’ sites, and promoted the state hub with extensive web, transit and print ads. The site features smiling consumers declaring, “I compared and got a sweet deal on my CT scan!” and “I compared and saved a bundle on my MRI!” However, research suggests that consumers approach health care decisions differently from other commodities and that they have a limited understanding of cost sharing dynamics, suggesting that the consumer cost transparency elements of Ch. 224 pay must be strategically implemented in order to drive significant reductions in health care spending. Health Care For All (HCFA) supports efforts to increase health care cost transparency. With the growth of high deductible health plans, patients have a right to know cost information before getting care. Also, more public knowledge of price variation will better inform public discussion about health costs.

THE REPORT CARD PROJECT

With support from the ACA Implementation Fund of Community Catalyst, HCFA undertook a project to test and assess the consumer cost estimation tools of the state’s three largest insurers. HCFA analyzed and reported on the tools of Blue Cross Blue Shield of Massachusetts, Harvard Pilgrim Health Care, and Tufts Health Plan. Together, these three plans cover approximately 79% of all those with insurance in Massachusetts. We report our findings in the format of a comparative report card, using research-based criteria in the categories of aid in decision-making, accessibility, and comprehensiveness. Tools were rated with the following grading scheme:

- A = effectively meets criterion;
- B = meets criterion but needs improvement for effectiveness;
- C = does not meet criterion but has some necessary elements;
- D = does not have any of the necessary elements.
Blue Cross Blue Shield

Aid in Decision-Making: C
Accessibility: C
Comprehensiveness: D
Overall Grade: C-

The BCBS tool presents a cost range for a specific procedure as well as a specific procedure cost estimate for each provider, but gives the member’s remaining out-of-pocket maximum in place of a specific out-of-pocket cost to the member. Additionally, the cost estimates must be accessed through the “Find a Doctor” tool. There are a limited number of services with cost information available, and the tool does not include inpatient procedures.

Harvard Pilgrim HealthCare

Aid in Decision-Making: B-
Accessibility: C
Comprehensiveness: D
Overall Grade: C

The HPHC tool presents cost estimation as the total estimated price broken down into amount plan pays and amount member pays. There are a limited number of services with cost information available. The tool does not reflect costs for inpatient procedures and behavioral health services.
Tufts Health Plan

Aid in Decision-Making: **B**
Accessibility: **C+**
Comprehensiveness: **C-**
Overall Grade: **C**

The Tufts tool was designed by the same vendor as the HPHC tool, and similarly presents cost estimation as the total estimated price broken down into amount plan pays and amount member pays. There are a limited number of services with cost information available, including no cost information for inpatient procedures. The Tufts tool received the highest system usability score by consumer testers.

**RECOMMENDATIONS**

Based on our review, the following recommendations apply to all health insurers creating cost estimation tools to improve cost transparency and help control health care spending:

- Put a clearly labeled link to the cost estimator tool on the home pages of the plan and the member portal. Make the cost estimator tool easily accessible on the home page.
- Include inpatient services, behavioral health, and prescription drugs cost information in tools.
- Present cost data alongside easy-to-interpret quality information and highlight high-value options. Use presentations of data that include interpretations instead of only comparative numbers.
- Run usability testing and modify tools to be more intuitive for consumer use (e.g., naming procedures using more common terminology).
- Ensure tools are accessible to members who speak languages other than English and for members with disabilities.

Each of the insurers has told HCFA that they plan to upgrade and improve their tool in the upcoming months. We make the following specific key recommendations to the three payers compared in this report card.

- **Blue Cross Blue Shield**
  Provide an estimated cost to the member at the procedure/service level that is more specific than the member’s out-of-pocket maximum. If cost tool remains integrated with “Find a Doctor” tool, consider retitling to include “and Your Costs” or similar, to highlight the tool to members as the place for not only provider search but cost information as well.

- **Harvard Pilgrim HealthCare**
  Increase number and types of health care services with cost information available, specifically inpatient procedures and behavioral health services.

- **Tufts Health Plan**
  Increase number and types of health care services with cost information available, specifically inpatient procedures.
RESOURCES


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