

# Special Webcast

## Price Transparency: Navigating the Road to Compliance

THE CONFERENCE BOARD



September 8, 2022



# Our agenda for today

1. Current state of the market
2. Challenges in creating compliant machine-readable files
3. HealthPartners: the perspective of a market leader in price transparency
4. What's next?
  - Annual reporting
  - Consumer shopping tool



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# Today's Speakers



**Julie Bunde**

Vice President, Product and  
Market Innovations  
*HealthPartners*



**Bryan Briegel**

Healthcare Reform Strategist  
*Merative*



**Mark Gillespie**

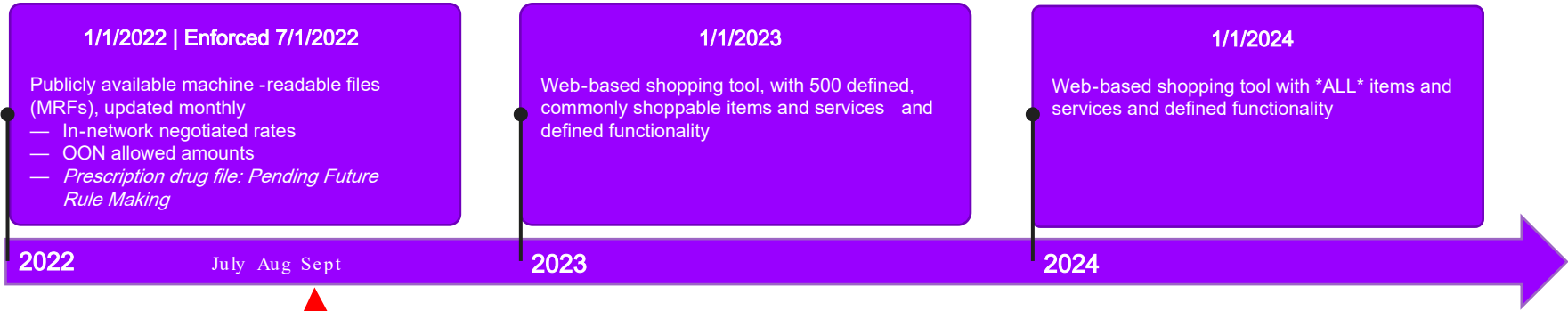
Product Leader  
*Merative*



**Lisa Hunter**

**(Moderator)**  
Program Director,  
Senior Fellow and  
Total Rewards  
Institute Leader  
*The Conference Board*

# State of the Market



We Are Here

- Compliance Focus
- Compressed implementation timeline
- Size and volume of data
- Complexity and variety of contract information
- Implementation variation

- The next "stepping -stone"
- Dependencies on clean MRF data
- DIY vs. Vendor solution strategy
- Claims and MRF data limitations
- Compliance vs. a helpful shopping experience
  - Service estimates and member responsibility
  - Bundled estimates
  - Health education
  - Other integrations

- "All items and services" is a significant expansion in complexity and data management
- A LOT can change!
- Undetermined value to consumers
- Iterative strategies are likely to emerge

## Poll Question 1:

On a scale of 1 to 5 (with 1 being least confident and 5 being most confident), how confident are you that your organization is on track to be compliant with the price transparency regulations by the CMS deadlines or soon after?

- 1
- 2
- 3
- 4
- 5

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# Challenges in Creating Machine-readable Files

## Interpreting CMS required schemas:

- Different interpretations
- Creative approaches
- Variance in understanding compliance

## Common struggles:

- Required formats
- File naming conventions
- Storage space
- File generation

## What are we seeing in MRF data?

*A wide variation of things:*

- JSON most common, some CSV
- Commingling of Hospital MRF fields with Payer MRFs
- Gaps in data
- Table of contents files leading to MRFs with non-standard naming conventions

# HealthPartners: A Market Leader's Experience

## Phase 1 approach to compliance:

- 
- Good faith effort
  - Challenges
    - File size
    - Multiple network partners
    - Communications (primarily B2B)
    - Ongoing guidance
      - Networks
        - Started with open access plus one key employer client with unique provider contracts
        - Adding narrow networks with custom pricing over the next few months
        - Adding custom employer networks



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# Transparency in Coverage

The [Transparency in Coverage rule](#) from the U.S. Departments of Health and Human Services, Labor, and Treasury requires health insurance issuers offering non-grandfathered health insurance coverage in the individual and group markets and group health plans to publicly disclose price information for covered items and services.

### Please note:

- **For price information on specific procedures or services, eligible members should use the [cost calculator](#).** The provider rates in the files below are not specific to a member's benefit plan out-of-pocket cost.
- **The files below are very large and in a JSON file format that's impractical for direct consumer use.** The goal of the Transparency in Coverage rule is to give researchers and third-party developers the comprehensive data they need to create solutions that help people understand the costs associated with health care, make better price comparisons and choose the care that's right for them.

## In-network provider-negotiated payment rates between plans and providers

This file includes applicable in-network rates for certain HealthPartners networks, including rates from contracted network partners. Posted rates include negotiated rates, claims-derived amounts for providers who are reimbursed on a discount from billed charges and underlying fee schedule rates where reimbursement is based on another methodology.

[Download now for the Open Access network \(covers most members\) \(ZIP\)](#)

# HealthPartners: Stakeholder Impact

## Stakeholders Impact:



Employers



Members / employees



Plans



Providers



Consultants and third parties

# HealthPartners: Continuous Progress

## Phases 2 & 3:

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Unlike the MRFs of Phase 1, this part of the Transparency in Coverage regulations describes a tool or experience that is intended for consumer (specifically, member) use

The regulations call for members to be able to obtain cost estimates that:

- Are for one of the 500 specific health care services listed in the regulations – these are almost all CPT-code-based services
- Are for care received from a specific provider
- Are based on fee schedules and not on historical claims costs
- Show the member's estimated out-of-pocket costs and indicate if there may be prior authorization requirements, visit limits, etc.

## Poll Question 2:

In addition to helping organizations comply with regulations, consumer shopping tools can improve employee/member experience.

On a scale of 1 to 5 (where 1 is no focus and 5 is significant focus), how focused is your organization on improving employee/member experience?

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# What's next?

## Reporting Requirements

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You should have the additional reporting requirements under the CAA on your radar



### **RxDC reporting:**

Sec. 204. Reporting on Pharmacy Benefits and Drug Costs



### **Air ambulance reporting:**

Sec. 106 Reporting Requirements Regarding Air Ambulance Services



## Poll Question 3:

How is your organization planning to handle the required annual reporting?

- We will handle the reporting in house
- We will rely on our health plan and PBM partners to handle the reporting
- We will handle some reporting in house and will rely on health plan and PBM partners for some

## Poll Question 3:

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# What's next?

## Consumer Shopping Tool

- Per CMS, only 12% of health plan members currently use the price transparency tools available to them<sup>1</sup>
  - Do you have a plan to engage or communicate this with your employees?
- 1-1-2023 – Personalized, out-of-pocket cost estimates for members via an online, web-based shopping tool, with CMS required 500 "commonly shoppable services"
- Many may not be fully compliant by 1-1-2023, but it's important to demonstrate you have a plan to be compliant
  - Verify with your health plans what their compliance and communication strategy and status are

# What's next?

## Consumer Shopping Tool

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  - Do you have a communication plan to engage your employees around a shopping tool?
- January 1, 2023 – Personalized, out-of-pocket cost estimates for members via an online, web-based shopping tool, with CMS required 500 “commonly shoppable services”
- Many may not be fully compliant by January 1, 2023, but it's important to demonstrate you have a plan to be compliant
  - Verify with your health plans what their compliance and communication strategy and status are

Thank you

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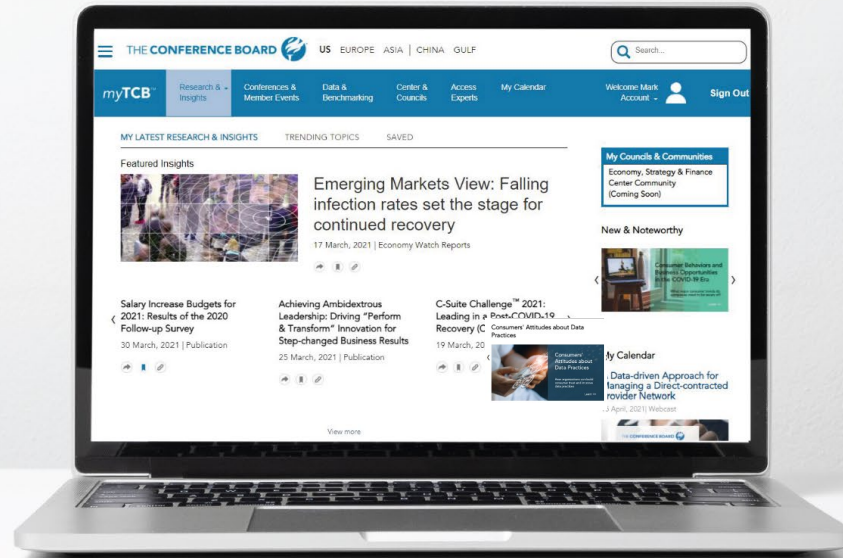
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