



# New Hampshire Insurance Department



## Implications of *Gobeille* for NH's Price Transparency Initiative



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# From NH's *Gobeille* amicus brief

“New Hampshire was the first state to use **price transparency and market forces to foster competition and consumer choice** in its health insurance markets through its **comprehensive health claims database and website. . .**”

# Outline of Presentation

- **New Hampshire's Transparency Initiative**
  - All-payer claims database/HealthCost website
  - Market impacts of transparency
  - Using data to inform public policy
- **Implications of *Gobeille* for New Hampshire**

# NH's CHIS Database

- Law creating NH's database passed in **2003**

**NH RSA 420-G:11-a Development of a Comprehensive Health Care Information System.**

- Joint effort: Insurance Department and Department of Health and Human Services

# NH CHIS: Included Data

- Data reported to NH CHIS
  - Medical, prescription and dental claims
  - Membership data
  - Includes self-funded lives:

“Carriers and third-party administrators shall submit health care claims data for **all residents of New Hampshire** and for all members who receive services under a **policy issued in New Hampshire . . .**” Ins 4005(b)



# Balancing Privacy and Transparency

- CHIS “shall not include or disclose any data that contains direct personal identifiers”
- 2015 Amendment: **public use data set** “for purposes of facilitating transparency in health care costs.”
- Public use and limited use data sets must be HIPAA-compliant.

# NH CHIS: Who Reports Data?

- Health carriers, licensed third party administrators, other entities directly regulated by the Insurance Department.
- Exclusions:
  - Carriers/TPAs with fewer than 10,000 NH lives, unless they offer NH Health Exchange coverage
  - Detailed requirements: Ins 4000

# NH HealthCost Website

- NHID launched NH HealthCost in 2007
- Displays information derived from CHIS
- Planned re-launch: March 2016
  - More procedures
  - Health care quality
  - Using health insurance/navigating the system



# NH HealthCost is a National Model

In 2015, New Hampshire was the **only state to receive an “A” for price transparency** from the Health Care Incentives Improvement Institute, which found that the NH HealthCost site is “a prime example of a price transparency website built with consumers in mind.”

[http://www.hci3.org/wp-content/uploads/files/files/2015\\_Report\\_PriceTransLaws\\_06.pdf](http://www.hci3.org/wp-content/uploads/files/files/2015_Report_PriceTransLaws_06.pdf)

# NH HealthCost Home Page



The screenshot shows the NH HealthCost website in a web browser. The browser's address bar displays 'http://nhhealthcost.nh.gov/'. The website's header features the 'NH HealthCost' logo, which includes a lighthouse icon, and the text 'an official NEW HAMPSHIRE government website'. A search bar is located in the top right corner. Below the header is a dark blue navigation bar with white text links: 'Home', 'Health Costs for Consumers', 'Health Costs for Employers', 'FAQs and Methodology', and 'About'. The main content area is divided into two columns. The left column contains a graphic with medical icons and the text 'Compare Medical Care Prices in New Hampshire'. Below this graphic is a red box with white text that reads 'INSURED PATIENTS: Get a cost estimate for a medical procedure'. The right column contains a paragraph of text explaining the website's purpose and a section titled 'CONSUMERS' with a detailed description of the service. A section titled 'EMPLOYERS' is also visible on the right side of the page. The bottom of the screenshot shows the Windows taskbar with various application icons and the system clock displaying '1:12 PM 1/24/2016'.

http://nhhealthcost.nh.gov/ NH Health Cost

an official NEW HAMPSHIRE government website

Search this site Search

Home Health Costs for Consumers Health Costs for Employers FAQs and Methodology About

**Compare Medical Care Prices in New Hampshire**

**INSURED PATIENTS:**  
Get a cost estimate for a medical procedure

HealthCost was developed by the New Hampshire Insurance Department to improve the price transparency of health care services in New Hampshire. The website is currently receiving updates, and many significant changes are planned over the next year. Please send us an [email](#) if you would like to be notified as the improvements take place, as well as receive helpful information on how to use the site.

**CONSUMERS**

HealthCost provides information on the price of medical care in New Hampshire by insurance plan and by procedure. It also provides an estimate for uninsured patients. **Through HealthCost, New Hampshire residents can compare prices from health care providers throughout the state on more than two dozen medical procedures, including MRIs, CT scans, ultrasounds, and X-rays.** The information is derived from claims data collected from New Hampshire's health

**EMPLOYERS**

The New Hampshire Insurance Department collects information from insurance carriers and publishes a report annually on the insurance marketplace. At this time, this section links you to the report, but in the future, you will

# NH HealthCost Cost Compare

The screenshot shows a web browser window with the URL [http://nhhealthcost.nh.gov/insured/results?procedure\\_id=24&zip?](http://nhhealthcost.nh.gov/insured/results?procedure_id=24&zip?). The page title is "Detailed estimates for Insured Procedure".

**Procedure:** MRI - Knee (outpatient)

**Procedure Description:** Magnetic resonance imaging of the knee, or any joint on the lower extremity, without contrast material.

**Procedure Code:** 73721

**Insurance Plan:** Anthem - NH - Health Maintenance Organization (HMO)

**Within:** 20 Miles of Concord, NH (03301)

**Search Criteria:**

- Procedure: MRI - Knee (outpatient)
- Postal code: 03301
- Distance: ☒ 20 Miles
- Select your insurance carrier: ☒ Anthem - NH
- Select your insurance plan type: ☒ Health Maintenance Organization (HMO)

Enter your zip code and select the Radius from which you want to view selected hospitals and other medical facilities.

Lead Provider	Estimate of What you Will Pay	Estimate of What Insurance Will Pay	Estimate of Combined Payments	Precision of the Cost Estimate	Typical Patient Complexity
X-RAY PROFESSIONAL ASSOCIATION 603.228.1521	\$162	\$0	\$162	VERY LOW	MEDIUM
CONCORD IMAGING CENTER	\$500	\$418	\$918	HIGH	MEDIUM
ELLIOT HOSPITAL 603.669.5300	\$500	\$777	\$1,277	LOW	MEDIUM
CATHOLIC MEDICAL CENTER 603.668.3545	\$500	\$916	\$1,416	MEDIUM	MEDIUM
DARTMOUTH-	\$500	\$968	\$1,468	HIGH	MEDIUM

# NH HealthCost – Statewide Reports

http://nhhealthcost.nh.gov/statewide-reports

Statewide Reports | ... x

an official NEW HAMPSHIRE government website

Search this site Search

Home Health Costs for Consumers Health Costs for Employers FAQs and Methodology About

## Statewide Reports

The statewide reports identify the range of provider charges and insurer prices for the most common procedures in New Hampshire. These reports were created using data submitted by insurance carriers to the New Hampshire Comprehensive Health Care Information System (CHIS).

**GET REPORTS**

**There are four separate tables provided:**

- **Statewide Summary.** This table includes data for all carriers and insurer products.
- **By Carrier.** This table provides charge and price ranges on the carrier level, with all products consolidated.
- **By Product.** This table provides charge and price ranges on the product level, with all carriers consolidated.
- **By Carrier and Product.** This table provides charge and price ranges on the carrier and product level.

The tables include charge and price values at the 25th percentile, the median (or 50th percentile), and the 75th percentile. These ranges were selected to minimize the influence of outlier cases on the data.

For each report, the following filters were applied to the data:

- Medical claims with dates of service between January 2013 and January 2014 were selected;
- Data were included only where there were more than 30 observations for the given procedure code, carrier, product filter;

125%

1:22 PM  
1/24/2016



*an official*

Home

Health Costs for Consumers

Health Costs for Employers

FAQs and Methodology

About

## Health Costs for Employers

This report under this section of the website provides information on the NH health insurance market, such as the number of members by carrier and group size. Additionally, a benefit measure has been developed to assist employers with a deeper understanding of value associated with health insurance benefit package. These data are obtained from the 2013 NH Insurance Department Supplemental Report, and can be found here:

[http://www.nh.gov/insurance/reports/documents/2015\\_annual\\_report\\_cost\\_drivers.pdf](http://www.nh.gov/insurance/reports/documents/2015_annual_report_cost_drivers.pdf)

This website was developed by the New Hampshire Insurance Department and the University of New Hampshire Web and Mobile Development team (formerly known as Web Solutions).

Contact

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# NHID Annual Hearing & Report

- By law, NHID holds an **annual public hearing** concerning health insurance premium rates and the factors, including health care costs and cost trends, that have contributed to rate increases.
- Following the hearing, NHID issues an **annual report** on the factors that have contributed to health insurance rate increases.

**NH RSA 420-G:14-a , V**

# Market Impacts of Transparency

“Many view price and quality transparency as fundamental to **moving the U.S. to a true consumer-driven healthcare market. . . .** [New Hampshire’s] experience suggests that publishing the rates insurers actually pay providers can have an impact on payment negotiations.”

Beth Kutscher, **New Hampshire website reduces sticker shock for patients**, *Modern Healthcare*, July 18, 2015  
<http://www.modernhealthcare.com/article/20150718/MAGAZINE/307189961>



# Market Impacts in New Hampshire

- Making claims data public helps **consumers** manage their **increasing cost-sharing**.
- Seeing data through NH HealthCost helps insurance carriers **better understand market prices for health care services**, encouraging competition.
- NH carriers have developed **health plan designs that create incentives** for using lower-cost providers.

# Product Innovation I

- As of April 2015, approximately **79% of small group and 43% of large group** fully-insured members in NH are in “site-of-service” benefit designs, which include **incentives to use lower-cost providers**
- Lower-cost provider options have also increased in the self-insured market.

Data in slides 17-19 from NHID 2015 Annual Report at 39-40  
[http://www.nh.gov/insurance/reports/documents/2015\\_annual\\_report\\_cost\\_drivers.pdf](http://www.nh.gov/insurance/reports/documents/2015_annual_report_cost_drivers.pdf)

# Product Innovation II

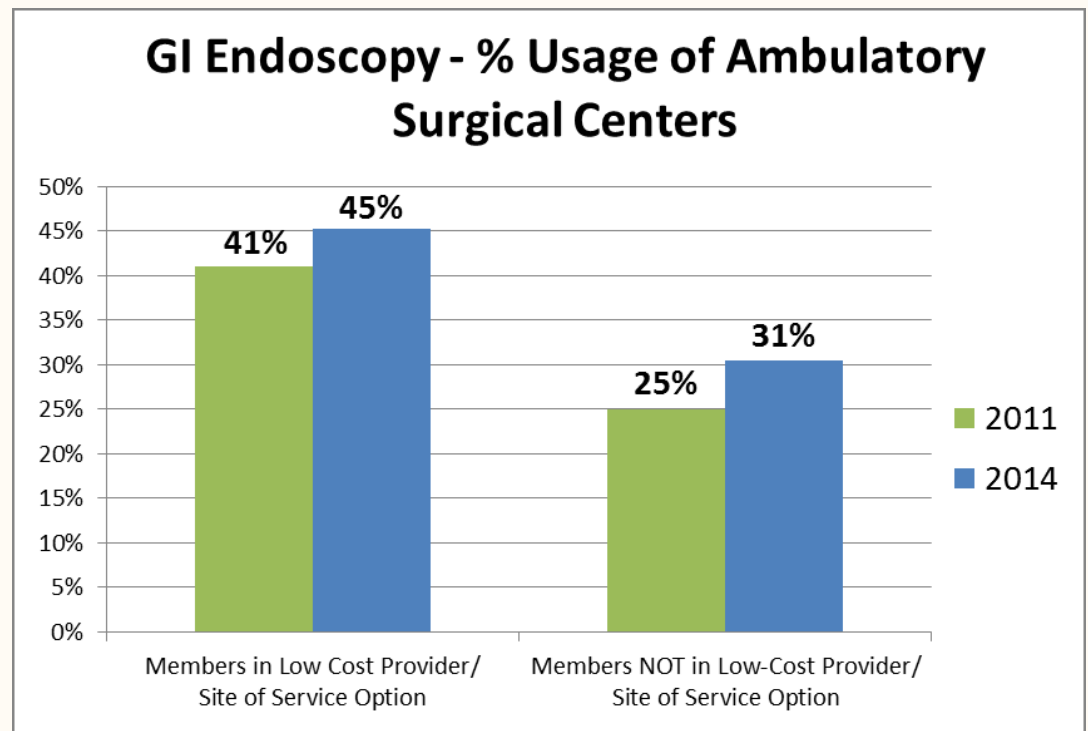
New plans create **cost- sharing incentives for consumers to use lower-cost providers** for ambulatory surgery and outpatient lab services.

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CY 2014 GI Endoscopy Costs Members in Low-Cost Provider/Site of Service Option			
	Outpatient Hospital	Ambulatory Surgical Centers	\$ Difference
Allowed Cost per Surgery	\$2,680	\$1,364	-\$1,316
Member Cost Sharing per Surgery	\$927	\$81	-\$846

# Product Innovation III

Members not in low-cost provider options also shift to lower-cost settings.



# Use of data to inform public policy

Examples of how NHID uses the CHIS data to inform public policy decisions:

- Hospital cost-shifting and impact on prices
- Carrier discounts with providers – how competitive are our markets?
- Impact of aging population on medical costs
- Analysis of claims for opiate substance use disorder treatment services

# Transparency Helps Employers

Price transparency helps both self-funded and fully-insured employers contain health costs:

- Access to statistics on market characteristics
- Market shares of insurance companies and third party administrators
- Development of plan designs that hold down costs

# NH Concerns about *Gobeille*

- More than half of NH residents with privately-funded health coverage have a self-funded employer plan.
- Nearly all self-funded claims in NH are administered by an insurance company or other Insurance Department- regulated entity that already reports claims data.
- Self-funded claims have always been part of NH's CHIS database.



# NH's Amicus in *Gobeille*

Goals of New Hampshire's amicus brief:

- Highlight *Gobeille*'s implications for insurance regulation
- Explain potential impacts on HealthCost website and other transparency initiatives

# Retaining State regulation

Importance of retaining central role for states in insurance and health regulation:

- States traditionally regulate insurance markets
- Transparency fosters competition and innovation
- New Hampshire's transparency efforts have bipartisan support and help markets work better.

# NH CHIS as Public Resource

“ . . . the data shall be available as a resource for insurers, **employers**, **providers**, **purchasers** of health care, and **state agencies** to continuously review health care utilization, expenditures, and performance in New Hampshire and to enhance the ability of New Hampshire **consumers and employers to make informed and cost-effective** health care choices.” - NH RSA 420-G:11-a, I

# Contact Information

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NHID Website: <http://www.nh.gov/insurance/>  
NH HealthCost Website: <http://nhhealthcost.nh.gov/>

# Thank You



## Contact Information

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