North Carolina
State Health Plan
FOR TEACHERS AND STATE EMPLOYEES

CY 2016 Transparency Workgroup

Summary of Recent Developments and Future Planning

October 5, 2016

A Division of the Department of State Treasurer

Meeting Overview

- Review of CY 2015 Recommendations
- Key Accomplishments
- Overview of Health Benefits Cost Estimator
- Vendor Presentations
  - Blue Cross and Blue Shield of North Carolina
  - CVS Health
- Next Steps

Summary of CY 2015 Recommendations

- The definition of transparency should include not only price information, but also information on provider quality, in a way that is both accessible and understandable
- The Plan should strive to better educate members on existing transparency tools and increase the utilization of those tools
- Efforts to improve transparency should include educational materials aimed at helping members engage with providers on the cost of care
- Transparency-related information should be provided to members in a straightforward way so that they may make informed choices

Summary of CY 2015 Recommendations, continued

- Where appropriate, transparency tools should eliminate or reduce barriers to care by identifying opportunities to utilize low cost providers and high value alternatives for care
- Adding an external tool in the short term will not improve transparency for Plan members because members do not access existing tools
- Plan tools should have more information and better communicate about where members can receive care, how much the care costs, and the quality of the care
- The Plan should consider incenting members to use transparency tools

Summary of CY 2015 Recommendations, continued

- The Plan should work with vendors to provide direct links from the State Health Plan homepage to member transparency tools
- Quality transparency data should include definitions and examples that members can understand
- The key areas where members need to have transparent price data include:
  - Services where there is a facility fee attached to the visit
  - Services for which members can be reasonably expected to shop (i.e., primary care providers and specialists versus emergency procedures)
  - Services where providers charge different rates based on the setting in which care is provided (for example, office visit versus facility)
  - Where possible, include information on services in which out-of-network providers will be billing and/or providing care so that members understand the impact on their cost-sharing
  - Services where there are lower cost, higher quality alternatives
  - Highlight services where members can reduce costs through bundled or alternative payments

Summary of CY 2015 Recommendations, continued

- The key areas where members need to have transparent quality data include:
  - All areas where price information is provided. Plan members need to understand that the lowest cost provider may not be the lowest quality and high cost providers may not be the highest quality.
  - Descriptions of any accreditations that providers or hospitals receive and when they received them and for what services
  - Opportunities to provide feedback on the member experience with providers
  - Volume of procedures performed annually by the provider (where applicable)
  - Providing members educational tools to understand quality information
- The Plan should consider engaging members on the type of information and data that they would most likely find helpful in a transparency tool

CY 2016 Key Accomplishments

- Availability of a Health Benefits Cost Estimator to help members understand the costs of care and their benefits
- The Plan has expanded the range of videos and webinars available to members
- Significant growth in number of members utilizing provider portal and transparency tools
  - In CY 2014, less than 1% of members used the Blue Cross and Blue Shield of North Carolina (BCBSNC) provider portal
  - Through September 2016, about 7.6% of members have utilized the portal
- All vendors have added quality components and increased the user-friendliness of their tools
- Intensive marketing and communication from BCBSNC

Challenges to Address Going Forward

- Define quality metrics with all partners in a manner that can be agreed upon and communicated to members
- Members in copay driven plans have less incentive to use transparency tools due to fixed cost
  - Plan provides tiered copays to stress quality and use of selected PCP
- Aligning and tracking incentives for use of transparency tools and lower cost providers
  - Particularly on services for which members can “shop” for the best price
- Communication overload within Health Education
  - So many points to communicate
- With over 700,000 members multiple communication channels are needed to communicate and engage members

Next Steps for Workgroup

- Recommend items for consideration going forward
- Submit CY 2016 report