State Cost Containment: Options and Considerations

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Georgetown University Center on Health Insurance Reforms (CHIR)

Nationally recognized team of private insurance experts

- Part of McCourt School of Public Policy
- Legal & policy analysis
 - Federal and state regulation
 - Market trends
- Published reports, studies, blog posts
- Technical assistance





Meaningful Cost Containment: Look at the Prices







(Quasi) Public Options

- States to Watch: WA, CO, NV
- Key Design Questions:
 - Cost containment mechanism
 - Provider participation requirement
 - Availability (markets, regions, enrollment)



Enhanced Rate Review

- States to Watch: DE, CO, PA, RI, VT,
 WA
- Standard to Meet:
 - Affordability vs. Specific Targets
- Scope of DOI Review:
 - DOI review of provider reimbursement rates and/or contracts
 - Price transparency data

Expanded Facility Fee Limits

- Current Law: Outpatient services using CPT E/M code at off-campus facilities
- Areas to Expand:
 - All off-campus services
 - All on-campus E/M services
 - Other on-campus services that can be safely and appropriately performed in a physician's office
- State to Watch: IN



Out-of-Network Price Caps

- Proof of Concept: Medicare Advantage
- Key Design Questions:
 - Where and how to set the cap
 - Should caps vary by region, market, etc.
- Extra Benefit:
 - Potential spillover effect on in-network negotiations



Building Capacity

Implementation, enforcement, and monitoring require staff and resources!

- Building in-house analytical expertise
- New data sources:
 - RAND 4.0
 - NASHP Hospital Cost Tool
 - Sage Transparency
- CHIR (and Wakely) can help!



Questions?

CHIR Publications:

www.chir.Georgetown.edu

CHIRblog:

www.chirblog.org

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