

HEALTHSPARQ®

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Submitted via email at chronic_care@finance.senate.gov

The Honorable Orrin G. Hatch
Chairman
Senate Finance Committee
U.S. Senate
219 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Ron Wyden
Ranking Member
Senate Finance Committee
U.S. Senate
219 Dirksen Senate Office Building
Washington, DC 20510

Dear Chairman Hatch and Ranking Member Wyden:

HealthSparq is pleased to provide comments in response to the Senate Finance Committee's call for stakeholder input on solutions for patients with chronic disease. As outlined in more detail below, we urge the Committee to focus on price transparency as one element of a comprehensive approach to chronic disease management.

Tools like our HealthSparq One platform give patients with chronic disease access to the information they need to manage their health conditions, search for doctors who can provide the care they need, anticipate the costs of a care "episode," and connect to a community of similar patients with whom they can share experiences. We applaud you for your leadership on this important topic, and look forward to working with the Committee to craft policies that put cost information in the hands of patients.

About HealthSparq

HealthSparq's award-winning solutions inform and empower health care consumers by facilitating an online shopping experience that helps them understand their options and make better choices. Using our tools, patients can search for a doctor, treatment, facility, service or condition all from one location. A wide array of information, including individualized out-of-pocket cost information, care quality information such as patient reviews and quality reports, provider office location, prescription drug shopping information, and savings opportunities, is returned to the patient in an easy to read format so that they can plan their care in the evaluation, procedure, and post-procedure phases.

HealthSparq currently offers services to over 72 million consumers in more than 70 health plans. In the past two years, there have been almost 84 million searches performed on our tools, which include:

- All-in-one search results that display essential information patients need to make an informed decision about their care, from nearby doctors to cost estimates, quality ratings and patient reviews, network designations and more;
- Quick glance same page comparisons displaying cost-effective options for multiple providers, treatments and different care settings;
- Individualized price information, showing out of pocket costs based on individual plan benefits across the total episode of care timeline spanning evaluation to recovery;
- Patient reviews and ratings that offer insights into fellow patients' actual experiences with providers; and

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- Informative provider profiles and nationally recognized outcome measures when available or nationally-endorsed process measures for improved clinical outcomes to help patients find the right fit for care.

We believe that government payors, health plans, and third party administrators are uniquely positioned to make transparency a viable solution for chronic disease management. They have access to large data sets of claims, complete pricing information, accurate benefit and benefit accumulator data, and full understanding of their financial arrangements with providers. Having all these payors leverage their data and intellectual property to serve their beneficiaries, members, employers, and enrollees is the fastest path toward achieving the ultimate goals of transparency.

In regard to working with employers specifically, our tools help employer groups of all sizes engage their employees in taking a more active role in managing their own health and health care. In addition to in-depth analytics and educational tools on the employer side, we offer employees access to HealthSparq's transparency tools via multiple modalities (e.g., portal, intranet, email, etc.), personalized concierge assistance by phone who can help navigate their needs, appointment scheduling, medical billing review, decision support and access to telehealth services where board-certified doctors and licensed therapists are available 24/7.

Given our background, our comments will focus specifically on the role of price transparency in empowering and engaging patients in their own health care (Question #7). We believe that price transparency is particularly impactful for patients with chronic disease, as they often have significant health care incidents and recurring costs spread out over a long period of time, are more likely to need and seek care from different providers in different care settings, and are more likely to develop additional co-morbidities that negatively impact their health status and require medical attention.

Impact of Price Transparency on Patients with Chronic Disease

As you know, chronic disease is a growing problem for our health care system. Data shows that chronic disease accounts for 86 percent of U.S. health care costs and affects people within all age bands, including 50 percent of the adult population. Medicare numbers are even higher, with 93 percent of Medicare costs attributable to treatment of chronic disease and 46 percent of Medicare costs attributable to patients with six or more chronic conditions. It is clear that pragmatic policy solutions are needed to address this critical health care challenge.

We believe that cost transparency should be part of the solution. Cost transparency is needed not only to ensure that patients are armed with actionable information that enables them to seek high-quality, cost-effective care when they are diagnosed or living with a chronic disease, but also to create a culture of prevention that encourages patients to seek care before a diagnosis.

Without transparency, cost concerns often deter patients from seeking timely care. A recent poll showed that one in five insured Americans – or 44 million people – avoided visiting a doctor within the past 12 months because of cost concerns, including 16.4 million patients with at least one chronic condition.¹ Failure to seek care early may lead to complications that result in costlier and more acute care later on, including emergency room visits and hospital stays. This is especially true for patients with chronic disease, who can often see favorable results through regular consultations with their care team,

¹ "Survey Reveals One in Five Insured Americans Avoid Seeing a Doctor Due to Fear of Cost," January 2015. Available at: <http://www.sciohealthanalytics.com/harrispoll>

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adherence to a treatment plan and proactive management of their disease. HealthSparq's transparency tools put all patients, including patients with chronic disease who seek treatment for acute episodes and incidents, back in charge of their health by giving them information they need to build a high-quality, cost-effective health care network throughout the course of their disease.

Another barrier that often deters patients with chronic disease from seeking care is confusion related to financial responsibility – for example, what is covered under their plan, what out of pocket costs they will be responsible for, what additional treatment could be needed, etc. In fact, data shows that 38 percent of patients do not understand the health care services covered under their current plan, 41 percent do not know what their out of pocket costs are for prescription drugs, and 61 percent don't know their out of pocket costs for urgent care or walk-in clinic visits.² This lack of information makes it difficult for patients to make choices regarding their care. By taking the guesswork out of benefit design, tools like those offered by HealthSparq enable patients not only to act to take responsibility of their health and health care, but also to make smarter decisions.

Price transparency tools can help improve the knowledge base of patients with chronic disease, increase their engagement in managing their conditions, and drive better utilization of health care services. As a result, we believe that payors – including Medicare fee-for-service and Medicare Advantage plans – should be required to offer patients a price transparency tool. To ensure that patients get information they are able to understand and use, Congress should establish minimum requirements for vendors offering these products, including:

- Individualized information based on a consumer's actual plan benefits, allowing consumers to understand their out-of-pocket costs, total cost and spending, and utilization to date, as well as information about financial liability based on remaining deductible, co-pay and out-of-pocket maximums;
- Personalized cost information presented at a treatment episode level covering the continuum of care in a manner that ensures that consumers can sort by the factors that are most important to them (e.g., good quality, low cost, distance to care, etc.);
- Tools, language and supporting graphics that are simple/intuitive; and
- Tools that encourage consumer use of data, including tools that enable messaging via email, text, and other electronic means for customer support, where applicable.

Thank you again for the opportunity to provide comments. Please do not hesitate to reach out to me if I can be a resource for you and your team. We look forward to working with you in the future.

Sincerely,

Torben Nielsen
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² *Ibid.*