



OAHP Proactive Agenda and Hot Topics

**OAHP Lunch and Learn Series
June 11, 2018**

**Miranda Motter
President and CEO**

**Gretchen Blazer Thompson
Director of Govt. Affairs**

OAHP Overview

Who We Are: The Ohio Association of Health Plans (OAHP) represents 16 member plans providing health insurance coverage to more than 9 million Ohioans. Ohio's health plans include carriers providing coverage in both the private and public markets.

Core Mission: To promote and advocate for quality health care and access to a variety of affordable health benefits for all Ohioans



OAHHP Overview

Current Membership:

- Aetna
- Anthem Blue Cross/Blue Shield
- AultCare
- Buckeye Health Plan
- CareSource
- Cigna Healthcare
- Gateway Healthcare
- Humana
- Medical Mutual of Ohio
- Meridian
- Molina Healthcare of Ohio
- Paramount Health Care
- SummaCare
- The Health Plan
- UnitedHealthcare Community Plan
- UnitedHealthcare of Ohio

Affiliate members: CVS Health, Delta Dental Plan of Ohio; Ohio State University Health Plan

OAHP Overview

OAHP Staff

President and CEO

- *Miranda Motter (mmotter@oahp.org)*

Director of Association Services

- *Stacy Bewley (sbewley@oahp.org)*

Director of Regulatory Services

- *Angela Weaver (aweaver@oahp.org)*

Director of Government Affairs

- *Gretchen Blazer Thompson (gblazer@oahp.org)*

External Lobbying Consultant

- *Joe Stevens (joe@stevensconsultgrp.com)*



Today's Agenda:

- OAHP Proactive Agenda:
 - ✓ Surprise Billing
 - ✓ Drug Price Transparency
 - ✓ Opioid Reform
- Hot Topics

OAHP Proactive Agenda: Surprise Billing

What are “Surprise Medical Bills?”

- ✓ “Surprise Medical Bills” is a phrase commonly used to describe charges arising when an insured individual inadvertently receives care from an out-of-network provider.

Surprise Medical Bills can arise in emergency and non-emergency situations.

OAHP Proactive Agenda: Surprise Billing

Surprise billing statistics . . .

- Nationally, about 9% of all inpatient admissions result in a surprise bill, or about 20% among admissions through the emergency room.
- In an emergency situation, the patient has no ability to select the emergency room, treating physicians, or ambulance providers.
- Surprise medical bills might also arise when a patient receives planned care in a non-emergency situation from an in-network provider (often, a hospital or ambulatory care facility), but other treating providers (such as anesthesiologists, radiologists, pathologists and others) brought in to participate in the patient's care are not in the same network.

OAHP Proactive Agenda: Surprise Billing

- For insured patients, the surprise medical bill can involve two amounts:
 - ✓ **Cost Sharing:** The patient could be surprised by the difference in cost sharing between in-network and out-of-network providers.
 - ✓ **“Balance Billing:”** Typically, health plans negotiate fee schedules, or allowed charges, with network providers that reflect a discount from providers’ full charges. Network contracts generally also prohibit providers from billing patients the difference between the allowed charge and the full charge. However, in an out-of-network provider situation where there is no contractual obligation, a patient might be liable for the balance bill in addition to any applicable cost-sharing.

OAHP Proactive Agenda: Surprise Billing

- **Ohio's health care consumers should be protected from the practice of balance billing by out-of-network providers at in-network facilities.**
 - ✓ Patients who receive services from a facility participating in their plan's network have reasonable expectation that their providers at that facility will also be in network.
 - ✓ Unfortunately, a patient may still be balance billed by a provider at that facility who has chosen not to contract with the health plan.
 - ✓ Often times, the out of network provider is unknown to the patient because the provider may be providing ancillary services (anesthesia, radiology services, etc) on the patient's care.

OAHP Proactive Agenda: Surprise Billing

- **Free Standing Emergency Rooms (FSERs), what are they?**
 - ✓ A FSER is an emergency room that is not physically connected to a hospital, but still charges in the same way an emergency room would, including a facility fee.
- Ohio is second only to Texas in the number of FSERs.
- There are two types of FSERs:
 - ✓ Hospital based (OhioHealth, Cleveland Clinic, etc.)
 - ✓ Independent
- Most FSERs are located in suburbs where most of the population is privately insured.

OAHP Proactive Agenda: Surprise Billing

- **Why are FSERs an issue?**

- ✓ They are more expensive:

- Reimbursement is higher
 - Out of pocket costs are higher
 - Facility fee

- ✓ Who are they treating?

- Low-acute patients
 - Top 10 reasons for admission are not life-threatening
 - Most patients should have gone to a primary care doctor or urgent care

- **Bottom line: many FSER patients receive a bill they are not expecting to treat a non-emergency condition**

OAHP Proactive Agenda: Surprise Billing

- **State Protections Against Surprise Medical Bills.**
 - ✓ Legislators and regulators across the country have expressed concern that surprise medical bills can pose significant financial burdens and are beyond the control of patients to prevent since, by definition, they cannot choose the treating provider. These protections are particularly critical for consumers who reside in states, like Ohio, where there is an influx of free standing emergency rooms.

OAHP Proactive Agenda: Surprise Billing

- Various policy proposals have been advanced, and some implemented, to address the problem. These include...
 - ✓ Transparency provisions that tell a consumer whether a hospital and/or health care professional is in a patient's network.
 - ✓ Hold harmless provisions that protect consumers from the added cost of surprise medical bills.
 - ✓ Establishing payment benchmarks for out-of-network providers.
 - ✓ Instituting a process when a dispute about out-of-network payments arise.

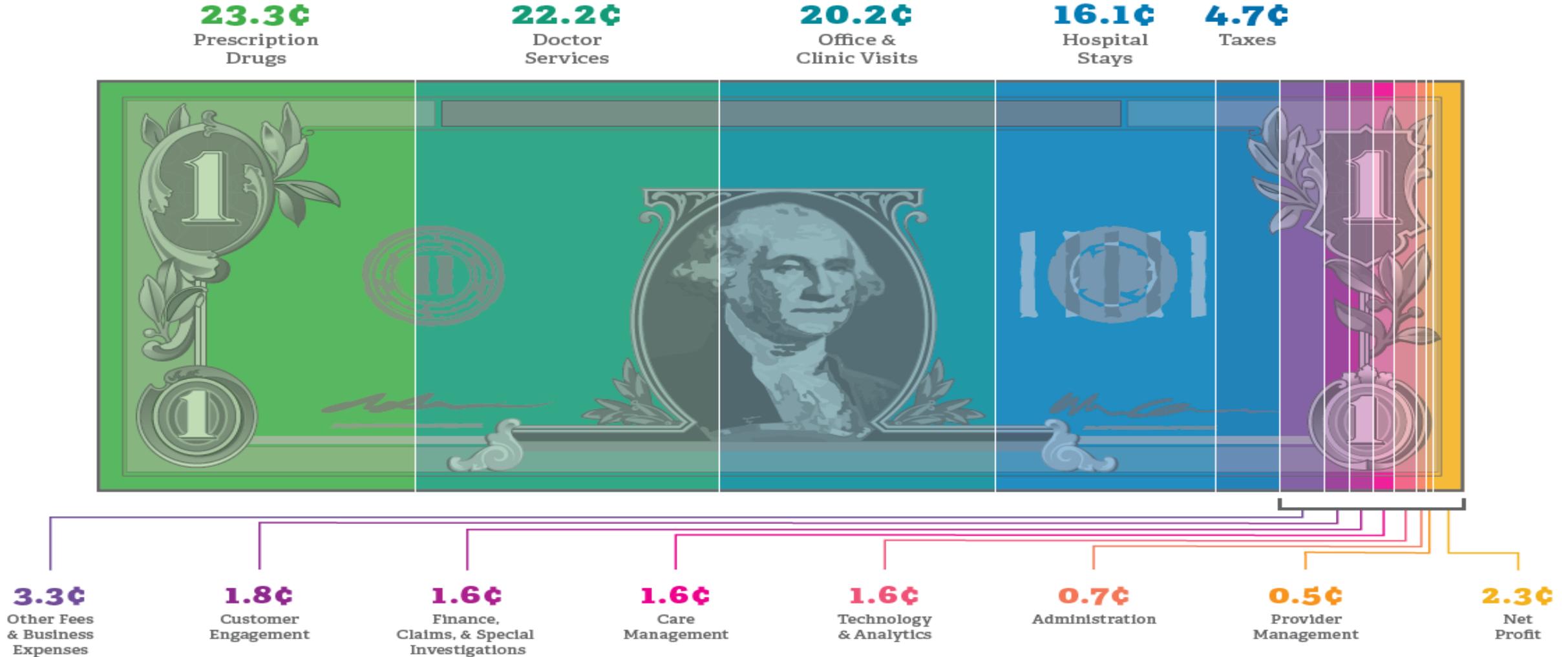
OAHP supports legislation that would enact all these consumer protection concepts.

OAHP Proactive Agenda: Drug Price Transparency

- Prescription drug costs continue to be one of the largest cost drivers impacting our nation's health care system.
 - ✓ Prescription drugs are now the fastest growing category of medical costs.
 - ✓ Drug companies are charging \$84,000 for a new hepatitis C cure, more than \$14,000 for new cholesterol treatments.
 - ✓ Novel cancer therapies routinely run six figures.
- Until significant steps are taken toward achieving transparency in the drug pricing space, health care reform that drives down health care costs will remain a wish instead of a reality.

Where Does Your Health Care Dollar Go?

Your premium—how much you pay for your health insurance coverage each month—helps cover the costs of the medications and care you receive. It also helps to improve health care quality and affordability for all Americans. Here is where your health care dollar really goes.



Expenditure estimates above produced by AHIP. Distribution of spending among administrative categories and taxes, based on analysis by Milliman, Inc. Milliman's analysis is available upon request.

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OAHP Proactive Agenda: Drug Price Transparency

- **EpiPen Brought it Home.** Throughout summer 2016, news cycles were dominated by stories of the dramatic price increases associated with EpiPen. Mylan NV, the manufacturer of EpiPen, offered little explanation or reason behind the significant price increase.
 - ✓ *"Since the company acquired the rights to the drug in 2007, it's raised the per-dose list price from about \$50 a shot to \$304 today. Those without insurance or with a high-deductible plan could pay the full list price of over \$600 for a two-pack, the only way EpiPens are currently sold. The EpiPen now generates about \$1 billion a year for Mylan."*

OAHP Proactive Agenda: Drug Price Transparency

- An [April 2016 report](#) by America's Health Insurance Plans (AHIP) projects drug spending in the United States to grow to \$560 - \$590 billion by 2020, up considerably from \$337 billion in 2015.
- The rapid growth can be largely attributed to the increased number of high-priced, specialty drugs reaching the market.
- As many as 255 new specialty drugs are anticipated to be introduced by 2021.

OAHP Proactive Agenda: Drug Price Transparency

- Today, drug manufacturers are **NOT** required to disclose how the prices of medications are determined.
- **OAHP believes Ohio policymakers are uniquely positioned to address this challenge and require drug price transparency to better understand such astronomical growth.**
- The 132nd General Assembly should require drug manufacturers to disclose drug costs. Why?...

OAHP Proactive Agenda: Drug Price Transparency

- Purchasers of health care coverage deserve to know the facts behind the high costs of prescription drugs that contribute to their health care costs.
- Since 2015, at least ten states have introduced proposals that would require drug manufacturers to disclose the rationale behind a drug's costs.
- Disclosure requirements around drug costs is critical to any dialogue Ohio undertakes concerning price transparency in the health care delivery system.

OAHP supports legislation that would make information available to the public about the cost of prescription drugs.

OAHP Proactive Agenda: Opioid Reform

- **Health plans have been on the front lines of this crisis.** Ohio's health plans are leading a wide range of efforts to address and solve this crisis and have embraced a comprehensive approach to tackling opioid abuse and addiction, while ensuring access to effective treatment.
 - ✓ Adopting Nationally Recognized Opioid Prescribing Guidelines
 - ✓ Encouraging Proven Non-Opioid/Non-Pharmacological Ways to Manage Pain
 - ✓ Leveraging Medical Management Tools
 - ✓ Utilizing Effective Approaches to Care Through Care Management
 - ✓ Coordinated Services Programs (CSPs) and Pharmacy and Provider Lock-In Programs
 - ✓ Gold Carding
 - ✓ Education and Prevention

OAHP Proactive Agenda: Opioid Reform

While much work has been done, much more lies ahead.

- ✓ **Insert OARRs Reforms**

- ✓ CDC Reporting Guidelines

- Many believe that these guidelines are a “game-changer” and while only recommendations, many believe that these will have a significant on prescribing patterns and practices of providers.
- Broadly, there are 12 recommendations in the guidelines with the three following principles key to improving patient care:
 - 1) Nonopioid therapy is preferred for chronic pain outside of active cancer, palliative, and end-of-life care.
 - 2) When opioids are used, the lowest possible effective dosage should be prescribed to reduce risks of opioid use disorder and overdose.
 - 3) Providers should always exercise caution when prescribing opioids and monitor all patients closely.

Hot Topics

- Behavioral Health Integration
- Step Therapy
- MLTSS
- Mandates
- Others?



Questions? Comments?

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