



**COMPARE PROVIDERS,**

**SHOP FOR CARE,**

**SAVE MONEY.**

# The Healthcare **Bluebook**

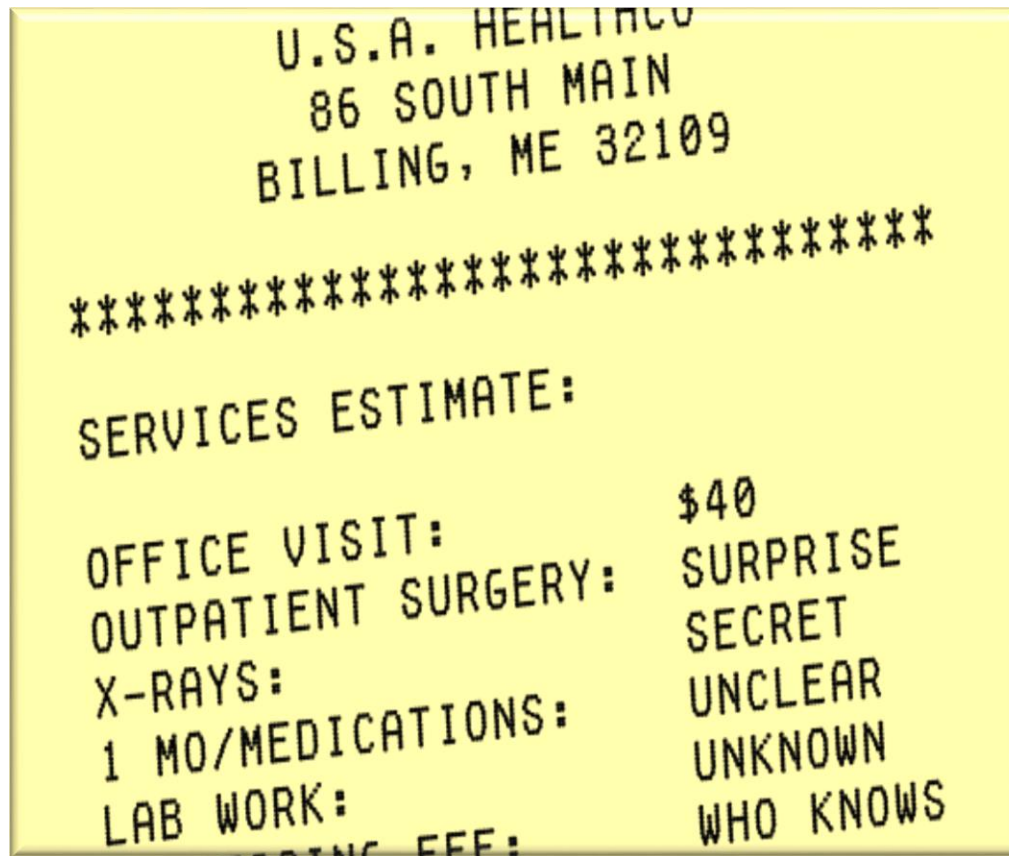
## The Role of Consumers in Payment Reform

October 30, 2014

# The Problem Facing Consumers



- In-network prices can vary by 300% to 500% or more....



- ...and consumers don't have a clue.

# The Healthcare Bluebook



**Stop**

## **Mission:**

*Help Consumers save money by finding quality care at a Fair Price*



**Choose**

## **Approach:**

- ◆ *Practical* – Focus on what drives real savings
- ◆ *Simple* – Intuitive, at-a-glance, Red-Yellow-Green
- ◆ *Integrated* – Portals, Programs and Providers



**Save**

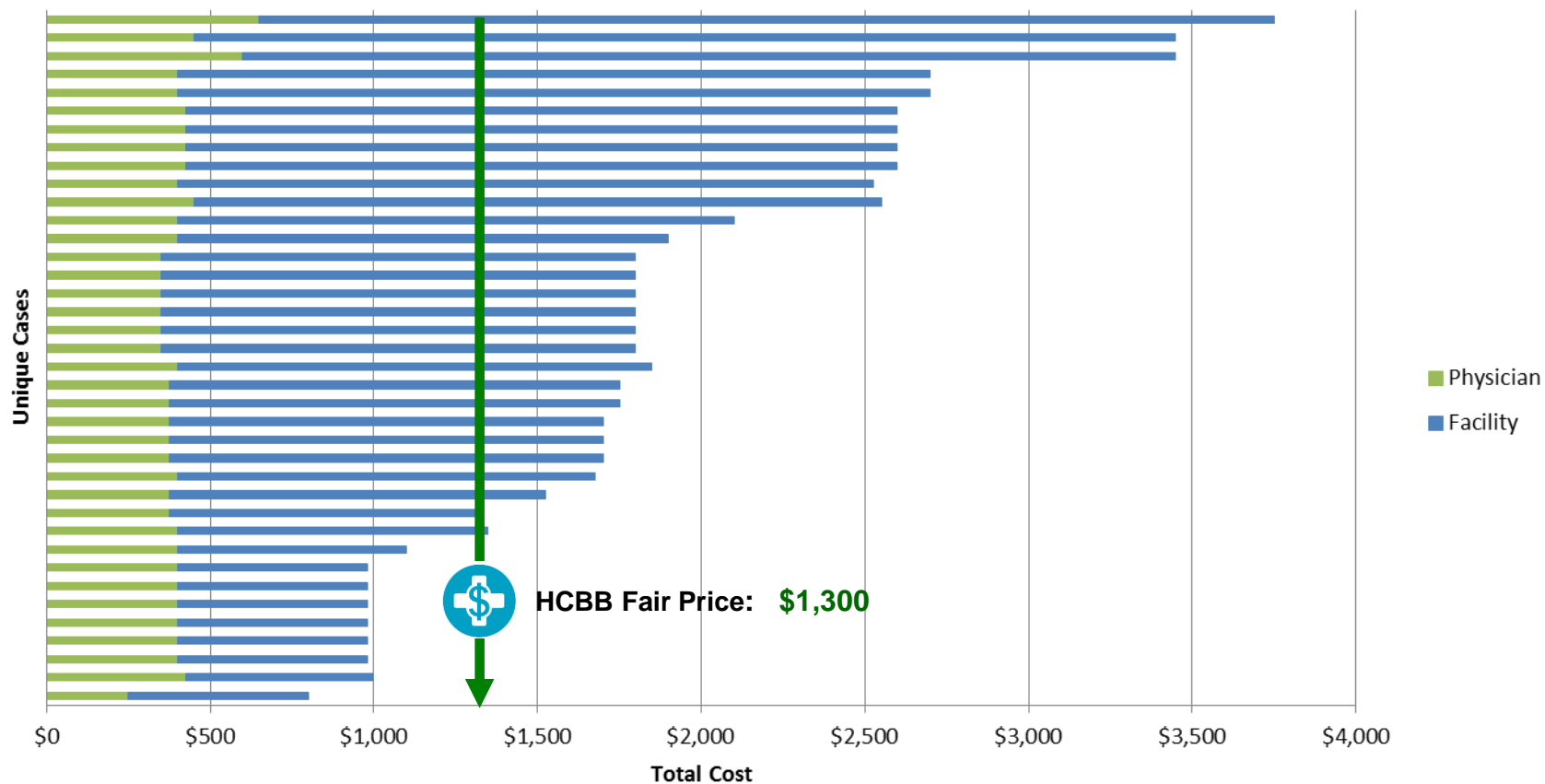
## **Results:**

- ◆ *Consumers save ~\$1,500+ per event*
- ◆ *Employers save up to 12% of total medical cost*

# First Things First – Understand What Drives Value



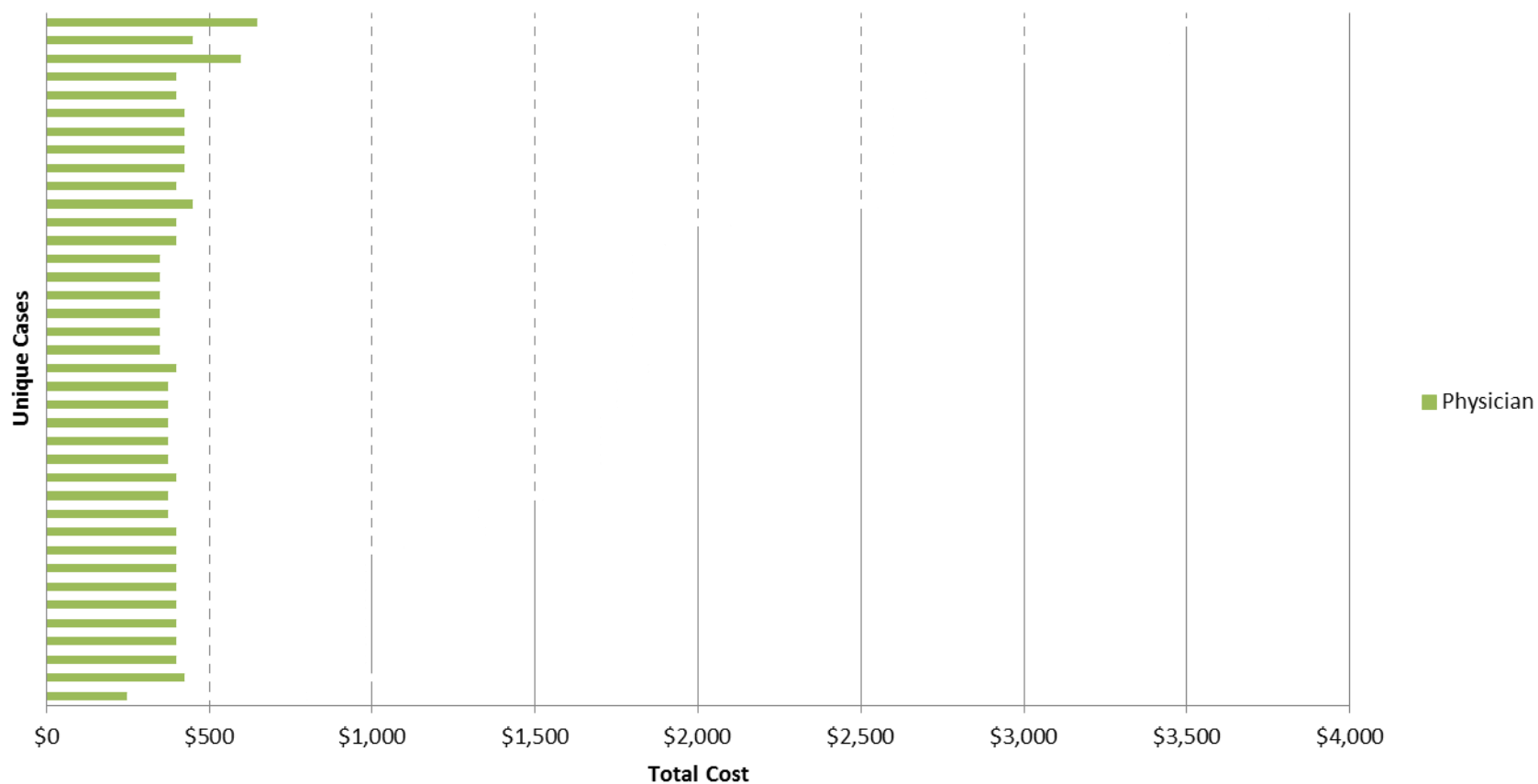
## Price Variability - Colonoscopy (no biopsy)





# It's Not the Physician Cost....

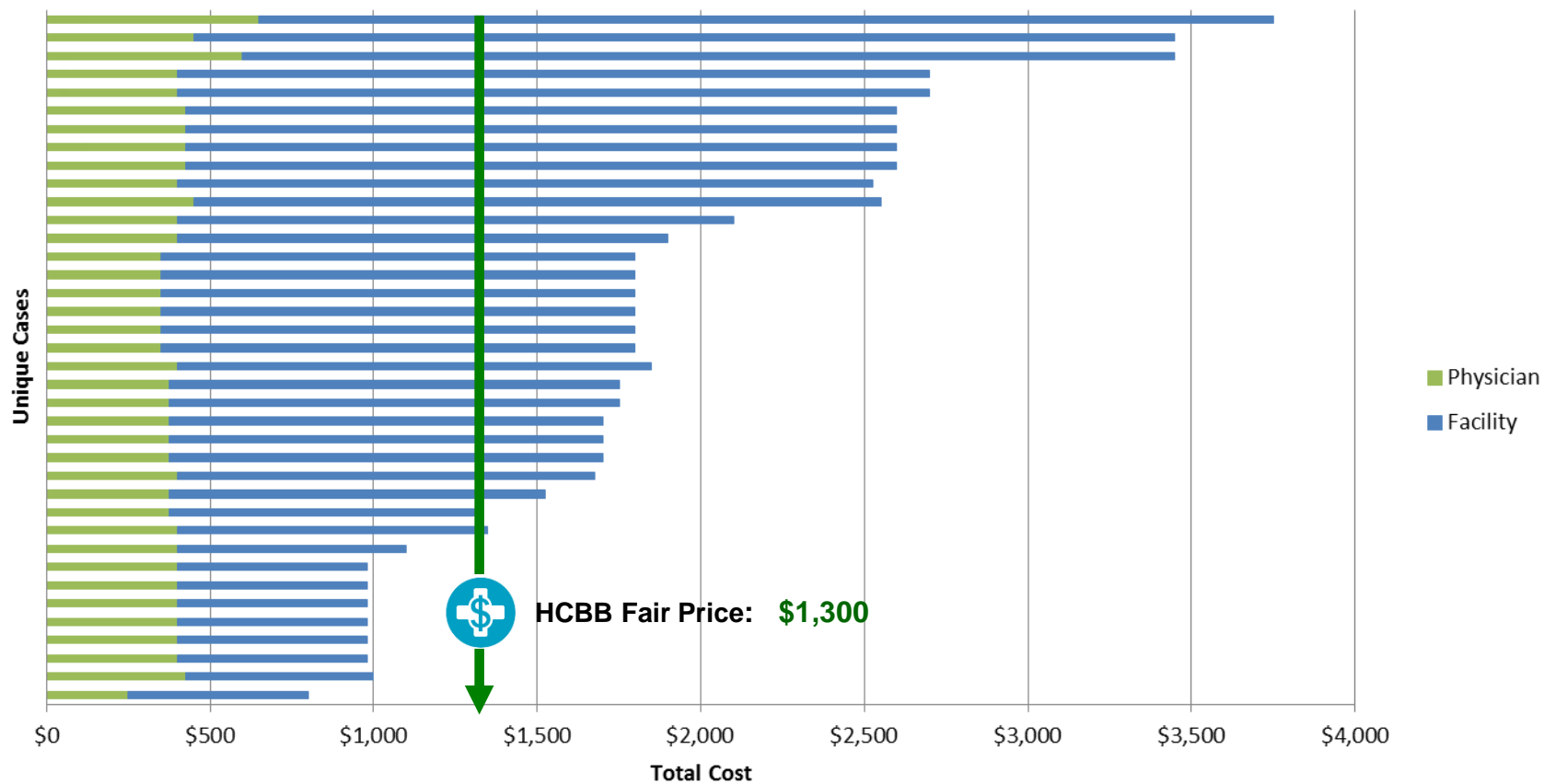
## Price Variability - Colonoscopy (no biopsy)





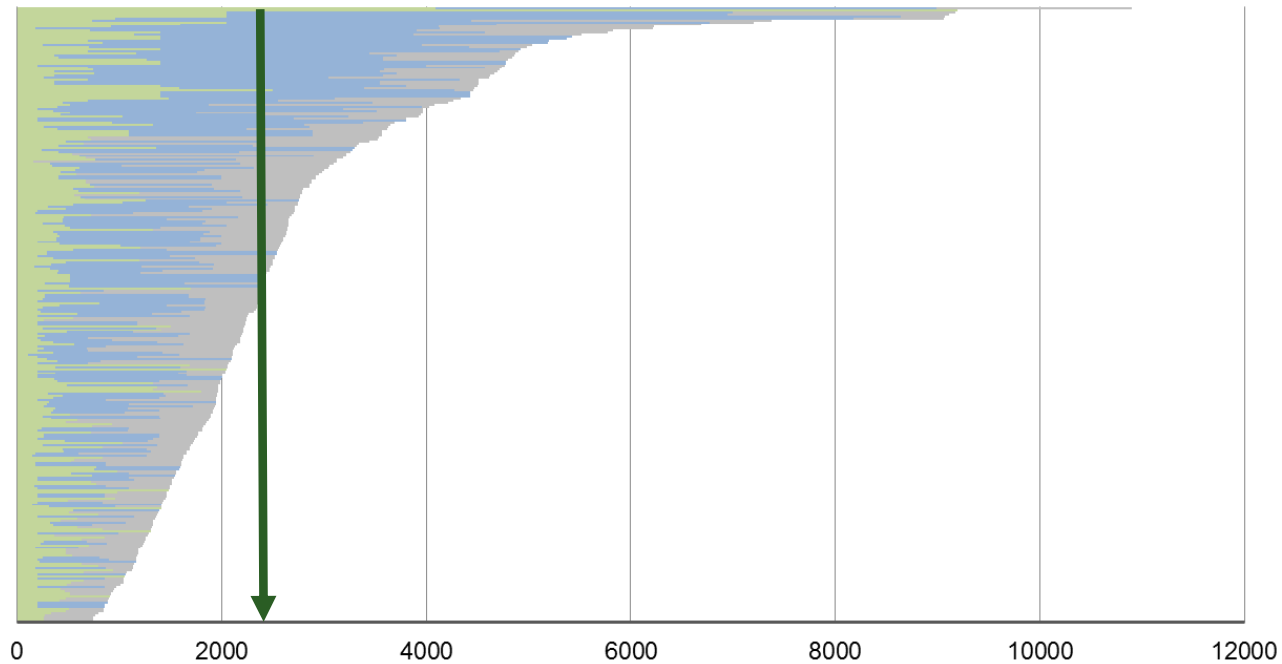
# ...It's the Facility

## Price Variability - Colonoscopy (no biopsy)



# Colonoscopy (NYC)

>600% Price Variation

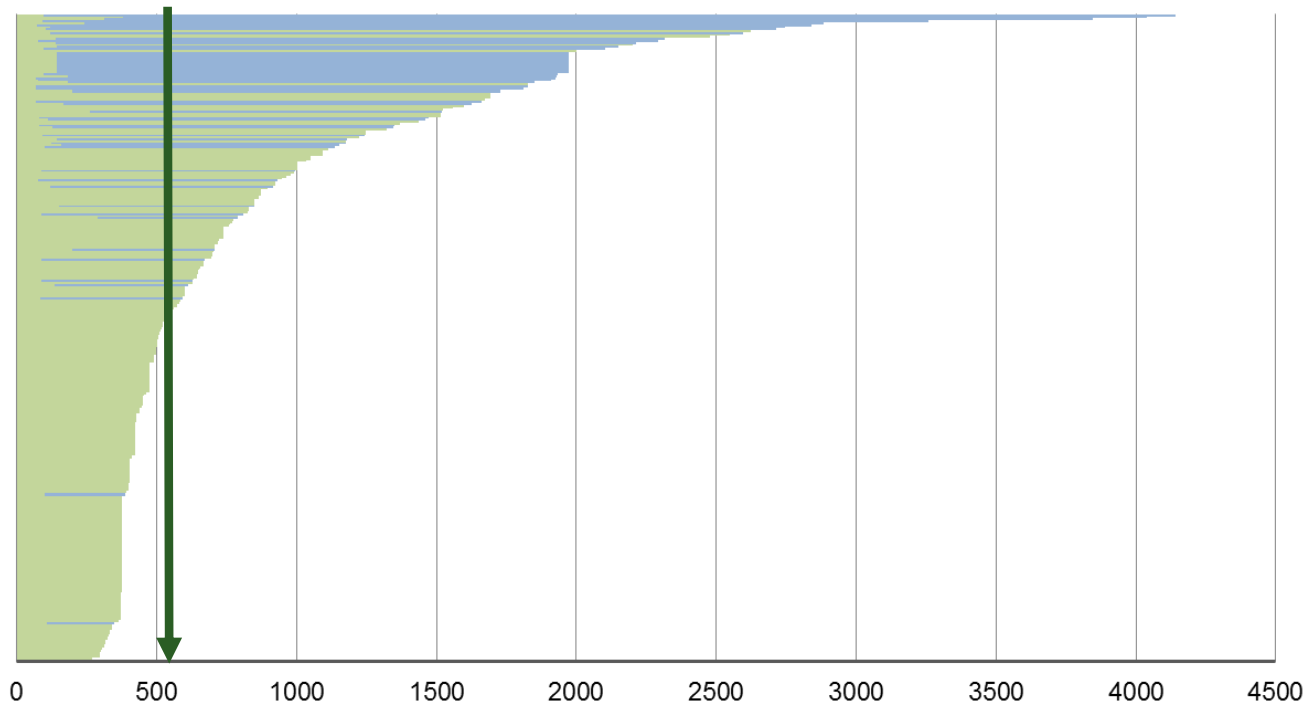


**Fair Price: \$2,418**

PROFESSIONAL FACILITY ANESTHESIA

# Knee MRI (NYC)

>600% Price Variation



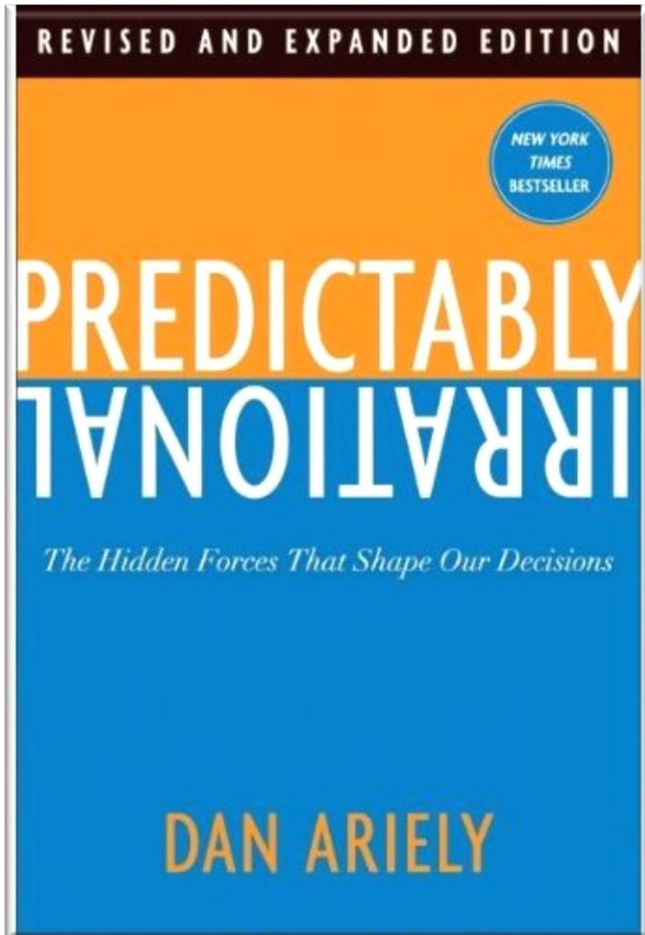
**Fair Price: \$505**

PROFESSIONAL

FACILITY



# Set the right “Anchor Point”



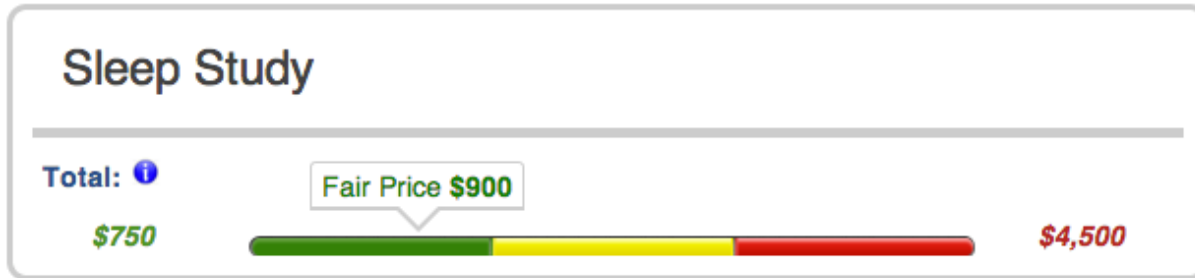
- Total Fair Price...not out-of-pocket
- Decisions are relative
- Where you start determines where you finish

***“Keep It Simple: To improve outcomes, choices should be simplified and actions made intuitive.”***

# This is what we mean by...



Simple.



Intuitive.

## Provider Listing

Providers are displayed by cost rating - least expensive to most expensive. Check the provider's network status and price before making an appointment.

Service: Sleep Study

Fair Price: \$900



At or Below Fair Price



Slightly Above Fair Price



Highest Price

### Facilities

### Rating

[American Sleep Evaluation Center](#) (~ 13 miles)



[Clinical Sleep Centers LLC](#) (~ 6 miles)



[MidStates Sleep Lab](#) (~ 7 miles)



[University Center Hospital West](#) (~ 12 miles)



[Franklin Wodes Commuuty Hospital](#) (< 1 mile)



[St. Ignatius Hospital](#) (~ 2 miles)



[Glades Regional Hospital](#) (~ 13 miles)



Effective.

# Quality is not the reason for price variation



“Price variations for hospitals and physicians offering similar services are not explained by quality of care.”

February, 2010

Investigation of Health Care Cost Trends and Cost Drivers



HEALTH TRACKING

## MARKET WATCH

### Hospital Quality And Intensity Of Spending: Is There An Association?

Hospitals' performance on quality of care is not associated with the intensity of their spending.

May, 2009

# Simple...Clear...Consistent



*Would you pay \$20 / gallon for gas?*

**\$4.00**



**\$20.00**

*So why pay 5-times too much for your health care?*

**\$700**



**\$3,500**

# In Conclusion –



**Stop**

## Start With What Works

- ◆ *Practical* – Focus on what drives real savings
- ◆ *Simple* – Intuitive, at-a-glance, Red-Yellow-Green
- ◆ *Integrated* – Portals, Programs and Providers



**Choose**

## Results:

- ◆ *Consumers save ~\$1,500+ per event*
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**Save**