

From: Abe Scarr [<mailto:abe@connpirg.org>]
Sent: Sunday, December 01, 2013 4:06 PM
To: SIM, OHA
Subject: Public Comment: CT State Innovation Model

Healthcare Advocate Veltri and members of the Healthcare Innovation Steering Committee: thank you for the opportunity to submit written comments on the Draft Healthcare Innovation Plan.

The Connecticut Public Interest Research Group (ConnPIRG), is a statewide non-profit, non-partisan public interest advocacy organization that takes on powerful interests on behalf of its members, working to win concrete results for our health and well-being.

Health care costs more than it should. That's true for health insurance and for the underlying cost of care. The quality of health care is inconsistent, and consumers have too little say in their care and their health insurance. The Draft Healthcare Innovation Plan contains many good ideas for Connecticut to address these problems. Included are comments on price transparency and payment reform.

Price Transparency

In today's health care market place, consumers have little to no access to basic information about the cost of the care they are receiving or are considering. Pricing is often opaque and confusing. The Draft Healthcare Innovation Plan addresses this in "Performance Transparency" section. We encourage the Steering Committee to recommend further action to provide greater price transparency to consumers with online tools similar to Open CT which is providing new levels of transparency in Government spending. We encourage the Steering Committee to review and consider measures similar to those taken in Rhode Island as outlined in the Office of The Insurance Commissioner's May 20th 2013 Bulletin on Health Care Price Transparency. Policies outlined in the bulletin include:

1. Eliminating "gag clauses" in reimbursement contracts between insurers and providers, which prevent both parties from releasing reimbursement information to the public;
2. Requiring insurers to release price and reimbursement information at the request of providers looking to use the information to make cost-effective referrals to other providers; and
3. Requiring insurers to come up with a consumer-facing comprehensive price transparency plan to submit to the state by April 2014.

Payment reform

There is broad agreement that payment reform is critical to improving health care. There is less agreement on how best to do it. The draft plan acknowledges in multiple places the potential problems with "shared savings" and "pay for performance" models – chief among them that quality will be sacrificed in order to cut costs. The plan asserts that certain thresholds and metrics will be used to ensure quality is not sacrificed. Of course, the devil is in the details. Those thresholds and metrics must be developed in the most open and transparent manner possible, including participation from all stakeholders including consumers and consumer advocates.

Again, thank you for the opportunity to comment on the Draft Healthcare Innovation Plan.

Sincerely,

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