



Providing Consumers with Meaningful and Actionable Cost Information

BCBSA supports efforts to empower consumers with greater access to information to help them make the best choices for their care. All Blue Cross and Blue Shield (BCBS) companies provide convenient, user-friendly tools to help consumers estimate the range of costs for specific "shoppable" procedures (i.e., non-emergent, less critical care needs) across providers in their communities. BCBS companies also collaborate with employers in the fully insured and self-insured markets to couple cost estimate information with benefit design to give employees and their families information to navigate provider cost and quality options.

KEY FACTS

The Blue Cross Blue Shield Axis® cost data reflects MORE THAN \$400 BILLION IN ANNUAL CLAIMS as well as the health care experience of more than 165 MILLION ACTIVE AND INACTIVE MEMBERS



BCBSA RECOMMENDS

Consumers want the ability to view prices that reflect what they will need to pay for health care services. BCBSA supports transparency done the right way — providing consumers with meaningful and actionable data that is relevant to their decision-making while also preserving the ability of health plans to negotiate with providers in a way that does not undermine plans' ability to secure competitive rates on consumers' behalf. Policymakers should encourage plans to have cost-estimator tools available to members that:

PROVIDE CONSUMERS WITH THE RIGHT INFORMATION AT THE RIGHT TIME

- Cost information must be actionable and accessible. Consumers'
 out-of-pocket costs and/or cost-sharing are dependent on their plan's
 benefit design, and the focus of information provided to consumers
 should be within this context. Providing access to negotiated rates
 between entities does not inform consumers how much they will
 pay for care.
- It is critical to educate consumers on the availability of cost-estimator tools, and that a higher price does not always equate to higher quality. This will help consumers make more informed decisions on their care. It also is important to develop health literacy/education tools in conjunction with the private sector to help ensure that consumers understand how to use the tools effectively.
- In order to provide a complete picture of quality and cost, we must further develop quality measures across different specialties. Many specialties do not have robust quality metrics in place that would allow for meaningful comparison of provider quality. Enhanced ability to provide meaningful information on provider quality will help drive the best health outcomes.

PREVENT UNINTENDED PRICE INCREASES

- Price transparency for consumers can be achieved without releasing negotiated rates. Health care markets are generally highly concentrated, so requiring plans to disclose negotiated prices could enable providers to tacitly collude, driving prices even higher than current levels (similar to shadow pricing in the prescription drug market).
- It is important to recognize price quotes are estimates and should not be binding. Binding quotes prior to care are not possible for many services because information needs to be gathered during diagnosis and treatment that will impact what care is delivered and what the cost will be. Furthermore, binding prices have the potential to raise premiums due to uncertainty.

The Blue Cross Blue Shield Association is a national federation of 36 independent, community-based and locally-operated Blue Cross and Blue Shield companies that collectively provide healthcare coverage for one-in-three Americans. To learn more about how BCBSA is advocating to improve healthcare for all Americans, please visit www.bcbsprogresshealth.