
Engaging Maryland Consumers On Health Care Cost and Value Issues

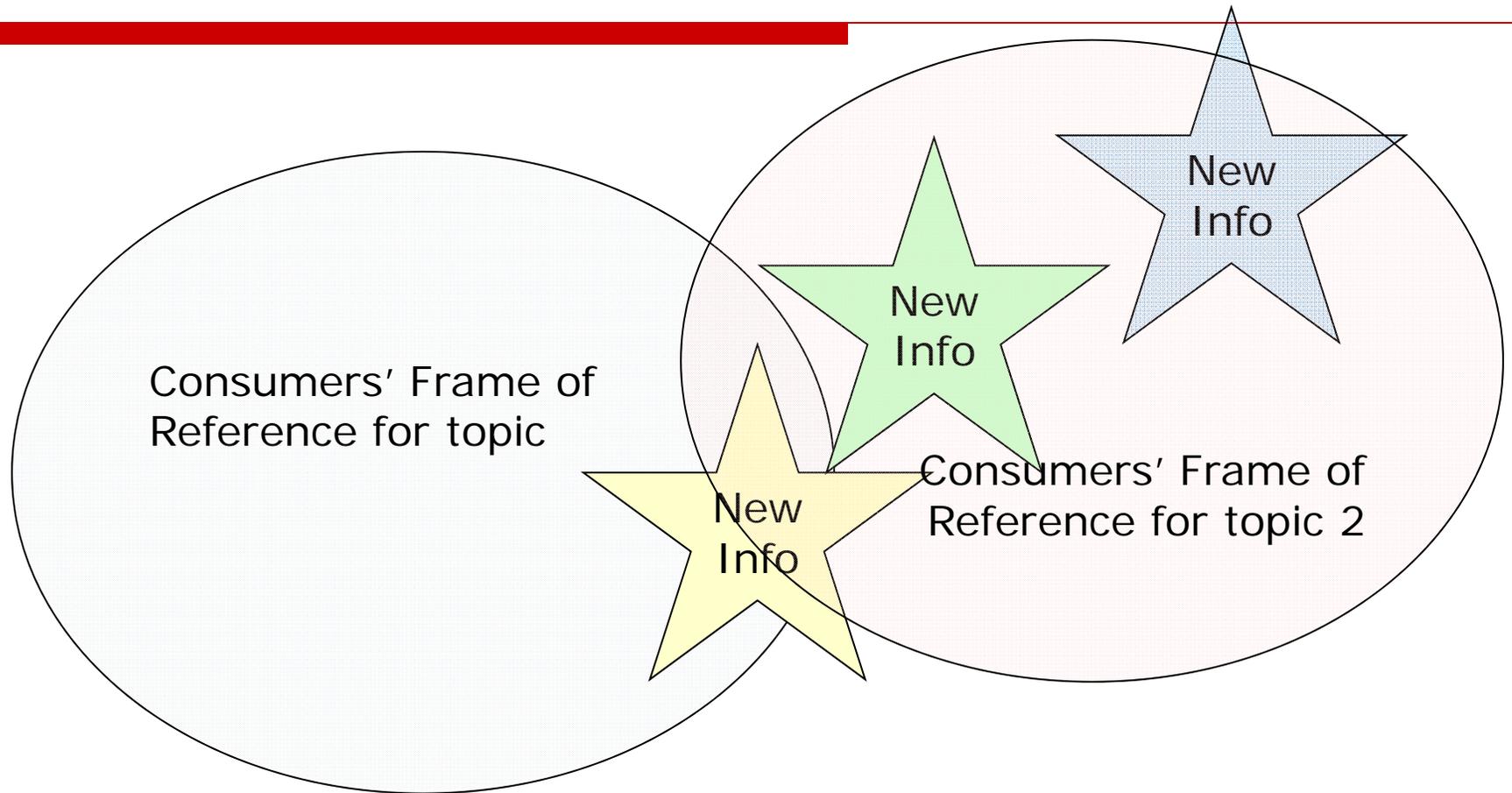
Lynn Quincy
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January 30, 2015



Our premise

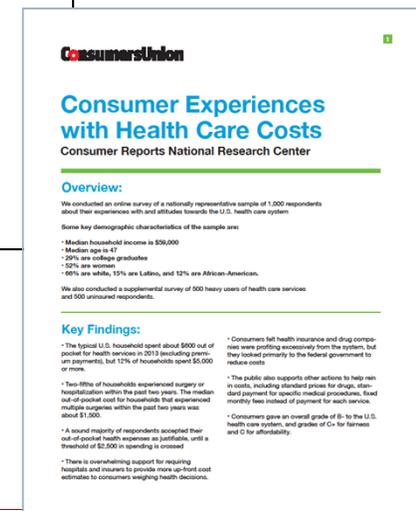
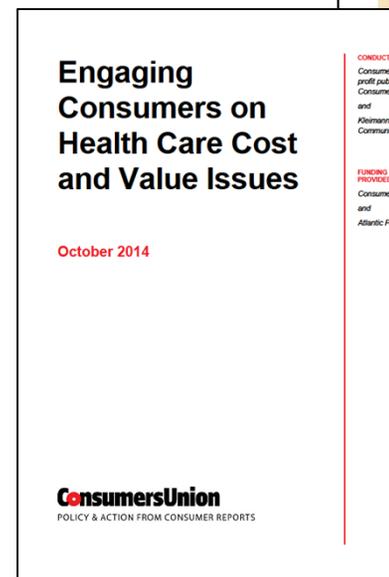
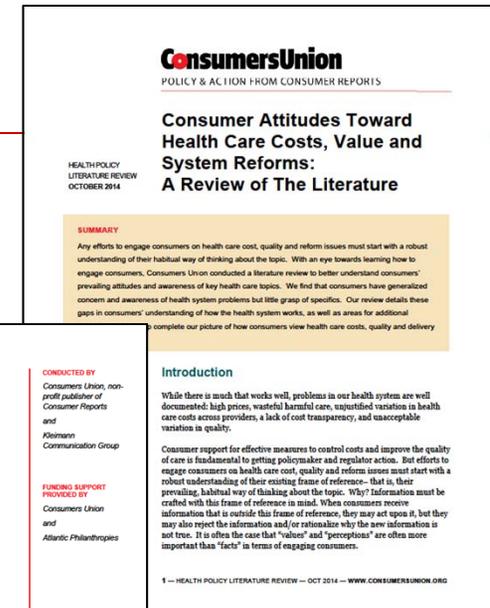
- ❑ Consumer support is fundamental for policymakers and regulator action.
- ❑ Low public awareness of system problems and potential solutions hinders progress on health care cost/value issues.
- ❑ Efforts to increase public awareness are hampered by our incomplete understanding of consumers' attitudes towards health system problems.

Why is it important to know consumers' attitudes?



A Mixed Methods Research Project

- ❑ Literature Review
- ❑ Focus Groups
- ❑ Nationally Representative Survey



High Costs Are Top-of-Mind For Consumers

Q. What is one word that describes the US health care system?

A. “Expensive,” “Money,” “High costs” or a variation

“If you take the ‘U’ and the ‘S’ part of the health care system and put them together or overlap one of them—one over the top of the other, you get a dollar sign,” (CO-Group 1)

Consumers Think About Health Costs On Two Levels

- Typically: costs they pay out of pocket.
- Sometimes: they have system-wide costs in mind when thinking about reforms, including the portion paid by third parties.
- But consumers have only a general sense of how broader system costs get paid.

Consumers Are Angry About Costs

"arbitrary"

"greed"

"not fair"

"it's a moral issue"

"gougers"

Quality Problems Are Not Top-of-mind

- ❑ Think about “health care quality” in terms of their own doctor and office staff.
- ❑ Focus on the “softer” side of a practice: communication style of staff, careful attention to medical details and wait time.
- ❑ Technical proficiency important to them but (falsely) assume fairly uniform.
- ❑ Unaware of measures such as hospital infection rates, adherence to evidenced-based protocols, HEDIS, CAHPS or any common metrics that a policymaker or accreditation body might use.

Affordability Concerns Outweigh Quality Concerns

Q. What grade would you give the health system for...

Topic	Grade
...quality of care?	B
...fairness?	C+
...affordability?	C

Source: Consumers Union 2014 Nationally Representative Survey

What Motivates Consumers To Act?

- An emotional response to information
- But information must:
 - Be from a trusted source
 - Evoke an emotional response – can't be “logical”
 - Conform to their current beliefs and perceptions or “anchored” to other information they know. Local information is particularly motivating.
- And you must give them something to do!

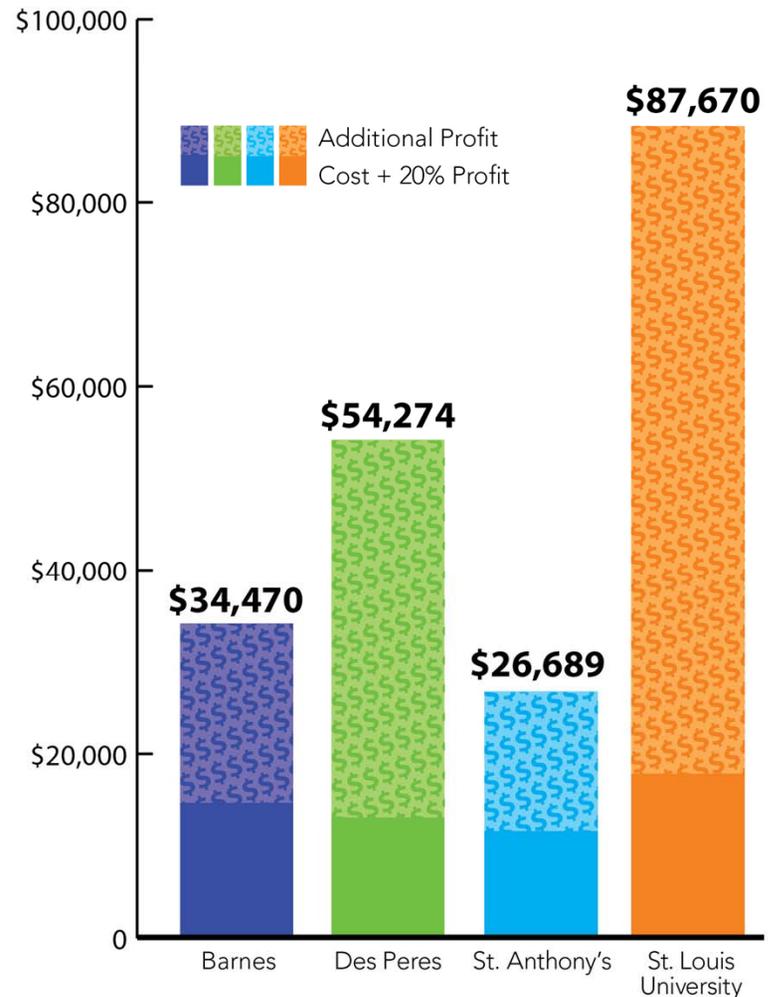
Visual Information Particularly Motivating

Infographics combine data and visuals in a way that reveals relationships and significance more quickly than verbal or text information

Same City, Same Service: How Much Price Variation is Reasonable?

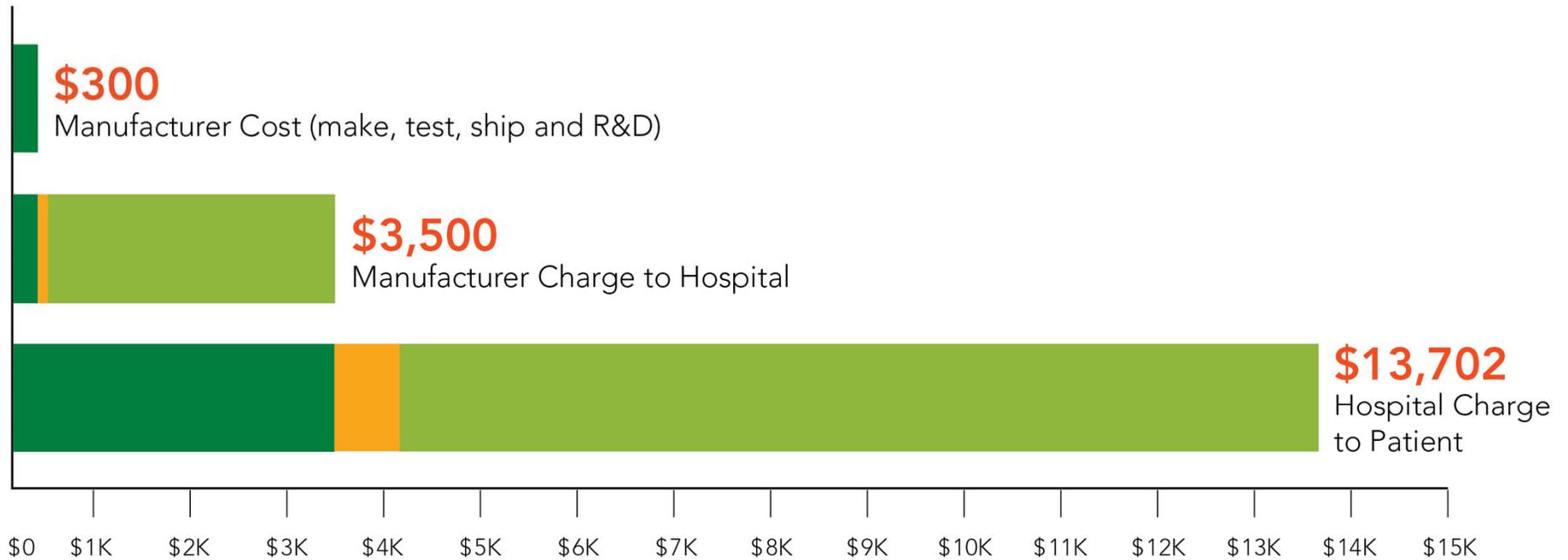
- ❑ Highly motivating!
- ❑ Local data on hospitals allowed participants to layer on their own information
- ❑ Highlighting hospital markup = emotional response
- ❑ Participants views: hospitals are a business and should make some profit but health care is a social good, so not too much!

St. Louis Hospitals: Inpatient Joint Replacement



Is the Cost Reasonable?

One Dose of Cancer Drug Rituxan



- Cost
- 20% Profit
- Additional Profit

What are consumers willing to do?

- Want to be told what to do, not have to research it themselves
 - Willing to take:
 - Personal actions (informed shopping, healthy lifestyle)
 - System-directed actions (write to legislator)
 - But want to be effective - how can we band together to amplify our voice?
-

What system level interventions would consumers support?

A broad range, including:

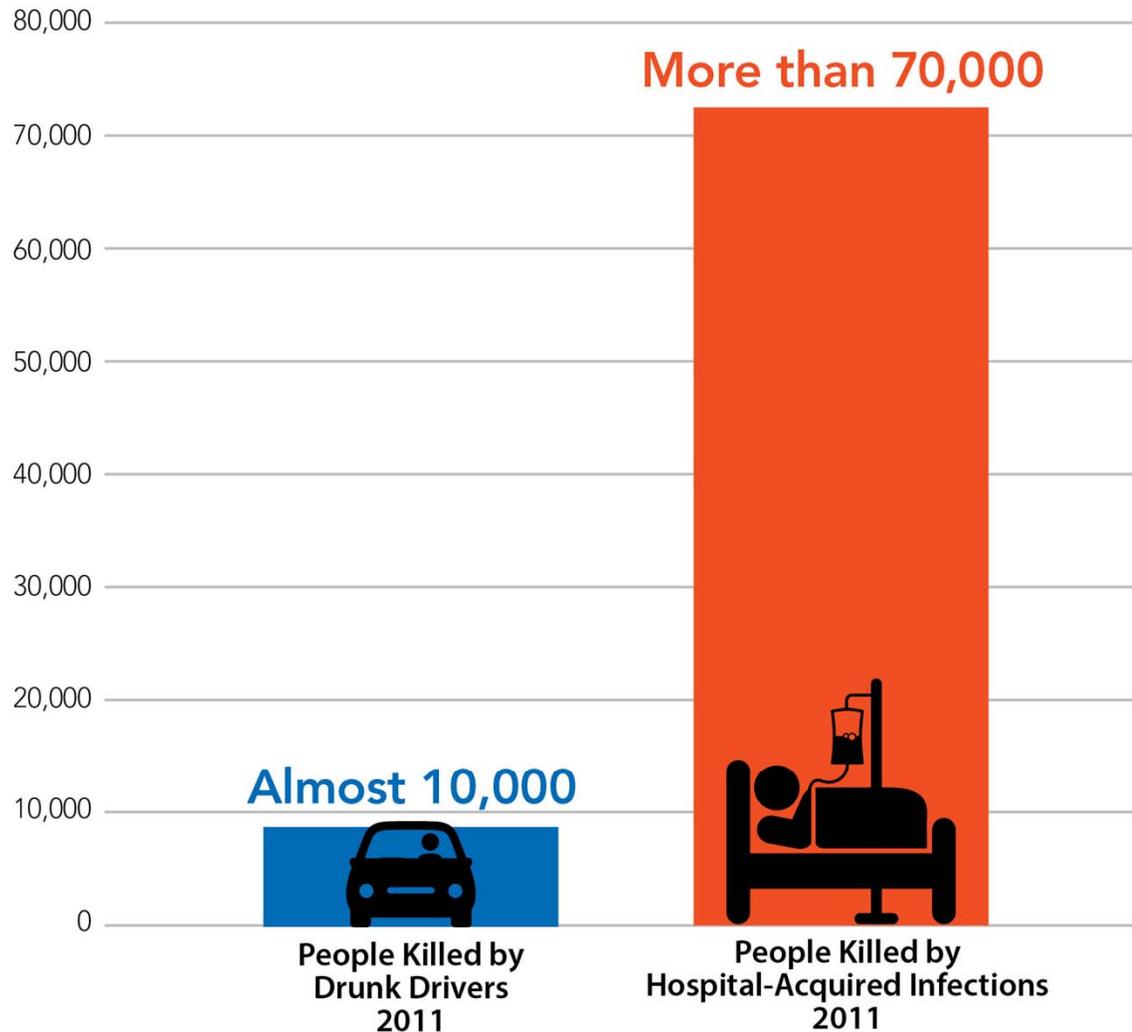
- price caps,
- provider payment reform (various),
- global budgets,
- disclosure of “fair” prices, and
- mandatory upfront cost estimates.

They like **penalties** for poor performing providers better than **rewards** for good providers.

Muted reaction to certain solutions: EHR and better coordinated care

- While EHR and coordinated care viewed favorably, improvements seemed logical → little emotional response → not tempted to act.
- **Exception:** hospital infections

Hospitals Can Be Dangerous



Every year in the U.S., drunk drivers kill almost **10,000** people, but hospital-acquired infections kill **over seven times** that many.

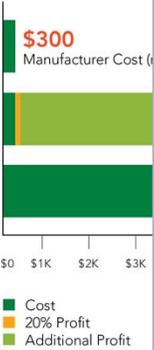
The CDC estimates these infections add **\$45 billion** every year to hospital costs.

Bottom line: Consumers highly motivated to act

- Easily motivated to “do something” about excessively high costs and high rates of hospital infections
- Harder but possible to get support for specific reforms. Try:
 - Follow rules for motivating information, connect to system problems and leverage desire to “do something”
 - Avoid short list of reforms that don’t resonate (like rewarding good doctors)

Is the Cost Reasonable?

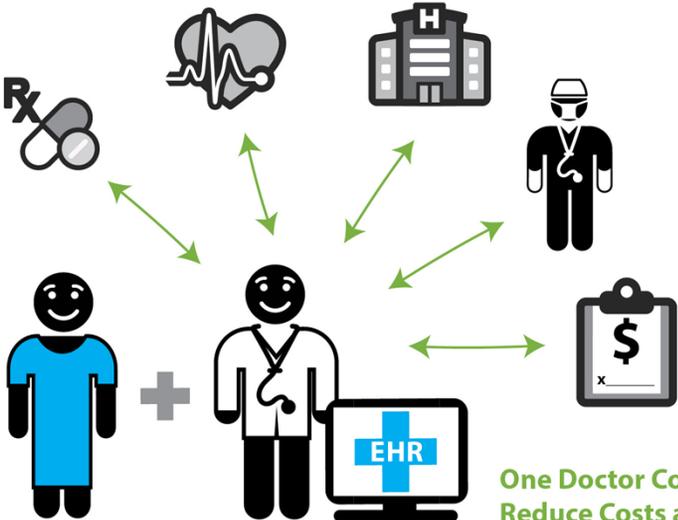
One Dose of Cancer Drug Rituxan



How Health Insurance Works

High Prices Affect Your Premium

Patients Deserve Coordinated Care



One Doctor Coordinates Care to Reduce Costs and Improve Outcomes

- electronic health records (EHR)
- all information shared
- clearer communication between physicians
- faster access to test results
- improved patient safety
- better outcomes for patient

Rising Health Costs

Increase in health insurance costs

From 2000 to 2010

High prices mean higher premiums for consumers.

Thank you!

Questions:

Lquincy "at" consumer.org

Report and other materials:
[consumersunion.org/
engaging-consumers-on-
value](http://consumersunion.org/engaging-consumers-on-value)

[See also: safepatientproject.org](http://safepatientproject.org)

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October 2014

ConsumersUnion
POLICY & ACTION FROM CONSUMER REPORTS

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Consumer Reports
and
Kleimann
Communication Group*

FUNDING SUPPORT
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