Women’s Health and the Affordable Care Act

Potential Role for Value-Based Insurance Design in Women’s Health

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<table>
<thead>
<tr>
<th>Factor</th>
<th>Odds ratio (and 95% CI)</th>
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<tbody>
<tr>
<td><strong>Environmental</strong></td>
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<tr>
<td>Dim lighting</td>
<td>1.6 (0.8–2.5)</td>
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<tr>
<td>Warm room temperature</td>
<td>1.4 (0.9–1.6)</td>
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<tr>
<td>Comfortable seating</td>
<td>1.0 (0.7–1.3)</td>
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<tr>
<td><strong>Audiovisual</strong></td>
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<tr>
<td>Poor slides</td>
<td>1.8 (1.3–2.0)</td>
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<td>Failure to speak into microphone</td>
<td>1.7 (1.3–2.1)</td>
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<td><strong>Circadian</strong></td>
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<td>Early morning</td>
<td>1.3 (0.9–1.8)</td>
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<td>Post prandial</td>
<td>1.7 (0.9–2.3)</td>
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<td><strong>Speaker-related</strong></td>
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<td>Monotonous tone</td>
<td>6.8 (5.4–8.0)</td>
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<td>Tweed jacket</td>
<td>2.1 (1.7–3.0)</td>
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<tr>
<td>Losing place in lecture</td>
<td>2.0 (1.5–2.6)</td>
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</tbody>
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Note: CI = confidence interval.
Women’s Health in Value-Based Insurance Design and the Affordable Care Act

- Background on Value-Based Insurance Design
- Role of V-BID in State and Federal Policy Efforts
- Women’s Health in ACA
- Lots of Discussion
Improving Care and Bending the Cost Curve
Shifting the discussion from “How much” to “How well”

• The past several decades have produced remarkable innovations for the prevention and treatment of common clinical conditions impacting women, resulting in impressive reductions in morbidity and mortality.

• Regardless of these clinical advances, cost growth remains the principle focus of health care reform discussions.

• Despite unequivocal evidence of clinical benefit, substantial underutilization of high-value women’s health services persists across the spectrum of clinical care.

• Given that there is no disagreement that there is enough money in the current system, stakeholders should shift the focus from how much - to how well - we spend.
Dealing with the Health Care Cost Crisis
Interventions to Control Costs

- Information Technology
- Payment Reform
- Make Beneficiaries Pay More
  - For today’s discussion, it is important to distinguish between the total cost of care and the portion of costs of care paid by the consumer
The Problem: "One Size Fits All" Cost Sharing

Cost sharing for medical services and providers are the same for...

- High value services
  - Strong evidence base
  - Enhance clinical outcomes
  - Increase efficiency

- Low value services
  - Weak evidence base
  - Minimal or no clinical benefit
  - Increase inefficiency

...despite evidence-based differences in value.

M | V-BID
• Ideally, patient copayments would be used to encourage the use of high-value services and discourage the use of low-value services.

• A growing body of evidence demonstrates that increases in patient cost-sharing leads to decreases in non-essential and essential care which, in some cases, leads to greater overall costs.
Value-Based Insurance Design
Inspiration

“I can’t believe you had to spend a million dollars to show that if you make people pay more for something they will buy less of it.”

Barbara Fendrick (my mother)
Increased Ambulatory Copayments for the Elderly: Making Things Worse

• Copays increased:
  – from $7.38 to $14.38 for primary care
  – from $12.66 to $22.05 for specialty care
  – remained unchanged at $8.33 and $11.38 in controls

• In the year after increases:
  – 19.8 fewer annual outpatient visits per 100 enrollees
  – 2.2 additional hospital admissions per 100 enrollees
  – Effects worse in low income and patients with chronic illness

Cost-related non-adherence is particularly problematic in women’s health

The Impact of Out-of-Pocket Costs on the Use of Intrauterine Contraception Among Women With Employer-sponsored Insurance

Lydia E. Pace, MD, MPH,* Stacie B. Dusetzina, PhD, †‡ A. Mark Fendrick, MD, ‡∥ Nancy L. Keating, MD, MPH, ¶# and Vanessa K. Dalton, MD, MPH**
Cost-sharing Affects Adherence to Screening: Mammography Use in Medicare Beneficiaries

Trivedi. NEJM. 2008;358:375-383
A New Approach: Clinical Nuance

1. Services differ in clinical benefit produced

2. Clinical benefits from a specific service depend on:
   - Who receives it
   - Who provides it
   - Where it's provided
The Solution: Clinically-Nuanced Cost Sharing

Low Cost Sharing
- to encourage
  - High value services

High Cost Sharing
- to discourage
  - Low value services
Value Based Insurance Design: “Carrot” Programs Improve Adherence Without Increasing Costs

- July 2013 *Health Affairs*:
  - Systemic review of 13 studies of incentive-only drug programs
  - “consistently associated with improved adherence”
  - Lower patient out of pocket costs
  - No significant increase in total spending by payers

Joy L. Lee, Matthew Maciejewski, Shveta Raju, William H. Shrank, and Niteesh K. Choudhry
*Health Aff* July 2013 vol. 32 no. 7 1251-1257
IBM to Drop Co-Pay for Primary-Care Visits

By WILLIAM M. BULKELEY

In an unusual bid to cut health-care costs, International Business Machines Corp. plans to stop requiring $20 co-payments by employees when they visit primary-care physicians.

The company said it believed the move would save costs by encouraging people to go to primary-care doctors faster, in order to get earlier diagnoses that could save on expensive visits to specialists and emergency rooms.

IBM said that the action applies to the 80% of its workers who are enrolled in plans in which the company self-insures—that is, programs in which it pays the health-care benefits, not insurers. The new policy doesn't cover IBM employees in health-maintenance organizations.

One of the nation's largest employers with 115,000 U.S. workers, IBM spends about $1.3 billion a year on U.S. health care. Its benefit practices are closely watched in the human-resources community, and its actions are sometimes trend-setters.
Value-Based Insurance Design
Implications for “Clinical Nuance” in Women’s Health

• Screening
  – Targeted screening based on individual risks

• Diagnostics
  – Molecular diagnostics to determine prognosis or predict response to therapy

• Treatments
  – By indication
  – Based on results of diagnostics

• Providers
  – Centers of excellence
“Lowe's is offering employees incentives in the form of reduced out-of-pocket costs to come to the Cleveland Clinic for heart procedures.”
“Value-based insurance designs include the provision of information and incentives for consumers that promote access to and use of higher value providers, treatments, and services.”
Sec 2713: Selected Preventive Services be Provided without Cost Sharing

- Receiving an A or B rating from the United States Preventive Services Taskforce
- Immunizations recommended by the Advisory Committee on Immunization Practices
- Preventive care and screenings supported by the Health Resources Administration (HRSA)
- Additional preventive care and screenings recommended by HRSA for women
Health Resources and Services Administration
Women's Preventive Services Guidelines

- Well-woman visits
- Screening for gestational diabetes
- Human papillomavirus testing
- Counseling for sexually transmitted infections
- Counseling and screening for HIV
- Contraceptive methods and counseling
- Breastfeeding support, supplies, and counseling
- Screening and counseling for interpersonal and domestic violence

Approximately 105 million Americans have received expanded coverage
Figure 1: Potential Coverage Options for Pregnant Women in 2014 and Future Years

- Medicaid expansion
- Pregnancy-related Medicaid [1]
- CHIP for pregnant women [2]
- CHIP unborn child [3]
- Marketplace subsidies

Federal Poverty Level:
- 0%
- 50%
- 100%
- 150%
- 200%
- 250%
- 300%
- 350%
- 400%

APTC = advanced premium tax credit
CSR = cost sharing reductions
The CMS recently finalized rules (CMS-2334-F) giving Medicaid programs greater flexibility to vary cost-sharing for drugs as well as certain outpatient, emergency department, and inpatient visits.

- States may vary cost-sharing for a particular outpatient service in accordance with who provides the service and/or where it is delivered.
- States may target cost-sharing to specific groups of individuals based on clinical information (e.g., diagnosis, risk factors).
V-BID in Healthy Michigan Legislation

Health plans permitted to:

- Reduce required contributions to an individual's health savings account if "healthy behaviors are being addressed, as based on uniform standards developed by DCH in consultation with health plans."

- Waive co-pays "to promote greater access to services that prevent the progression and complications related to chronic diseases.”

Department of Community Health to "design and implement a co-pay structure that encourages the use of high-value services, while discouraging low-value services such as non-urgent Emergency Department utilization." [Section 105D(1)(f)]

DCH to implement a pharmaceutical benefit that utilizes co-pays at appropriate levels allowable by CMS to encourage the use of high-value, low-cost prescriptions. [Section 105D(1)(5)]

Source: Stephen Fitton, Director, MDCH
Section 226 (a) The commissioner shall by regulation determine which medical services, treatments and prescription drugs shall be deemed high-value cost-effective services for the purposes of this section. The determination of high-value cost-effective services shall rely on the recommendations of the Barrier-Free Care Expert Panel established by subsection (c). Any service, treatment or prescription drug determined by the commissioner to be a high-value cost-effective service by regulation promulgated prior to July 1 of a year shall be deemed a high-value cost-effective service for the purposes of subsection (b) effective on January 1 of the following year. In determining medical services, treatments and prescription drugs to be deemed high-value cost-effective services, the commissioner may limit the effect of the determination to people with one or more specific diagnoses or risk factors for a disease or condition.
“(D) Changes in coverage.—The Secretary, in consultation with experts in the field, shall establish a process for qualified BCPs to submit value-based Medicare coverage changes that encourage and incentivize the use of evidence-based practices that will drive better outcomes while ensuring patient protections and access are maintained.”
Women's Health and the Affordable Care Act: High Hopes versus Harsh Realities?

- 2,520 women surveyed, 1,078 (43%) responded
- 81% of respondents had heard of the ACA, but only 24% expected insurance coverage to change
- “Do not know” was a common response for specific coverage changes, including
  - preventive health (61%),
  - women’s health (i.e. gynecological) exam (62%),
  - breast exam (66%),
  - contraception (65%), and
  - mental health (76%) services

Hall, K, Fendrick AM, Dalton, V. – under review
Women’s Health and the Health Policy Landscape

• Federal, state and private policy initiatives are increasingly adopting clinically nuanced approaches to health insurance coverage.

• Despite these important innovations, gaps in knowledge and care persist.

• Multi-factorial interventions are necessary if we are to enhance the utilization of evidence-based clinical services for women.

• Rigorous evaluations are essential.
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