The Scope of the Problem:
Surprise Billing for Screening Colonoscopy

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Health Care Costs Are a Top Issue For Patients, Purchasers and Policymakers: Solutions must protect consumers, reward providers and preserve innovation

- Everyone (almost) agrees there is enough money in the US health care system; we just spend it on the wrong services
- Moving from a volume-driven to value-based system requires a change in both how we pay for care and how we engage consumers to seek care
- As deductibles become commonplace, consumers are being asked to pay more for both high and low value services
- Unexpected medical bills is among the public's main concerns
- Americans do not care about health care costs; they care about what it costs them

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Many Americans Cannot Afford Essential COVID-19 Related Services and other Essential Medical Care

- Nearly 3 out of 4 Americans say that their incomes have taken a hit from the Pandemic
- About half of the public has skipped or postponed medical care because of the COVID-19 outbreak
- 68% of adults report out-of-pocket costs would impact their decision to get care if they had coronavirus symptoms
- Insured patients are responsible for over $1,000 for a COVID-19 hospitalization
- 40% of Americans do not have $400 for an expected expense; 7 in 10 low income adults cannot afford $500

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Inspiration (Still)

“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)

Impact of Cost-Sharing on Health Care Disparities

Effects of Increased Patient Cost Sharing on Socioeconomic Disparities in Health Care

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- **Rising copayments worsen disparities and adversely affect health, particularly among economically vulnerable individuals and those with chronic conditions**

Chernew M. *J Gen Intern Med* 23(8):1131–6.

Alternative to "Blunt" Consumer Cost Sharing: Value-Based Insurance Design (V-BID)

- **Private Sector Driven**
- **Sets consumer cost-sharing on clinical benefit – not price**
- **Little or no out-of-pocket cost for high value care; high cost share for low value care**
- **Implemented by hundreds of public and private payers**

The Upshot

Health Plans That Nudge Patients to Do the Right Thing

Austin Frakt
THE NEW HEALTH CARE JULY 10, 2017

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Translating Research into Policy

THE PATIENT PROTECTION AND AFFORDABLE CARE ACT

ACA Sec 2713: Selected Preventive Services be Provided without Cost-Sharing

- Immunizations recommended by the Advisory Committee on Immunization Practices (ACIP)
- Preventive care and screenings supported by the Health Resources and Services Administration (HRSA)
- Receiving an A or B rating from the United States Preventive Services Taskforce (USPSTF)
  - Colonoscopy with in-network provider - $zero cost sharing

Annals of Internal Medicine

OBSERVATION: BRIEF RESEARCH REPORT

Surprise Billing for Colonoscopy: The Scope of the Problem

Main findings:

- 1.1 million claims for screening colonoscopy with in-network endoscopist
- 12% of claims had out of network charges
  - Although federal regulations prohibit cost sharing for screening, 1 in 12 of cases without polyp removal (i.e., negative test) had a surprise claim
- Average surprise bill was $418 (interquartile range, $152 - $981).
- Out of network anesthesiologists 64% of cases (average surprise bill, $488)
- Out-of-network pathologists 40% of cases (average surprise bill, $248)

Congress needs to quickly protect patients from surprise bills

- **Congress eliminated patient cost-sharing for in-network preventive care, surprise billing has undermined that assurance**
- **High out-of-pocket costs are well-established deterrents to evidence-based care and contribute to patient dissatisfaction and healthcare disparities**
- **For patients undergoing colonoscopy (or other care) with an in-network provider at an in-network facility, cost-sharing for all related care should be based on in-network amounts (i.e., balanced billing should prohibited when patients are treated by a 'surprise' out-of-network provider)**

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