

# Mass Insight Survey Research Group

## Strategic Issue Report - Health Care



### Why does it matter?

Massachusetts has some of the best health care in the country. The state has been a national leader on increasing access to quality health care for all residents. The focus now is tackling rising health care costs. Efforts to increase the transparency of the system by providing consumers with cost and quality data are well underway, but **consumers remain largely unaware of the new data sources**. Increasing transparency is only the first step. Consumer engagement is a critical second step to maximizing the opportunity these new data sources present.



Issues of data transparency and consumer engagement are playing out against a shifting health care landscape. There is increasing consolidation of hospitals and provider networks as health care organizations grow their patient base to meet the demands of the new payment model. And the very public failure of the state's Health Connector website poses an immediate crisis that must be solved. These are some of the issues Massachusetts must tackle to maintain its prominence in health care.



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### Challenges/Key Issues

1

**Expand the availability of rigorous and understandable quality data so consumers can easily compare different health care options.** A majority of consumers make their health care decisions based solely on the quality – or at least the perception of quality. Before consumers will make meaningful changes in behavior, they need to understand that they need not sacrifice quality to save on cost.

2

**Educate consumers about the data available to them on the cost and quality of health care providers and procedures.** The state needs to engage in a broad public awareness campaign to ensure that consumers are aware of – and know how to access – all available cost and quality data. Increasing data transparency alone is not sufficient to control health care costs. Consumers' willingness to use that data to inform and drive their health care decisions is a critical second piece.

3

**Focus available resources on fixing the state's Health Connector website in a way that meets the needs of Massachusetts consumers.** The problems with the Connector website have cost millions of dollars and have slowed access to health insurance for many Massachusetts residents. It's critical that the site be fixed in a way that meets the specific needs of this state and its residents – and to do that, health plans, providers, and other stakeholders should have a seat at the table.

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# Mass Insight's 25 Years of Public Opinion Polling

Tracking over 25 years of data, Mass Insight, in partnership with Opinion Dynamics Corporation, conducts quarterly public opinion surveys on state and national issues identified by executives as strategic concerns, and on state government policies and investments that support economic growth.

In addition, the polls feature strategic issue annual reports with expert summaries focused on high-impact sectors driving the state economy. Research for these new publications may include longitudinal tracking items as well as polling that address one-time topics which provide a high-level view of the key issues that drive the Massachusetts economy.

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## What the Public Is Saying

**More than eight in 10 of those polled felt they did not have enough information that allowed them to compare the cost and quality of a medical procedure across different doctors and hospitals despite the fact that 66 percent of consumers did consult with their provider or insurance company about cost.** However, 87 percent said it was important that they had that information. Consumers still do not understand the accessibility of available data on the cost of medical procedures (required through Massachusetts Chapter 224, passed in 2012), despite believing strongly that having advance information on health care costs is important.

**More than six in 10 people said they were not aware of new sources of information for cost and quality data, and nearly 75 percent did not know that insurance companies, hospitals and physicians are required to provide cost information within two days of a consumer request.**

There is a lack of awareness among consumers about how, where – and even if – they can access data sources on the cost and quality of health care options.

**More than 90 percent of consumers said quality of care is more important than anything else, including price, when making health care decisions.** In contrast, 55 percent of consumers said that cost was a factor in their health care choices. But for consumers who had a medical procedure in the last year, more than half paid a co-pay of less than \$100.

**Seven in 10 consumers said that, based on personal experience, their health plan provided adequate coverage for behavioral health needs, and 75 percent said the behavioral health care delivery system provided adequate access.** However, only 53 percent said they thought the state's overall behavioral health system was working well.

**The Healthcare Affordability Index went up by nine points, indicating that people feel health care is more affordable across a range of areas including premiums, co-pays and deductibles.** The newest reading of 118 is similar to the 2012 level. Overall, consumers feel the cost of health care is posing less of a burden now than at this time last year.

# What the Experts Say

# The Experts

**Increasing transparency in cost data is important, but without an equal emphasis on providing rigorous and understandable quality data, consumers will not change their behavior in meaningful ways.**

Consumers are still making decisions based primarily on quality – and perceptions of quality, in the absence of meaningful data, are based primarily on brand and reputation. The quality of all Massachusetts health care providers – not just its academic medical centers – is uniformly high. The better consumers understand this, the more likely they are to change the way they make health care decisions.

**The focus on payment reform must be matched with an equal focus on consumer engagement.**

Shifting from a fee-for-service model to fee-for-value model is a critical step in reining in the costs of the state's health care system. But it's not a silver bullet. There needs to be parallel focus on increasing consumer engagement by making them aware of the available cost and quality data and ensuring they understand how to use that data to make health care choices based on value – the intersection of cost and quality. This needs to be combined with value-based insurance plan designs that reward consumers for informed decision-making.

**Chapter 224 and other state laws intended to reduce the costs of the health care system must be allowed to fully ramp up before any decisions are made about introducing additional interventions.**

Chapter 224 and related laws introduced myriad new interventions and initiatives focused on making the state's health care system more efficient and transparent. Yet with all that's in play, parts of the health care system feel as though they are "drinking from a fire hose" in trying to meet all the requirements of the laws. It is important to allow sufficient time to let the current changes take effect before evaluating whether additional action is needed.

**Lack of coordination, lack of resources, and a flawed reimbursement system all contribute to the issues with the state's behavioral health system.**

The state should take a leadership role in creating better alignment between the various components of the behavioral health system, including non-health care agencies or entities such as the court system, and the broader health care system. Additionally, the behavioral health system could learn from the new models evolving in the non-mental health space, such as retail clinics and expansion of the role of nurse practitioners.

**Oversight of mergers and affiliations of hospitals and provider networks will help ensure this market movement will not increase patient costs.**

However, attention must also be paid that the movement toward organized systems of care doesn't hurt the delivery of care in any way or constrain the innovation of the system. In order to maintain the high quality of Massachusetts' health care system, there needs to be adequate resources in the delivery system.

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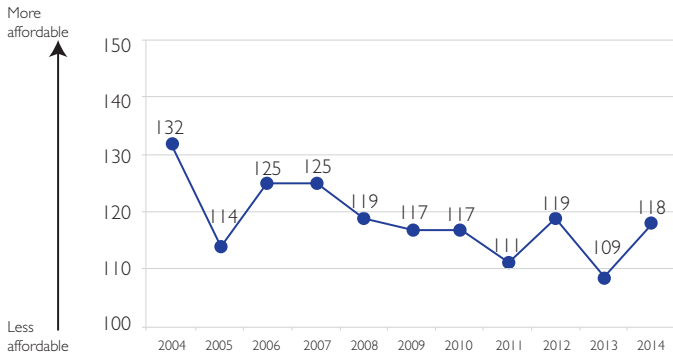


Health Care

# Health Care Data

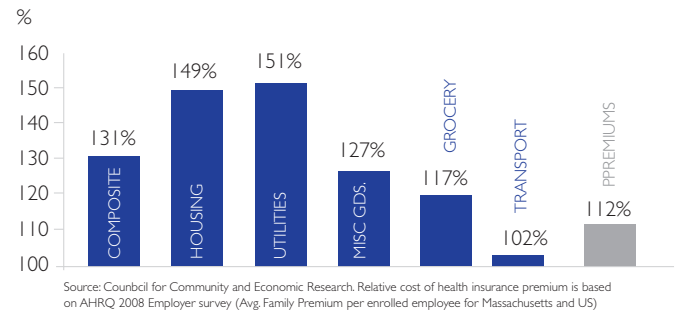
## Healthcare Affordability Index improves

The Mass Insight/ODC Healthcare affordability index has improved 9 points over the past year as the public reports health care being less of a burden,



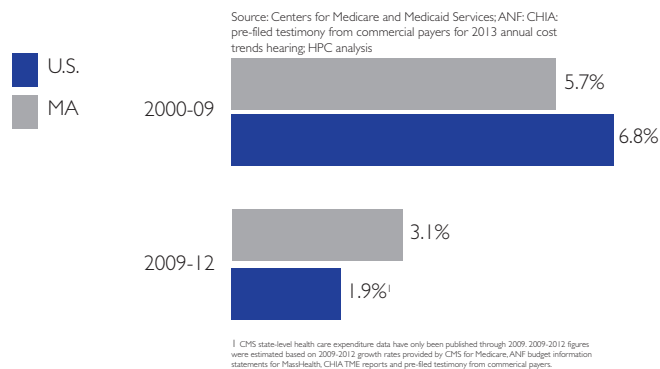
## The average Boston cost of living index

Massachusetts health insurance premiums are comparable to the rest of the country when the higher cost of living, particularly in Eastern Massachusetts, is taken into consideration.



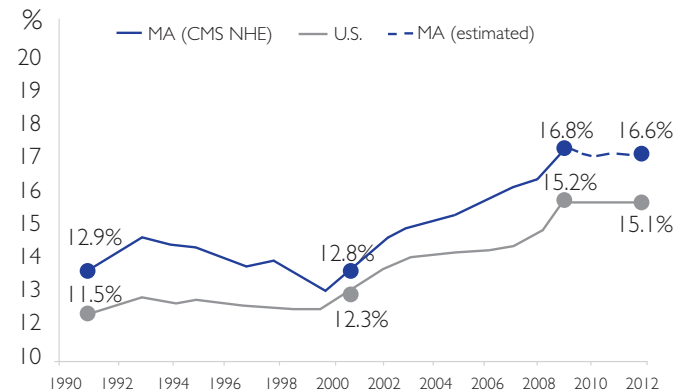
## Growth in personal health care expenditures

Recent growth of health care spending per capita in Massachusetts has been slower than the U.S. as a whole.



## Health care expenditures and the economy

A look at Chapter 224's cost containment goal and how health care spending as a percent of the state's economy has grown over time compared to the same measure for the United States.



# Mass Insight Survey Research Group

A leadership group of organizations focused on public policy and strategic messaging, The Survey Research Group (SRG) is Mass Insight's premier tool for public engagement based on its longitudinal quarterly public opinion polling and its strategic issues briefs focused on thought leadership and expert analysis. For more information go to [www.massinsight.com](http://www.massinsight.com)