

Health

2023 SOA MEETING

Inspiring Innovative Health Solutions

Health Care Price Transparency

June 28, 2023

Moderator:

First and Last Name; credentials

Presenters:

Charles Miller;

First and Last Name; credentials

First and Last Name; credentials

SOA Antitrust Compliance Guidelines

Active participation in the Society of Actuaries is an important aspect of membership. While the positive contributions of professional societies and associations are well-recognized and encouraged, association activities are vulnerable to close antitrust scrutiny. By their very nature, associations bring together industry competitors and other market participants. The United States antitrust laws aim to protect consumers by preserving the free economy and prohibiting anti-competitive business practices; they promote competition. There are both state and federal antitrust laws, although state antitrust laws closely follow federal law. The Sherman Act, is the primary U.S. antitrust law pertaining to association activities. The Sherman Act prohibits every contract, combination or conspiracy that places an unreasonable restraint on trade. There are, however, some activities that are illegal under all circumstances, such as price fixing, market allocation and collusive bidding.

There is no safe harbor under the antitrust law for professional association activities. Therefore, association meeting participants should refrain from discussing any activity that could potentially be construed as having an anti-competitive effect. Discussions relating to product or service pricing, market allocations, membership restrictions, product standardization or other conditions on trade could arguably be perceived as a restraint on trade and may expose the SOA and its members to antitrust enforcement procedures.

While participating in all SOA in person meetings, webinars, teleconferences or side discussions, you should avoid discussing competitively sensitive information with competitors and follow these guidelines:

- **Do not** discuss prices for services or products or anything else that might affect prices
- **Do not** discuss what you or other entities plan to do in a particular geographic or product markets or with particular customers.
- **Do not** speak on behalf of the SOA or any of its committees unless specifically authorized to do so.
- **Do** leave a meeting where any anticompetitive pricing or market allocation discussion occurs.
- **Do** alert SOA staff and/or legal counsel to any concerning discussions
- **Do** consult with legal counsel before raising any matter or making a statement that may involve competitively sensitive information.

Adherence to these guidelines involves not only avoidance of antitrust violations, but avoidance of behavior which might be so construed. These guidelines only provide an overview of prohibited activities. SOA legal counsel reviews meeting agenda and materials as deemed appropriate and any discussion that departs from the formal agenda should be scrutinized carefully. Antitrust compliance is everyone's responsibility; however, please seek legal counsel if you have any questions or concerns.

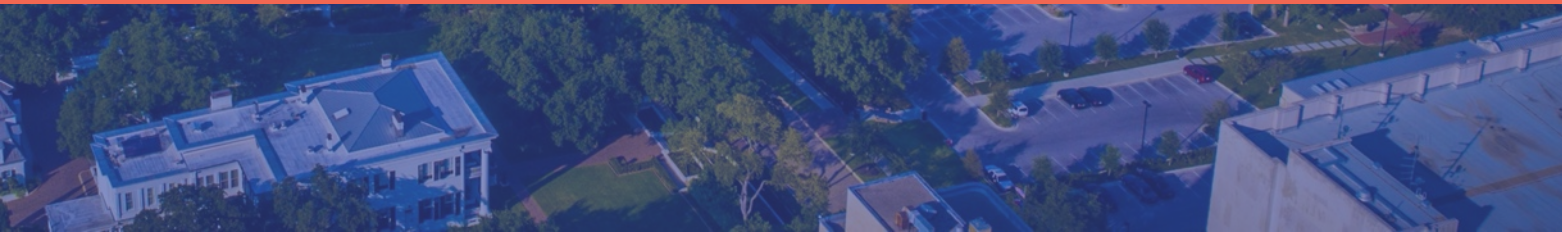
Presentation Disclaimer

Presentations are intended for educational purposes only and do not replace independent professional judgment. Statements of fact and opinions expressed are those of the participants individually and, unless expressly stated to the contrary, are not the opinion or position of the Society of Actuaries, its cosponsors or its committees. The Society of Actuaries does not endorse or approve, and assumes no responsibility for, the content, accuracy or completeness of the information presented. Attendees should note that the sessions are audio-recorded and may be published in various media, including print, audio and video formats without further notice.



TEXAS 2036

Health Care Price Transparency



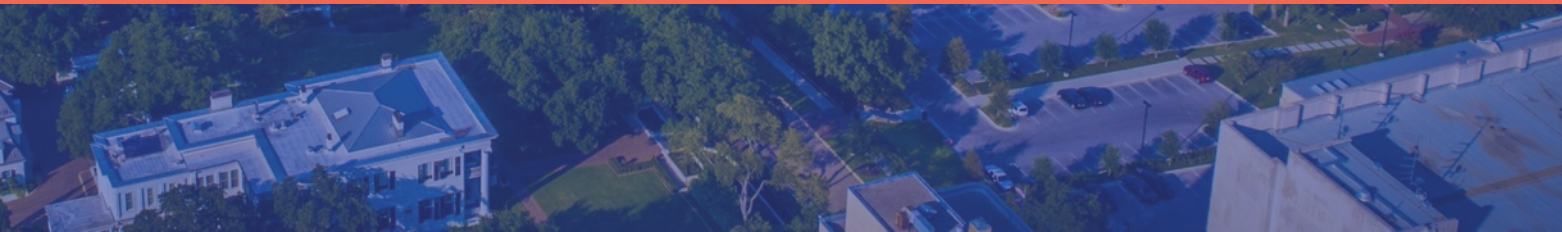
Charles
Miller,
Senior Policy
Advisor





TEXAS 2036

Background



What Flavors of Price Transparency And Who Benefits?



Hospital Prices



Insurer Rules



APCD



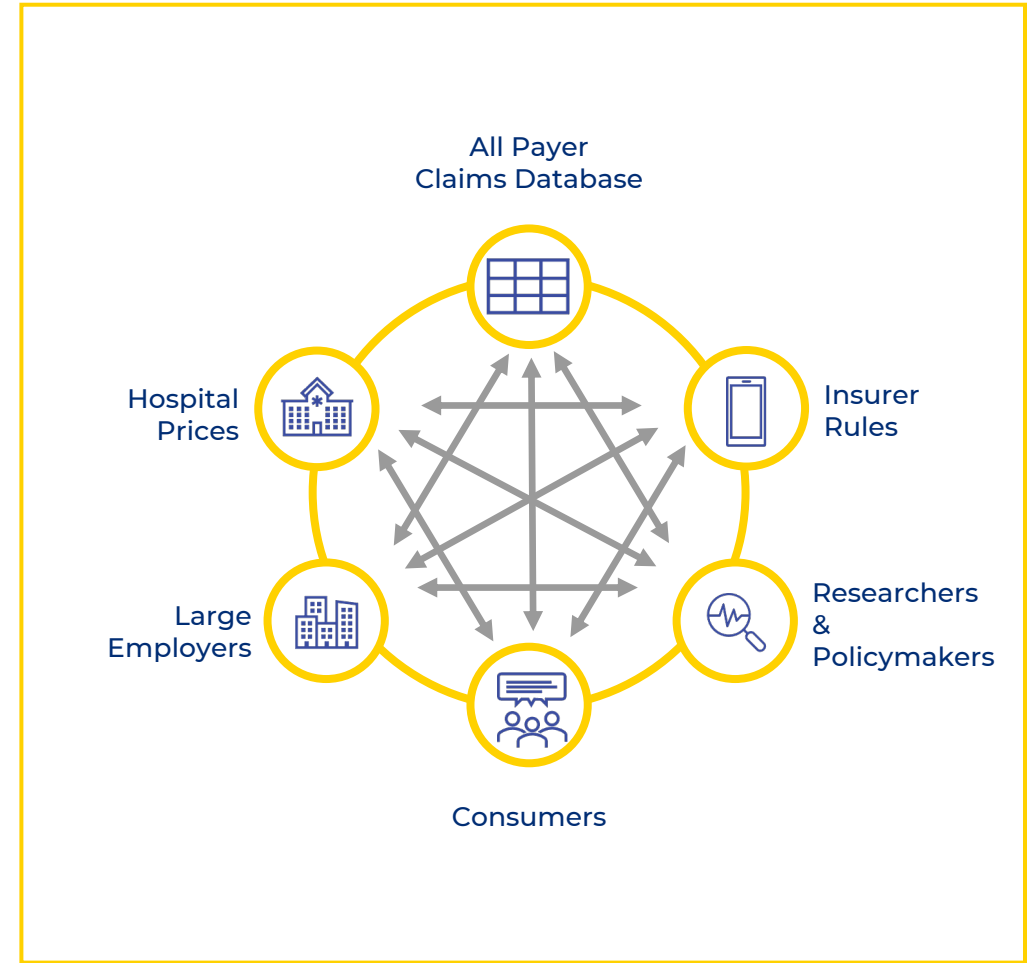
Large Employers
Benefit Design



Consumers



Researchers
& Policymakers



Comparison Shopping is Generational

Youngest Generations Most Engaged About Their Healthcare Costs

Generations*	All	Gen Z	Millennials	Gen X	Baby Boomers
Percent of Patients Conducting Some Form of Research on Healthcare Costs	75%	85%	84%	73%	65%
Percent of Patients That Said Having Clear Information on Out-of-Pocket Costs Would Impact their Decision to Use a Healthcare Provider	49%	65%	60%	44%	34%

*Gen Z (born 1995 or after); Millennials (1980-1994); Gen X (1965-1979); Baby Boomers (1946-1964).

<https://newsroom.transunion.com/news-reports-about-a-weakening-economy--impacting-how-some-patients-seek-medical-treatment/>



Health Care Price Transparency

Timeline

Hospital Price Transparency		
1/1/21	Federal Price Transparency Rules Took Effect	Federal
7/19/21	CMS Proposed Increased Penalties for Non-Compliance	Federal
9/1/21	Texas Law (SB 1137) Took Effect	Texas
1/1/22	CMS Rules with Increased Penalty for Non-Compliance Take Effect	Federal
2/26/23	Texas Rules Clarifying the Enhanced Penalties in Texas Statute	Texas
Insurer Price Transparency		
1/1/22	Federal Rules & Texas Law (HB 2090) for Machine-Readable Files Take Effect	Federal & Texas
7/1/22	Federal Rules for Machine-Readable Files delayed enforcement date	Federal
1/1/23	Federal Rules for Consumer Comparison Tool for 500 Services Take Effect	Federal
1/1/24	Federal Rules and Texas Law for All Services Takes Effect	Federal & Texas

Hospital Compliance-TX

COMPLIANCE IN TEXAS

Select Area Type

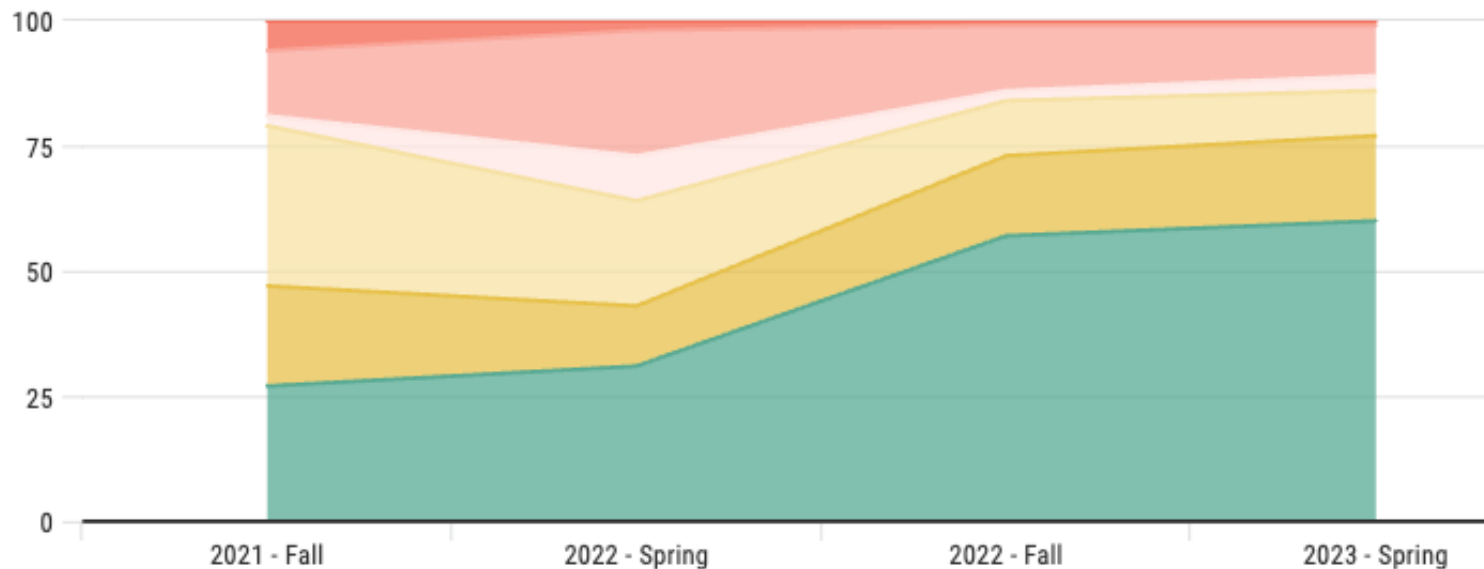
Texas

Select Area

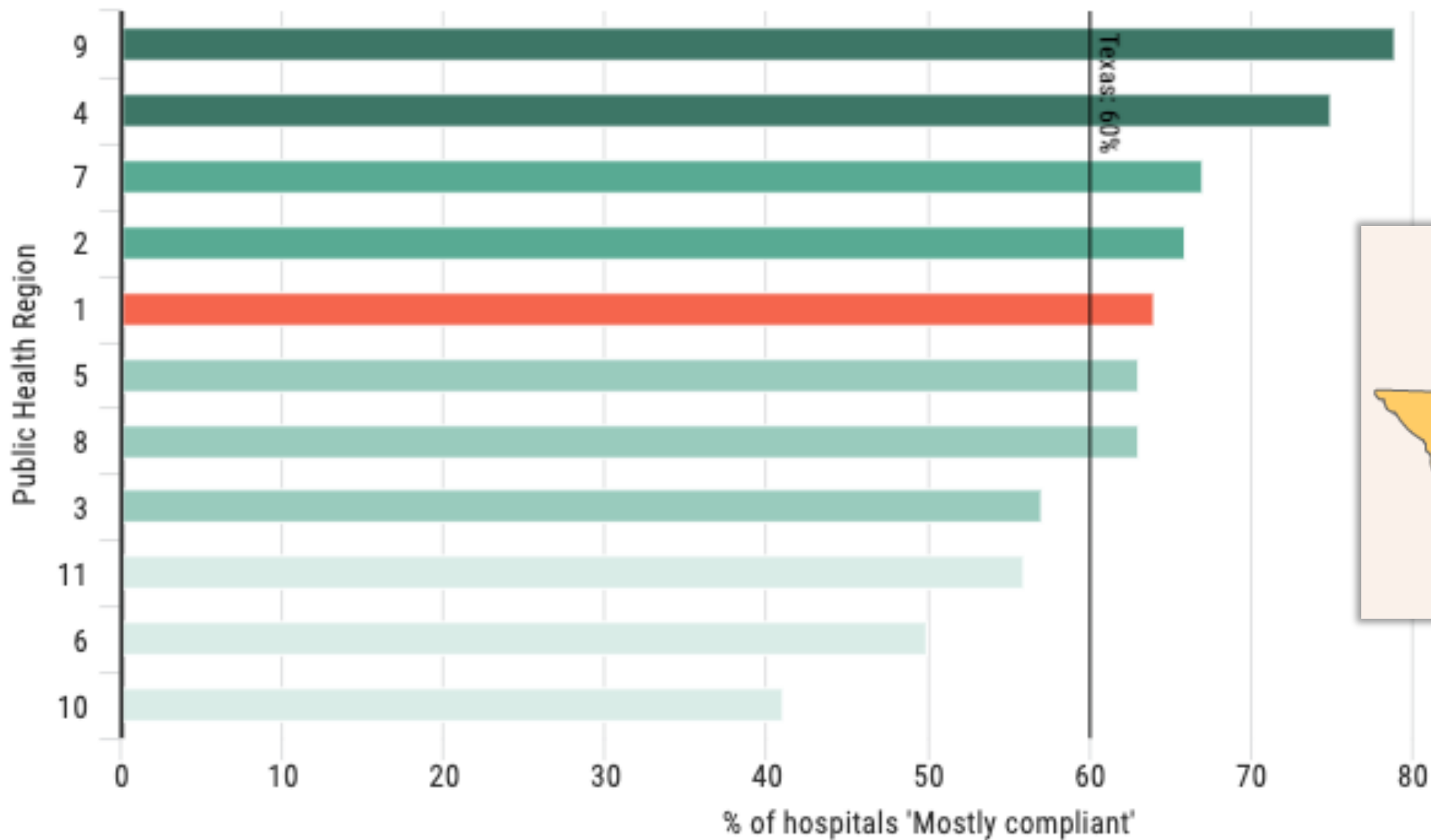
☐ Most recent data ☒ Compliance over time

% of hospitals by compliance status

● No website ● No data ● Data not downloadable
● Chargemaster only ● Some insurer prices, but incomplete ● Mostly compliant



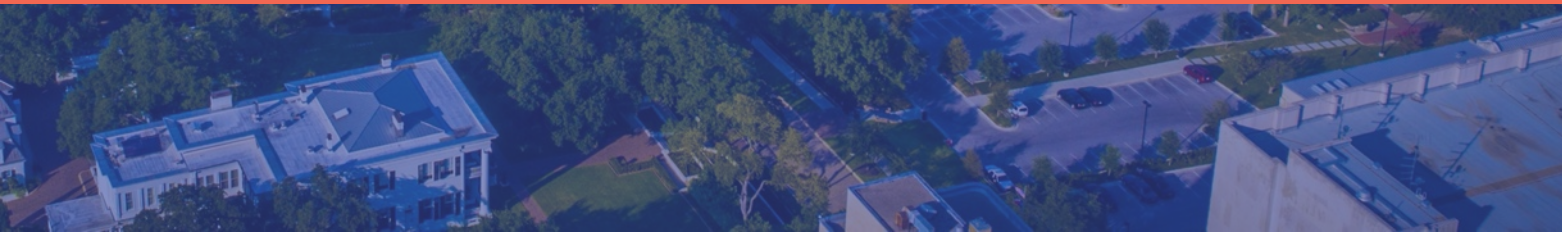
Regional Compliance



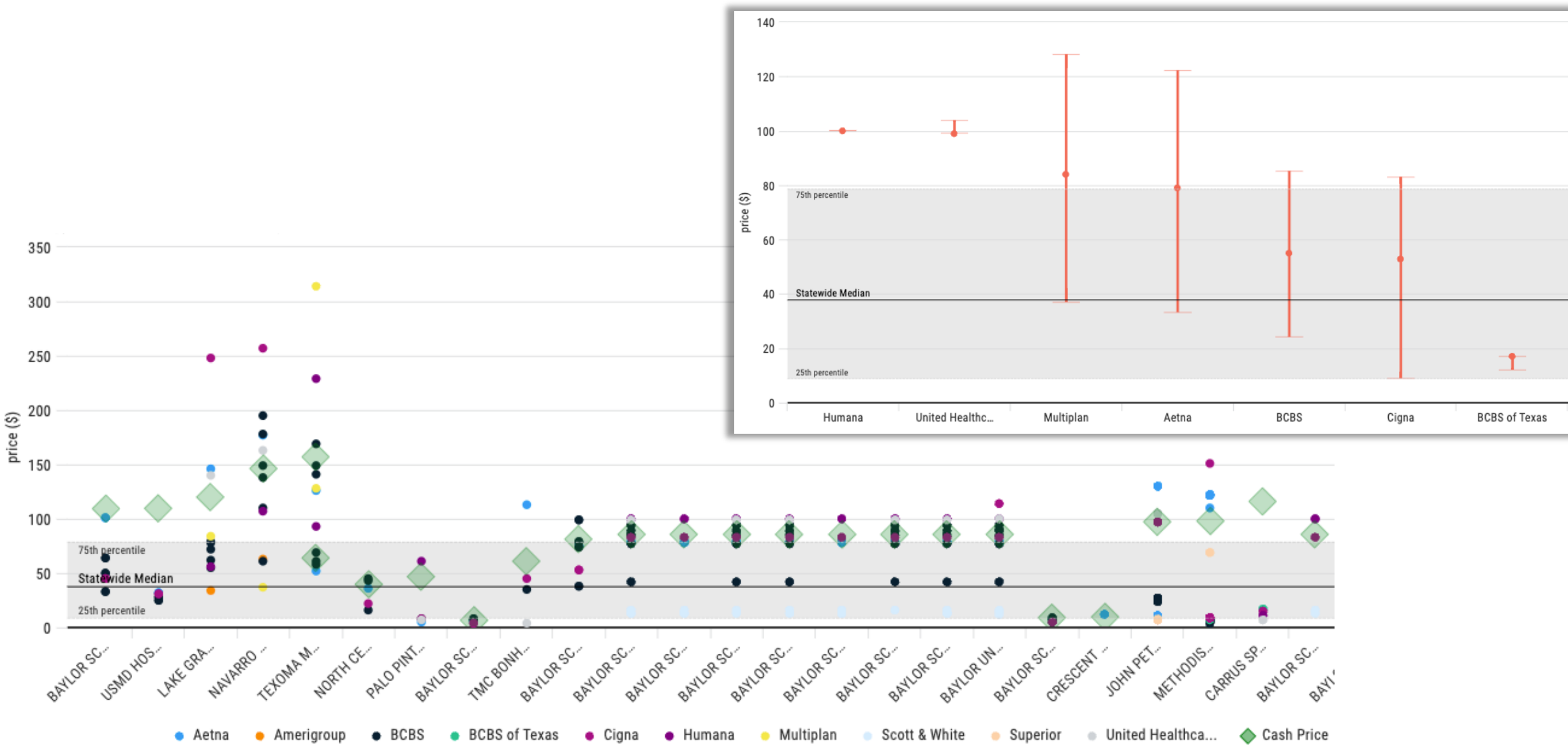


TEXAS 2036

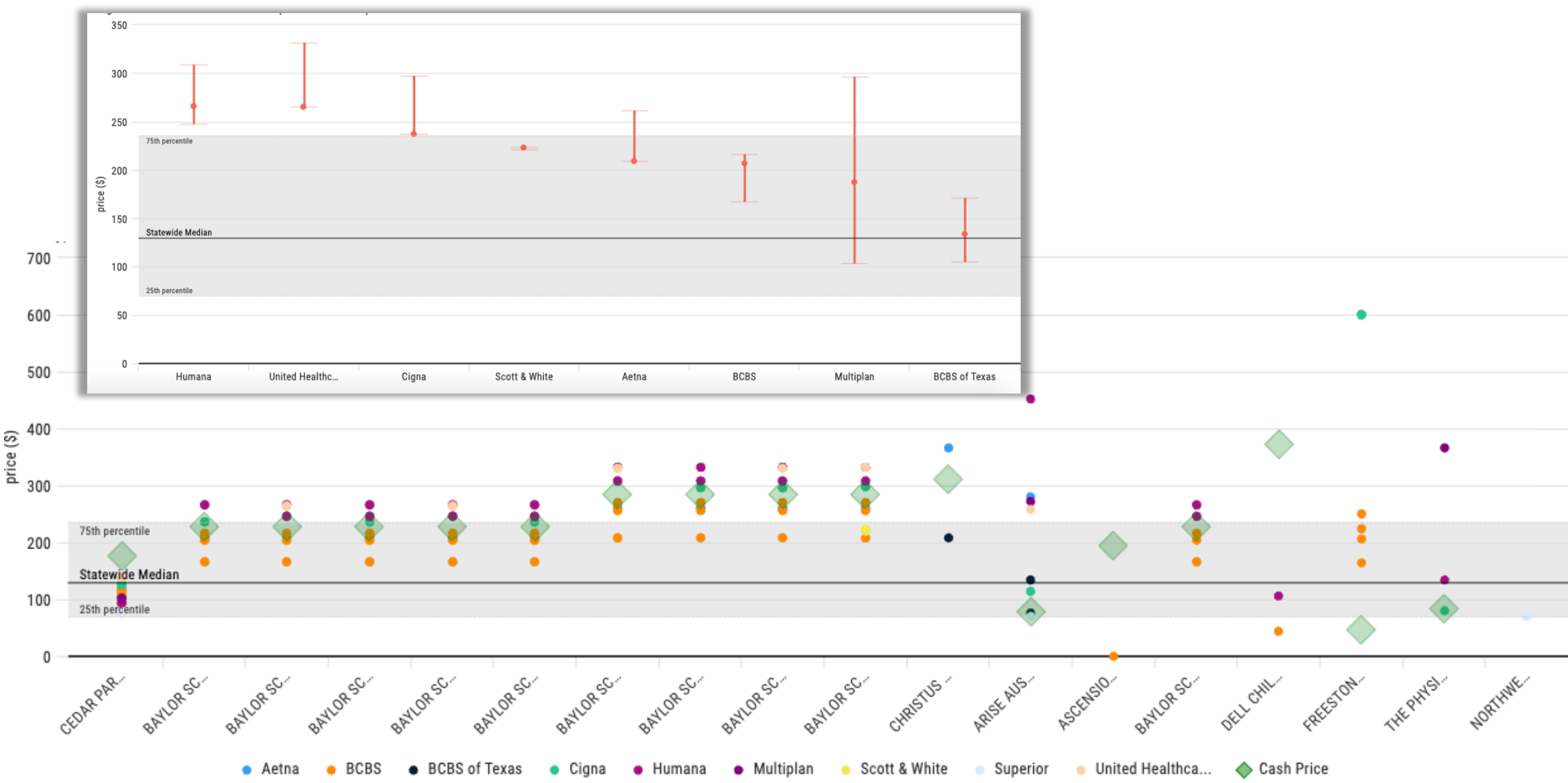
What Have We Learned?



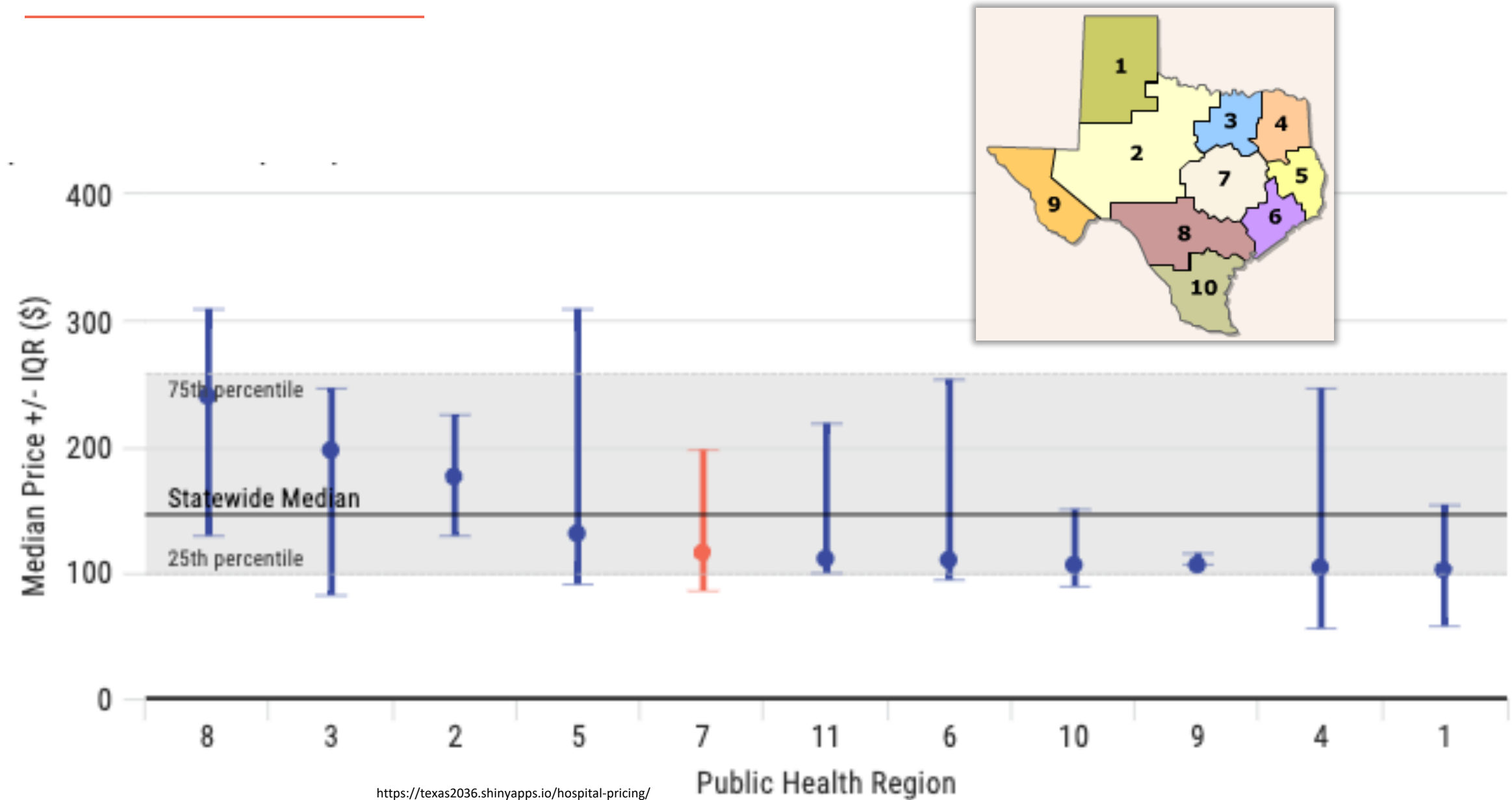
Price Variation – CBC: North Texas



Price Variation – ER Visit Central TX



Regional Price Variation – Office Visit





Lessons Learned

- a. Price Variation
- b. Cash Prices are Sometimes Lower
- c. Files Not Useful for Shopping (yet)
- d. Health care Pricing is Complex

Questions?
Contact Charles:

charles.miller@gmail.com

charles.miller@texas2036.org

Twitter:
@CharlesTXPolicy





Fill Out the
Evaluation