Stepping into the Cost of Care Conversation

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MIGRANT CLINICIANS NETWORK

MCN

"To be a force for health justice
for the mobile poor"

Environmental
and
Occupational
Health

Continuity
of Care

Cancer
Prevention

Violence
Prevention

Training &
Technical
Assistance
Services

MCN Office Locations

Portland, OR

Chico, CA

Clinton, NY

Greencastle, PA

Salisbury, MD

Austin, TX

MCN's primary constituents

Migrant Mobile poor Immigrants

Clinicians

Federally funded Migrant & Community Health Centers

State and Local health departments

- Health educators
- Nurses
- Primary care providers
- Dentists
- Social workers
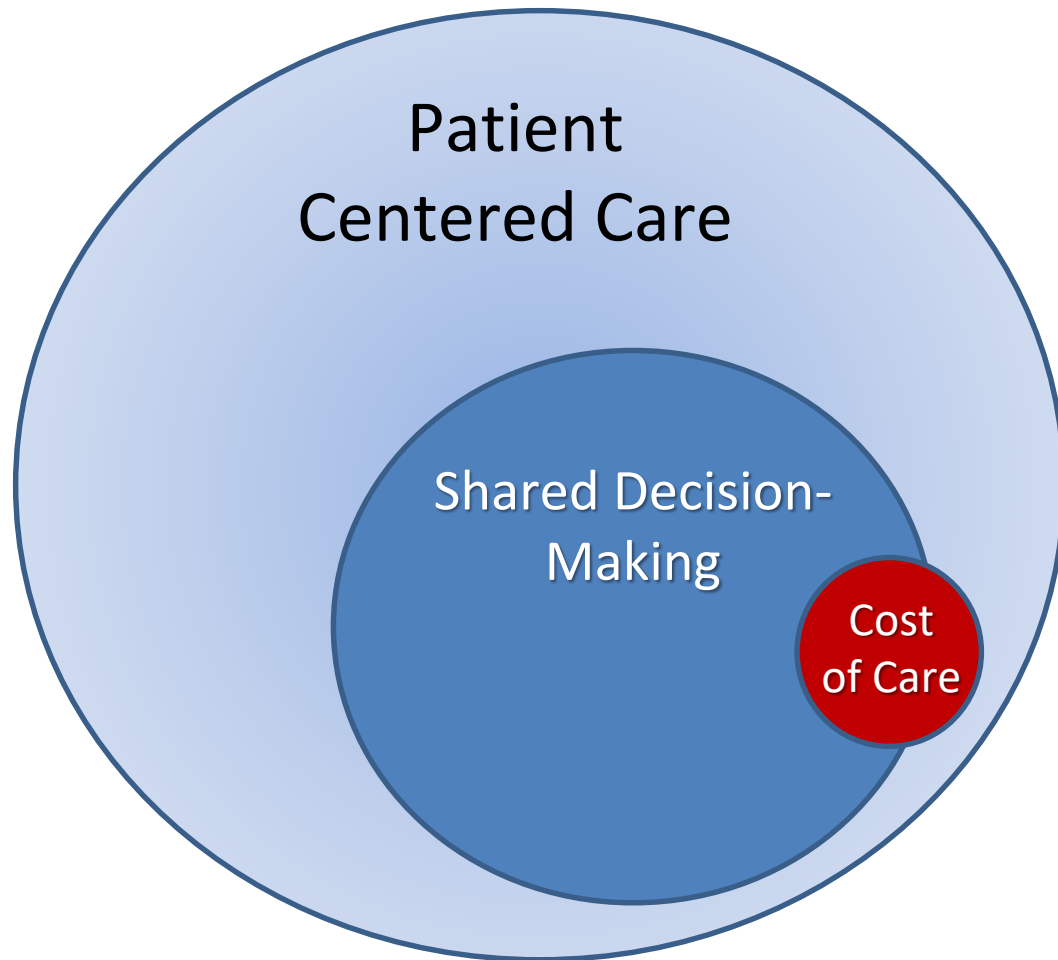- CHWs
- Outreach workers
- Medical assistants

Cost of Care Initiative
Robert Wood Johnson Foundation

MCN's "Clear on the Cost":
Patients and Providers Co-Authoring the Care Plans

Shared Decision-Making (SDM) and Cost of Care Conversations (CoC)

Patient Centered Care

Shared Decision-Making

Cost of Care

Elements of "cost of care"

Cost of health insurance premiums
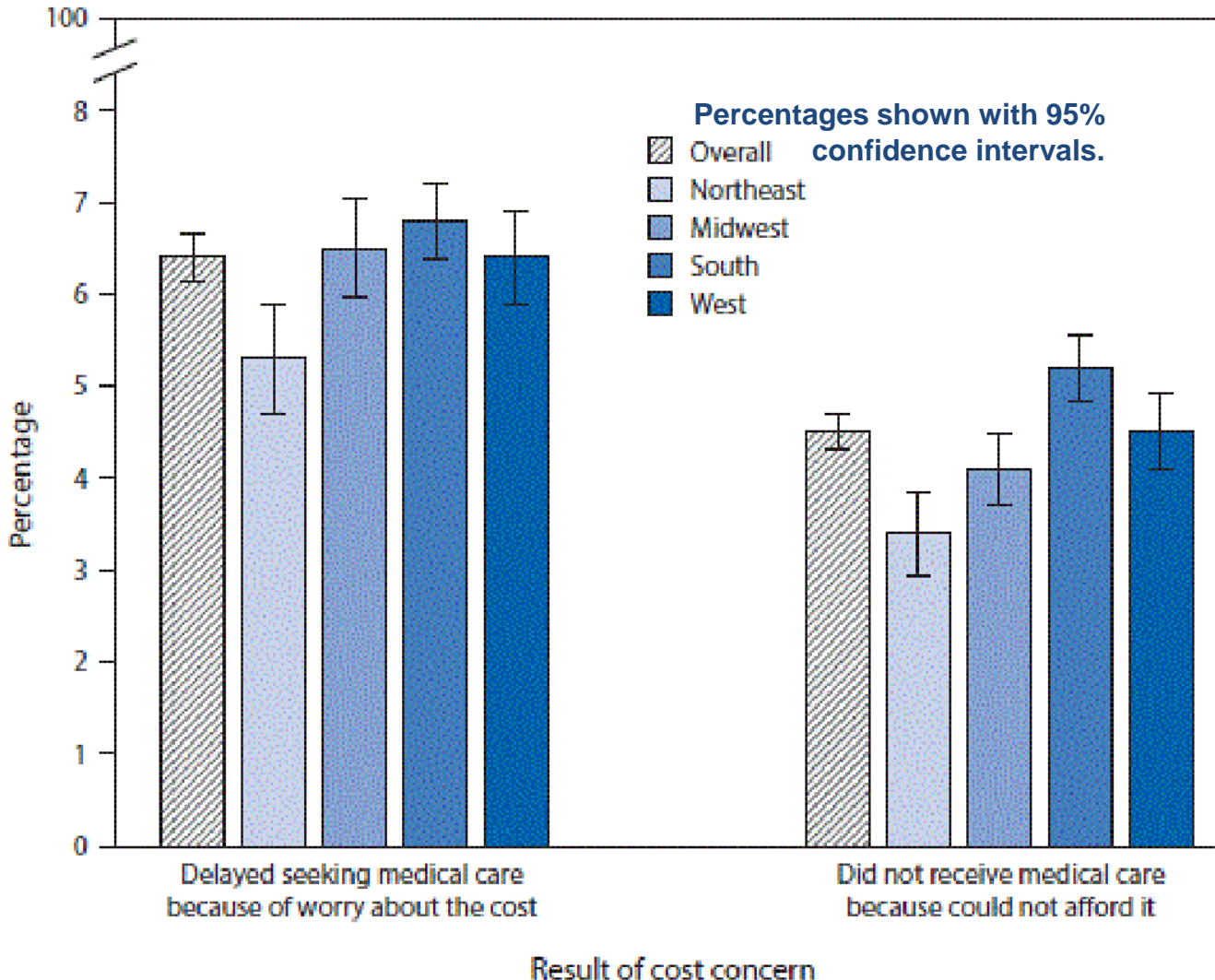
Cost of co-payments and deductibles

Elements of "cost of care

<u>Absolute</u> or <u>Relative</u> estimates of the ("direct") cost of procedures <u>and</u> medications

Other ("indirect") costs of illness (e.g., lost work time, transportation for treatments, etc.)

RATIONALE: Cost of Care's potential effect on Care Plan Adherence?

Health Insurance Terms can be confusing, resulting in Patients avoiding recommended care

Health Insurance, whether in the private market or through government support agencies, <u>uses "cost-sharing"</u> to increase the patient's family commitment to the process of acquiring recommended healthcare. This is based on the concepts that specific positive objectives are achieved **when the patient pays some of the costs of care**:

1. **Increases the "value" of the care to the patient**,
2. **Reduces abuse of what might be considered "free" care, and**
3. **Reduces the overall costs of covering a large population to the insurance company or the government agency.**

However, when patients are eligible and covered by specific programs, to be charged even a portion of the cost can make it seem unfair to them, resulting in hesitancy to seek care early, and resulting in higher cost acute or emergency care later.

The societal goal is to deliver the most effective, affordable care that is needed, at a reasonable cost to patients and reasonable revenue to providers (clinics, hospitals, etc.), who can pay reasonable incomes to clinicians and staff members. This requires balancing multiple economic and health objectives in a complex process. Inadequate health insurance literacy and health literacy can interfere with achieving this societal goal.

Several "Cost-Sharing" mechanisms are placed into health financing to accomplish these objectives. Unfortunately, several terms are used that are confusing.

1. **Copays, Copayment, Coinsurance** – patient's out-of-pocket costs that must be paid to provider of care. Full amount until deductible is reached then a percentage. Premiums do not count as "co-payment" for covered care that is provided.

2. **Deductibles** – threshold of costs paid by patient (copays) before Insurer covers full cost of care.

3. **Annual Out-of-Pocket Maximum** – limit of patient responsibility each year.

4. **Allowable Costs** – insurers sometimes can specify therapies, meds and treatments that they deem "allowable" based on their assessment of effectiveness.

The **Affordable Care Act (ACA)** mandated insurance companies and government insurance (Medicaid and Medicare) to cover important classes of conditions to improve overall population health. This changed the focus of the health system toward "Health" over "Treatment". This also increased coverage of previously unserved patients .

1. **Preventive Care** – care deemed "effective" by national expert panels.

2. **Pre-existing Conditions** – conditions existing prior to this insurance coverage beginning.

Affordable Care Act (ACA)

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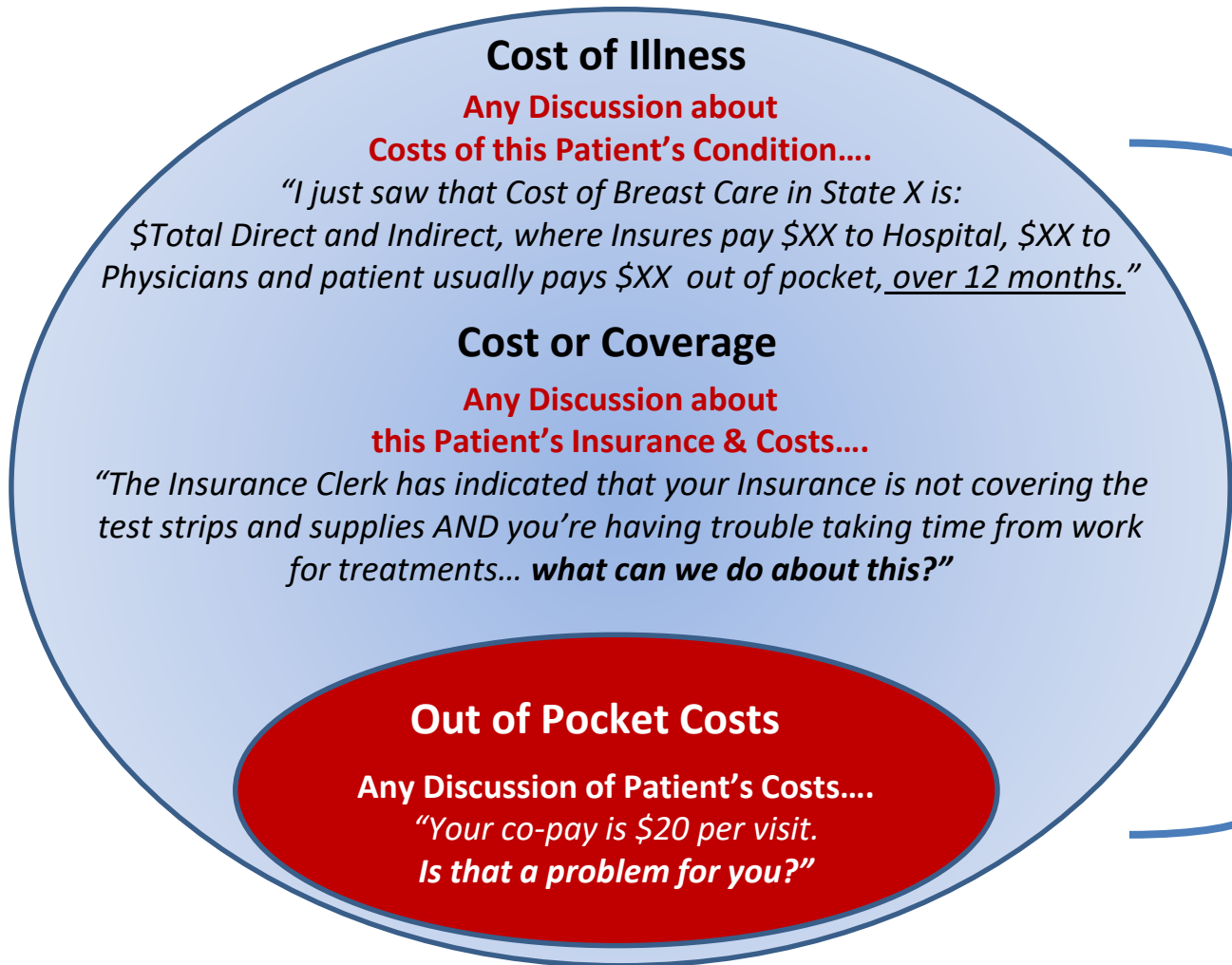
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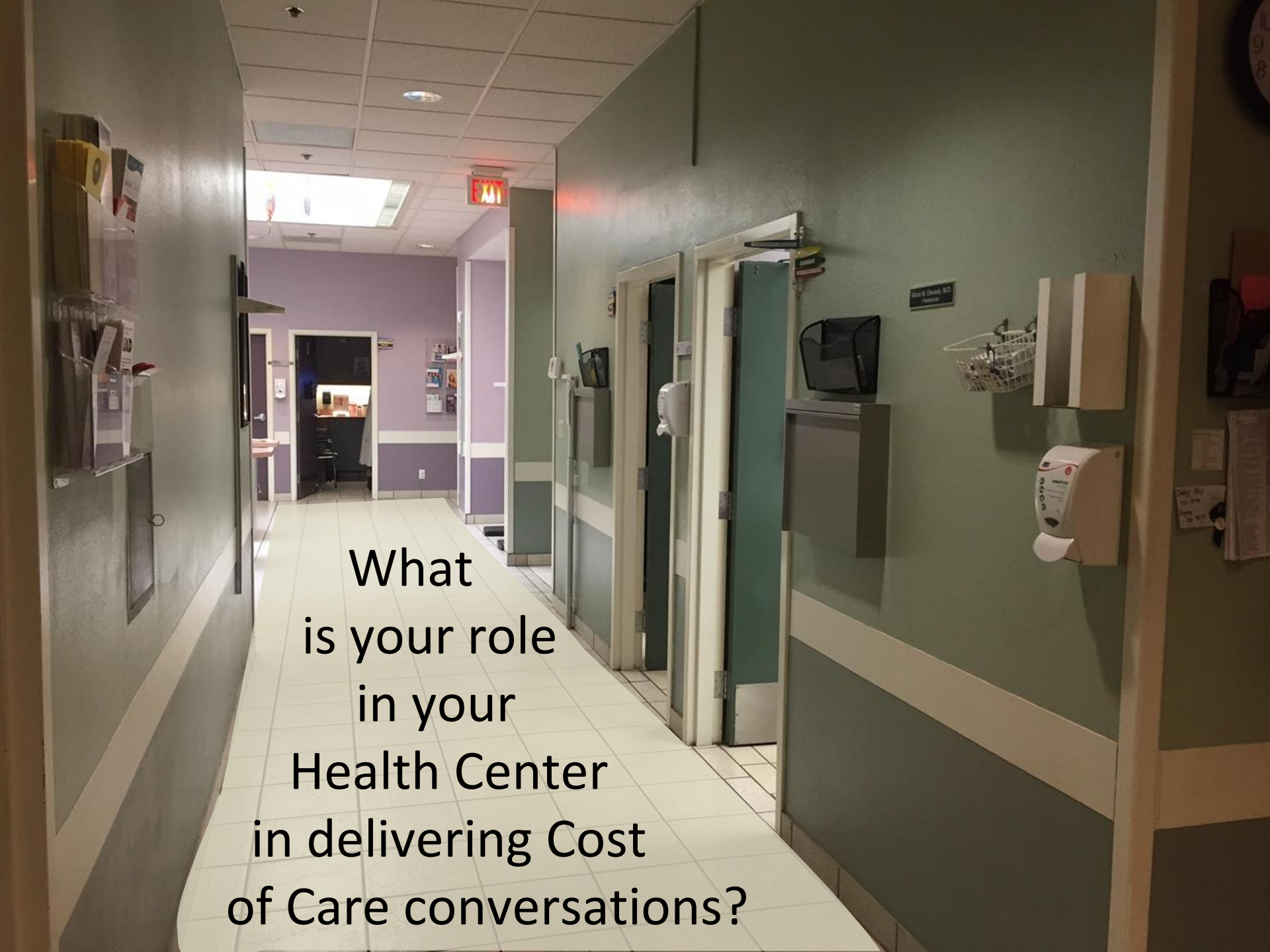
Costs of Care Hierarchy and Time

CoC conversations were most often (67%) less than one minute!

Cost of Illness

**Any Discussion about
Costs of this Patient's Condition….**

*"I just saw that Cost of Breast Care in State X is:
$Total Direct and Indirect, where Insures pay $XX to Hospital, $XX to Physicians and patient usually pays $XX out of pocket, over 12 months."*

Cost or Coverage

**Any Discussion about
this Patient's Insurance & Costs….**

*"The Insurance Clerk has indicated that your Insurance is not covering the test strips and supplies AND you're having trouble taking time from work for treatments… **what can we do about this?**"*

Out of Pocket Costs

Any Discussion of Patient's Costs….
*"Your co-pay is $20 per visit.
Is that a problem for you?"*

Components of "costs of care" conversation

Rarely (6%) did the CoC conversation take more than 3 minutes.

What
is your role
in your
Health Center
in delivering Cost
of Care conversations?

WHAT

WHO

WHEN

Let's review some positives and negatives that can impact the success of the Cost of Care Conversation

Front desk staff

A staff person can be a role model for a child, and can instantly gain trust and establish rapport to facilitate a Cost of Care conversation...
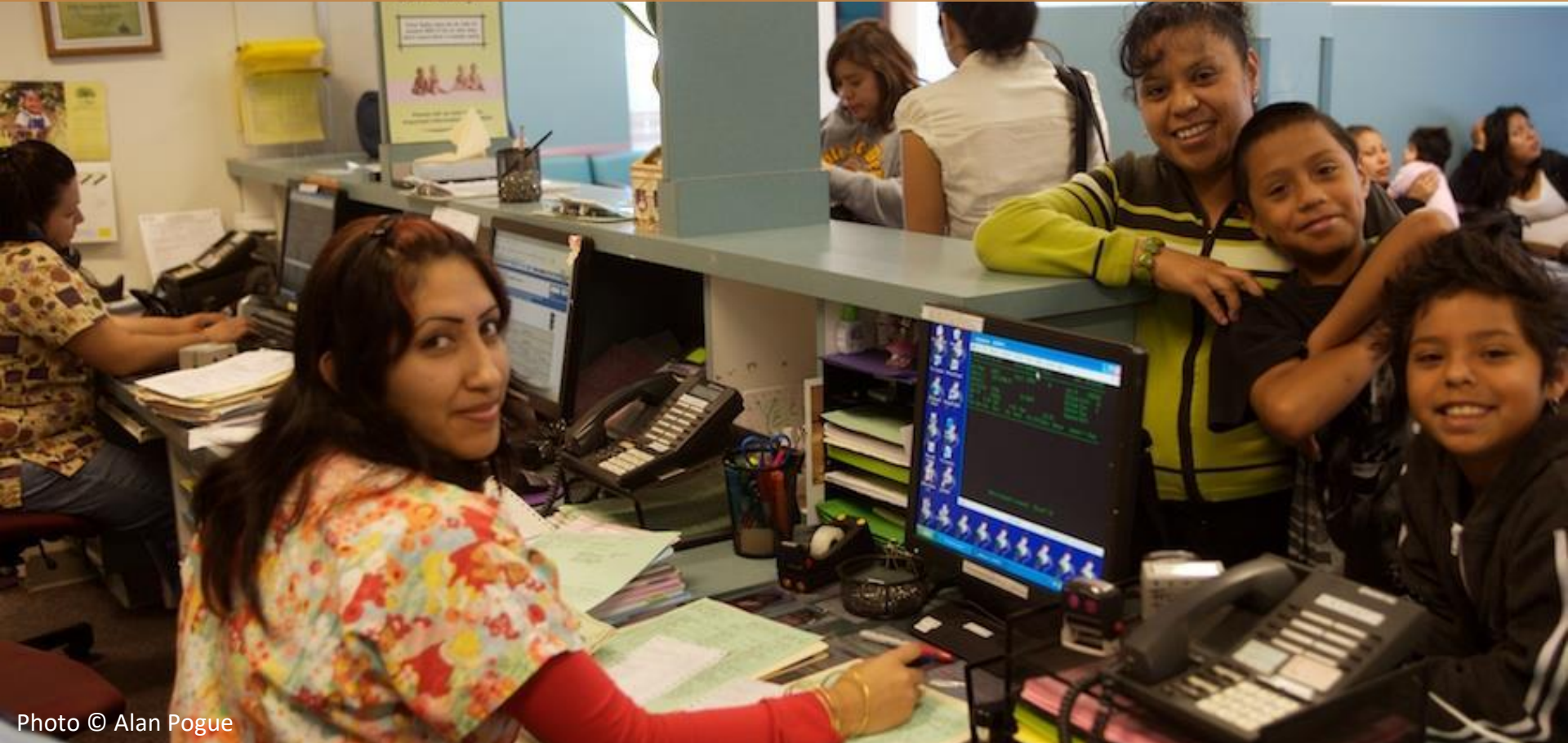
Photo © Alan Pogue

However....

A staff person may recall that through segregation she could not get services at this site when she was a child...

Eligibility staff knows of resources and programs that the family may not be aware of. This *positively* launches the cost of care conversation...

Photo © Alan Pogue

However...Eligibility staff may view use of charitable or public benefits as a weakness, and undermine any CoC conversation...

Lab staff may be able to explain the unique billing processes of external labs to avoid issues of unnecessary costs of care...

Photo © Tiffy Duad

However...., Lab staff who are in a hurry, may not focus on the discomfort or concerns of the person in front of them...

Medical Assistant, who "Speaks the patient's language" gains trust and comfort of the patient and may see the hesitation about additional imaging expectations…

However…., Medical Assistant
who does not know the words for some of the cost of care elements could confuse the patient about her costs.

Clinicians
are the most influential in the patient's view and may alter the care plan (e.g., treatments or meds) if mindful of the patient's financial situation...

However..., a Clinician
may feel the patient should get the newest and the gold standard, which may increase non-compliance and poorer outcomes...

Missed opportunities ?

Purpose of Cost of Care Conversation

Patients will be:

Better-informed and participating in shared clinical decision making

Better equipped to engage in effective self-management and care plan adherence

Clinician and Provider Organization will:

- ✓ Use time more effectively, in the long-term.
- ✓ Create shared clinical decision making with patient, that may result in better outcomes
- ✓ Assist patient in achieving adherence to their care plan, and better self-management

Clinic's CoC Policy will clarify:

Who will take on the role?

Will relative or absolute costs be identified?

Who should be sensitive to the cost of care concerns and signal to whom that the CoC conversation is needed?

Costs clearly affect care decisions and the patient's adherence – what is the clinic's responsibility in a Patient-Centered Medical Home ?

✓ When Patients come to ask for prescription refills
✓ Pharmasists or pharm-techs can introduce the topic

When reviewing discharge orders a nurse of physician can ask if what is recommended will be a problem

Electronic Medical Record (EMR) and quality improvement

Los términos usados en las conversaciones sobre Seguro de salud pueden ser confusos y resultar en que el paciente no busque la atención médica necesaria.
Aquí algunos términos clave:

Copagos es un costo fijo que el paciente paga cada vez que visita al médico. El costo restante es pagado por la compañía de seguros.

Deducible es el costo de los servicios pagado por el paciente hasta que llegue a su máximo anual de deducible (gastos de bolsillo) antes de que inicien los beneficios del seguro.

Máximo desembolso anual es la cantidad máximo anual de deducible (gastos de bolsillo) antes de que inicien los beneficios del seguro.

Costos permitidos: las aseguradoras pueden especificar terapias, medicamentos y tratamientos que consideran "permitidos" de acuerdo a la evaluación de su efectividad.

Atención preventiva es la atención antes de que se presenten las enfermedades considerada "efectiva" por los expertos nacionales.

Condiciones preexistentes son características de salud que la persona ya tiene antes del inicio de su cobertura de seguro.
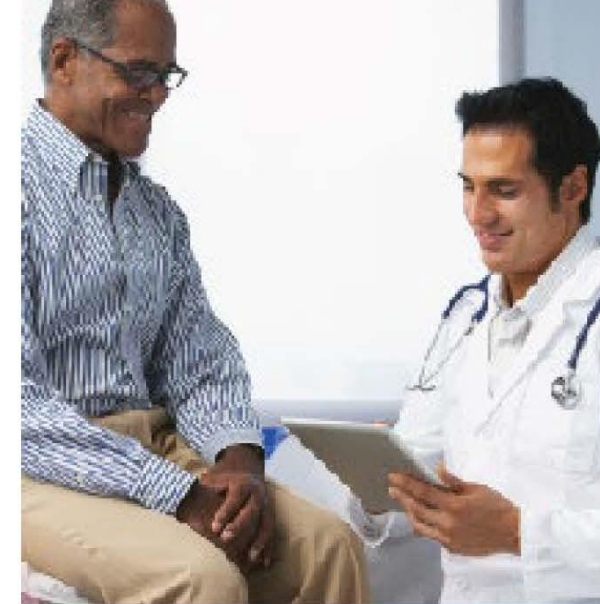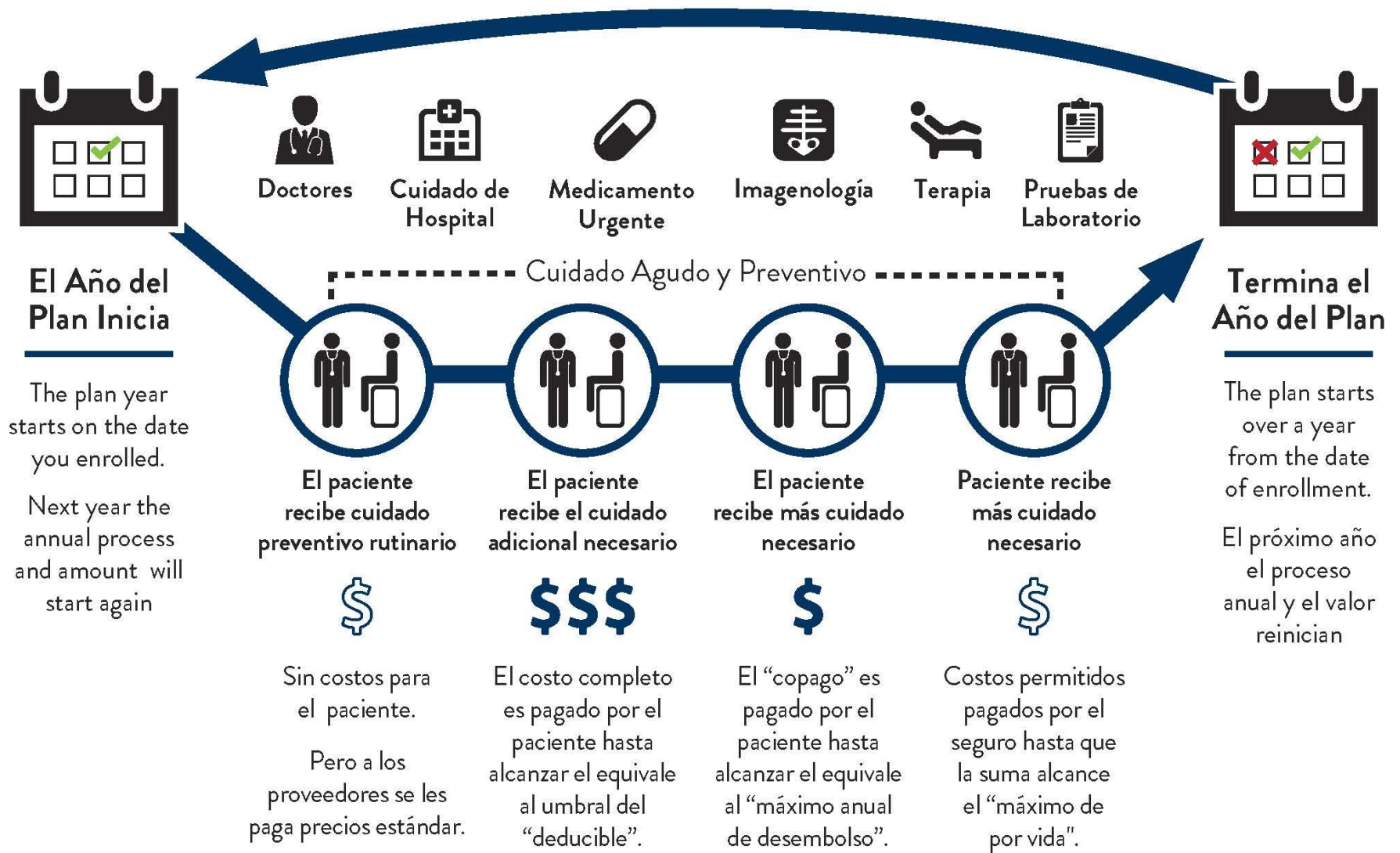
Hablemos del seguro de salud y de los costos de servicios de salud para pacientes

Producción:

MIGRANT CLINICIANS NETWORK
MCN

CÓMO FUNCIONA EL SEGURO MÉDICO "TÍPICO"

Doctores

Cuidado de Hospital

Medicamento Urgente

Imagenología

Terapia

Pruebas de Laboratorio

Cuidado Agudo y Preventivo

El Año del Plan Inicia

The plan year starts on the date you enrolled.

Next year the annual process and amount will start again

Termina el Año del Plan

The plan starts over a year from the date of enrollment.

El próximo año el proceso anual y el valor reinician

El paciente recibe cuidado preventivo rutinario

$

Sin costos para el paciente.

Pero a los proveedores se les paga precios estándar.

El paciente recibe el cuidado adicional necesario

$$$

El costo completo es pagado por el paciente hasta alcanzar el equivale al umbral del "deducible".

El paciente recibe más cuidado necesario

$

El "copago" es pagado por el paciente hasta alcanzar el equivale al "máximo anual de desembolso".

Paciente recibe más cuidado necesario

$

Costos permitidos pagados por el seguro hasta que la suma alcance el "máximo de por vida".

Thank you for your attention….
Any questions?

REFERENCES:

1. *QuickStats:* Percentage of Persons of All Ages Who Delayed or Did Not Receive Medical Care During the Preceding Year Because of Cost, by U.S. Census Region of Residence — National Health Interview Survey, 2015. MMWR Morb Mortal Wkly Rep 2017;66:121. DOI: http://dx.doi.org/10.15585/mmwr.mm6604a9

2. Hunter et al., What Strategies Do Physicians and Patients Discuss to Reduce Out-of-Pocket Costs? Analysis of Cost-Saving Strategies in 1755 Outpatient Clinic Visits, BMC Health Services Research (2016) 16:108, DOI 10.1186/s12913-016-1353-2.