

When it Comes to Health Care Costs, Knowledge is Power

At Tufts Health Plan, we're making it easier for our members to compare medical costs and make informed decisions about their care.

And with prevalence of high-deductible plans on the rise, consumers now directly control \$330 billion annually in out-of-pocket healthcare expenses.² Yet we don't shop for healthcare the way we do almost everything else in our lives—by comparing prices and making informed choices based on quality, cost, or value.

Every year, Americans spend a staggering \$2.3 trillion on health care.¹

Why? Because it's nearly impossible to know in advance how much a given provider charges or how much a specific medical service or procedure will cost. Costs for the same service can vary wildly between different providers and facilities, even within the same geographic area. The same goes for prescription drug prices, which can vary by pharmacy, manufacturer, and dosage.

Providers and pharmacies almost never make pricing information available up front, in part because the amount they charge varies based on what they negotiate with different health plans. The fact that there's no standard format or system for reporting prices compounds the issue. As a result, consumers have little choice but to choose their medical care based on factors like convenience or recommendations from friends and family.

Health Care Consumers are Ready for Greater Transparency

Increasingly, health care consumers want to be able to shop for health care services the way they do for everything else. As health plan premiums rise, it's one of the ways they can take control of their costs, try to save money and help ensure in advance that they'll be able to afford their medical bills.

- 21% say they compared prices across multiple providers.⁴
- Among Americans who have compared prices across multiple providers, 62 percent believe they have saved money.³
- Consumers who have tried to research prices are looking for the best value, not necessarily the lowest price.¹

56% of Americans say they have tried to find out about the price of health care before getting care.³

With greater visibility into the costs of services and providers, consumers can make smarter care decisions based on which providers offer the best care at the best value. Not only does this benefit them directly, but it may help control premium costs for their employers.

Health Plans are Stepping up to Help

More and more health plans, including Tufts Health Plan, are offering tools to help their members compare prices and choose the providers that are right for their needs and their budget.

Our Treatment Cost Estimator tool⁵ lets members compare costs of services, facilities and doctors and get out-of-pocket cost estimates for procedures.

Members can see costs and services for the entire timeline of care for a given treatment, from diagnosis through follow-up, including medications, for a big picture view of the costs they may encounter. Members who use the cost estimator tool also have the opportunity to earn rewards in the form of gift cards when they choose high value providers.⁶

Tufts Health Plan is committed to transparency when it comes to our clients, too. We go over plan performance data with clients so they can see how their employees used health care, and then help them implement strategies for keeping cost in check. This might be by adjusting their plan design, putting together awareness programs to encourage employees use cost-efficient services (telemedicine instead of the emergency room for non-urgent care, for example), or other approaches.

One of our most important goals at Tufts Health Plan is to help our members and clients control medical costs without sacrificing quality of care.

Making costs more transparent is one of many ways we're making it happen. Learn more about our Treatment Cost Estimator Tool.

¹How Price Transparency Can Control the Cost of Health Care

²World Health Organization. Global Health Expenditures Database. (cited in: Enabling healthcare consumerism)

³How Much Will It Cost?

⁴Ibid

⁵Does not apply to Tufts Health Direct, Tufts Health RI Together, Tufts Health Together, Tufts Health Unify, Medicare plans, or CareLink members searching for care outside of MA, RI, and NH.

⁶Coming in 2019