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# Everyone Has a Job to Do in Reducing Costs



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## Summary

Today continues a steady diet of healthcare cost hearings with committees on both sides of Capitol Hill digging into the issue.

The Senate Special Committee on Aging holds a hearing titled “The Complex Web of Prescription Drug Prices, Part I: Patients Struggling with Rising Costs” and the House Energy & Commerce Subcommittee on Health holds a hearing on “Strengthening Our Health Care System: Legislation to Lower Consumer Costs and Expand Access.”

Rising deductibles and other out-of-pocket costs are forcing patients to assume increasing financial responsibility for their care. The growing healthcare cost burden means Americans have less to spend on other necessities and frequently compromise their access to healthcare. Survey research from NORC demonstrates that 40% of Americans report they skipped a recommended medical test or treatment in the last 12 months because of the cost burden. That’s why it’s no surprise recent polling data show that healthcare was the most important issue to voters in the 2018 midterms, and affordability was the biggest driver of voter healthcare concerns.

As Congress and the President fill the air with a wide range of drug-pricing proposals and new payment models gradually create greater accountability and incentives for more cost-effective care, we still need to pay attention to what’s happening on the ground level. Every day, Americans make millions of decisions that affect how much money they spend as well as other indirect costs they incur, everything from lost wages or work productivity to transportation and

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child care costs.

Sadly, in most cases, Americans need to make these life-changing decisions in a vacuum. They have insufficient information regarding the cost implications of different healthcare options, and they often feel like they don't get adequate support from their doctors and other providers to make informed decisions.

Many clinicians feel uncomfortable discussing costs with patients and will sometimes say “that’s not my job.” Americans, however, feel differently. A Public Agenda survey found that 70% of patients want to discuss costs with their providers, but only 28% of them are having those conversations. In research we conducted for the Robert Wood Johnson Foundation, we found that the first step in changing this dynamic is to convince doctors that talking about the costs of care matters to their patients’ health.

That’s not to say that we should be laying blame just at the feet of providers. Our research also highlighted that doctors and other clinicians often have no idea what drugs, tests, or procedures cost individual patients. High-deductible health plans complicate the situation, as what a patient pays now depends on what they have already spent to date. We need to give doctors better resources, and we need to embed these new tools into clinical workflows so that we make the right thing the easy thing to do for busy clinicians.

Open data initiatives that began in the Obama administration started to lift the veil a little on costs, and the Trump administration has continued down that road. New transparency requirements just implemented in 2019 for hospitals to post charges represents a positive step forward. Unfortunately, the current format of that information—not to mention its loose relationship to what people actually pay for their care—render it of limited practical value so far.

We also need to create greater accountability of providers. Payment systems should encourage providers to engage in the kinds of cost-of-care conversations that patients want to have with their clinicians. There is truth to the idea that “what gets measured gets done,” so we need to develop robust measures and integrate them into evolving value-based payment models. After all, we need to measure provider performance on the things that really matter to patients or else those models won’t really drive better value for Americans.

Americans face mounting financial strain from medical bills, and we can’t ignore the fact that increasingly this is driving adverse medical outcomes. Since we know that doctors and other clinicians care deeply about the health of their patients, providers can no longer ignore how costs affect their patients’ ability to manage their own care. We need to normalize the practice of

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doctors and other clinicians supporting their patients in talking through costs of care.

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