

**SB 119 –**

**RIGHT  
TO  
SHOP:**

# **Alaska Health Care Consumer Right to Shop Act**

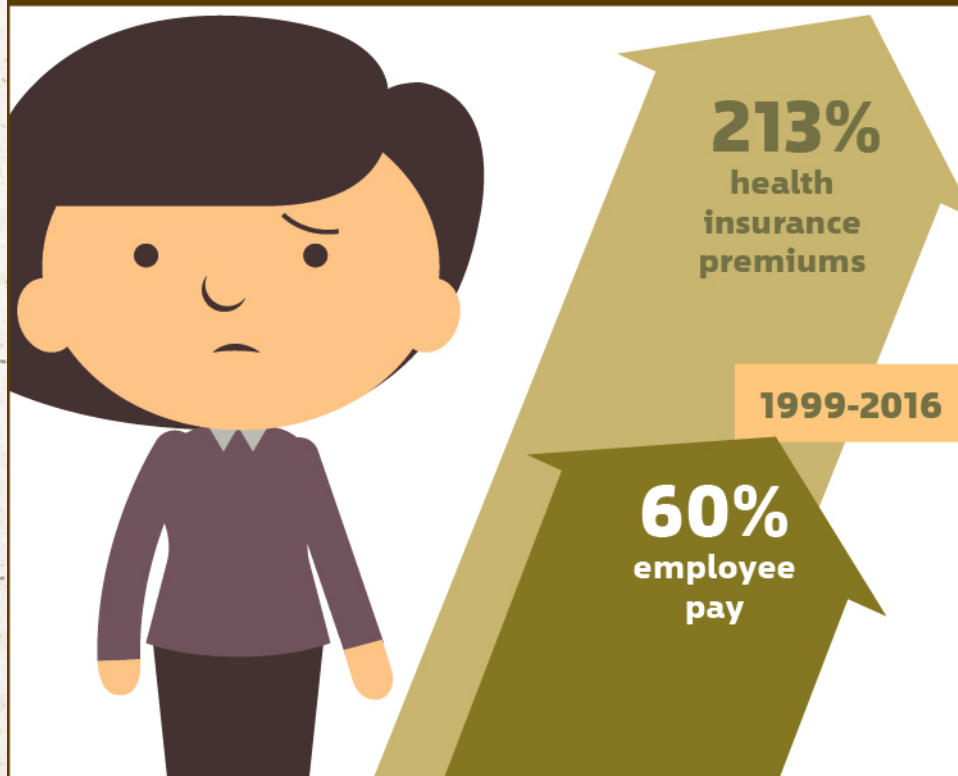
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Rewarding Patients  
That Pick High Value  
Health Care

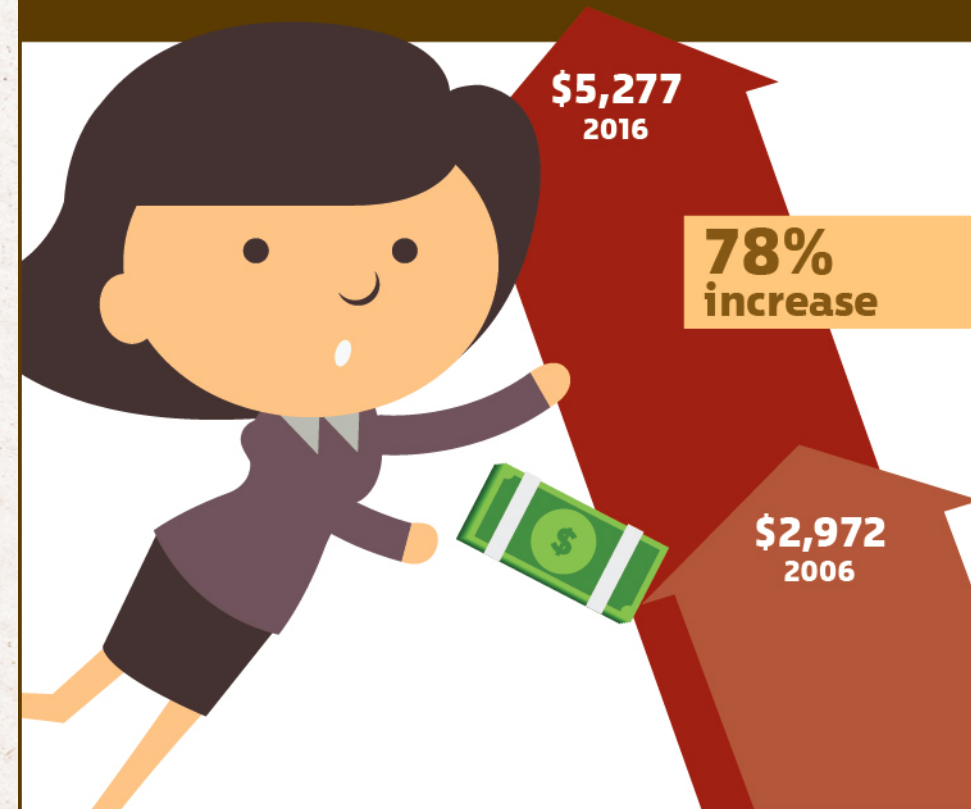
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## Health care is eating employee paychecks



## Employee out-of-pocket costs are on the rise





Employers are paying more toward health care instead of hiring.



**58%**  
health insurance  
premium increase  
2006-2016



# Patients should know:

There is a HUGE opportunity to save money



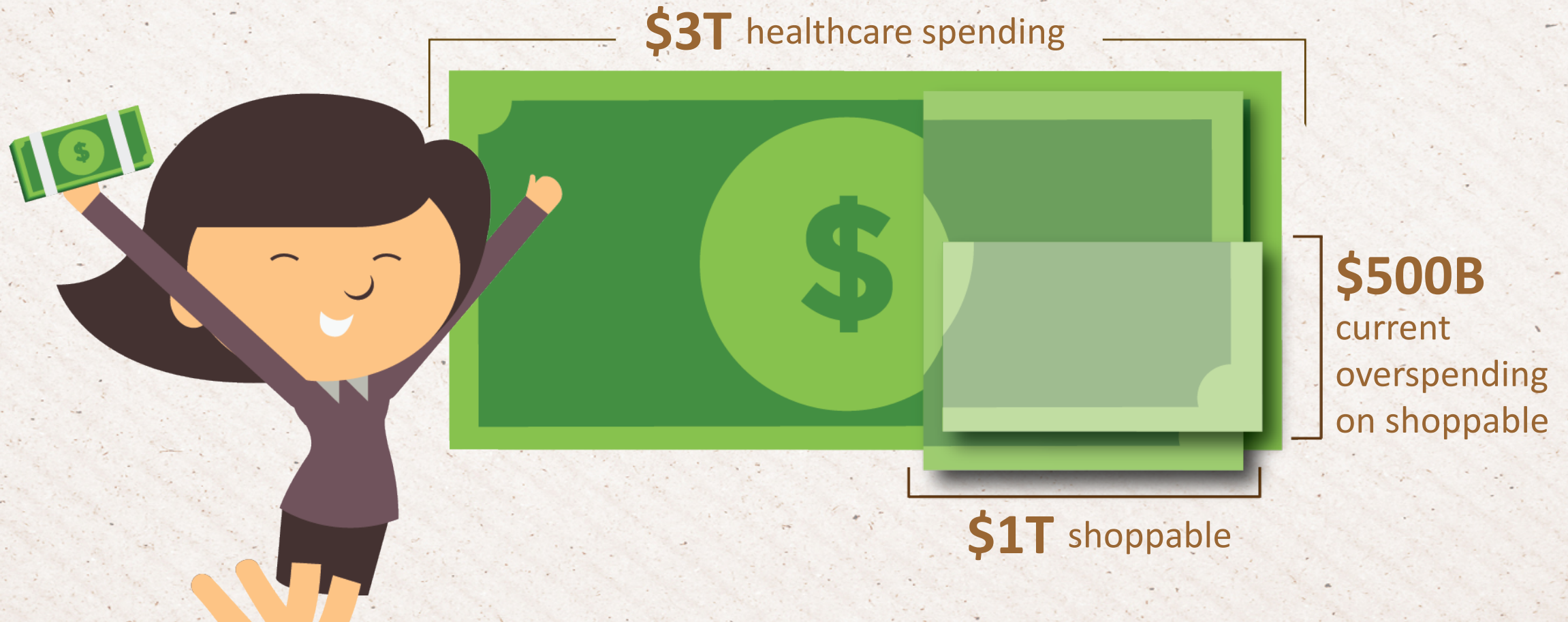
Prices differ depending on the door they walk through



\*Claims above are real for an MRI of the knee in one market.



# Shopping is possible, and could save real money.



# Three Pillars of Right to Shop

## The Right to Know:

Patients can find out the estimated price ahead of time from their insurance plan and compare providers to find one that works for them



## The Right to Save:

Patients share in savings if they shop for a high-value provider (i.e. high-quality, lower-cost)



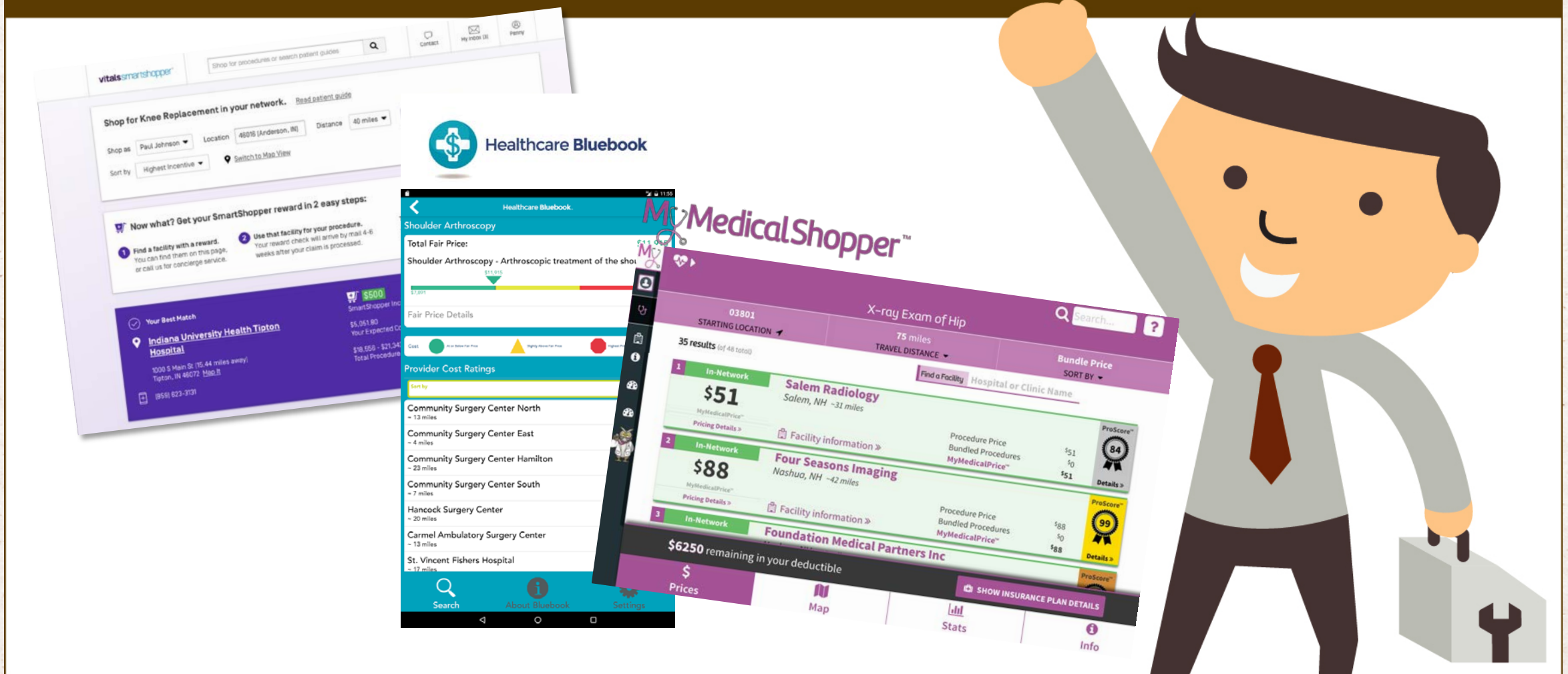
## The Right to Pick:

Patients' access to high-value providers is protected—whether the providers are in- or out-of-network

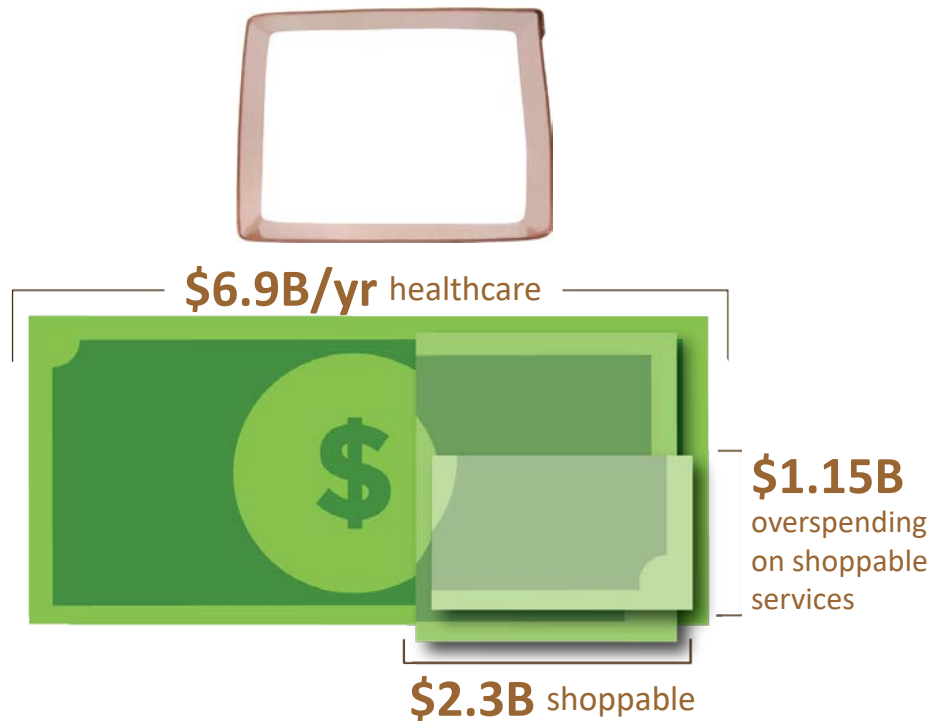




# Cool tools work for shopping, but they are not available to all.



## Alaska needs Right to Shop



Maine passed Right to Shop with unanimous bipartisan support in 2017.





# Alaskans Are Overspending \$1.1B A Year On Shoppable Services



**\$6.9B ANNUAL HEALTHCARE SPENDING**

*\*based on latest census data and national average health care spending*

**\$2.3B SHOPPABLE**

**\$1.1B SAVABLE**





**77%**

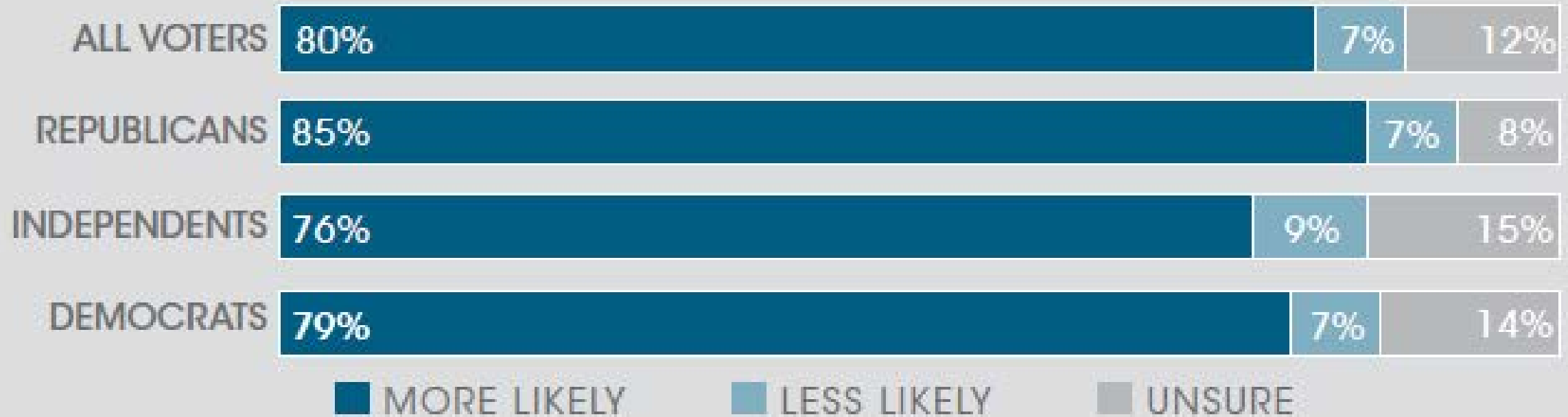
**of Americans want the Right  
to Shop in Health Care**



# What Comes Out of Our Wallets Matter

## LOWERING OUT OF POCKET COSTS FOR PEOPLE WITH CHRONIC CONDITIONS

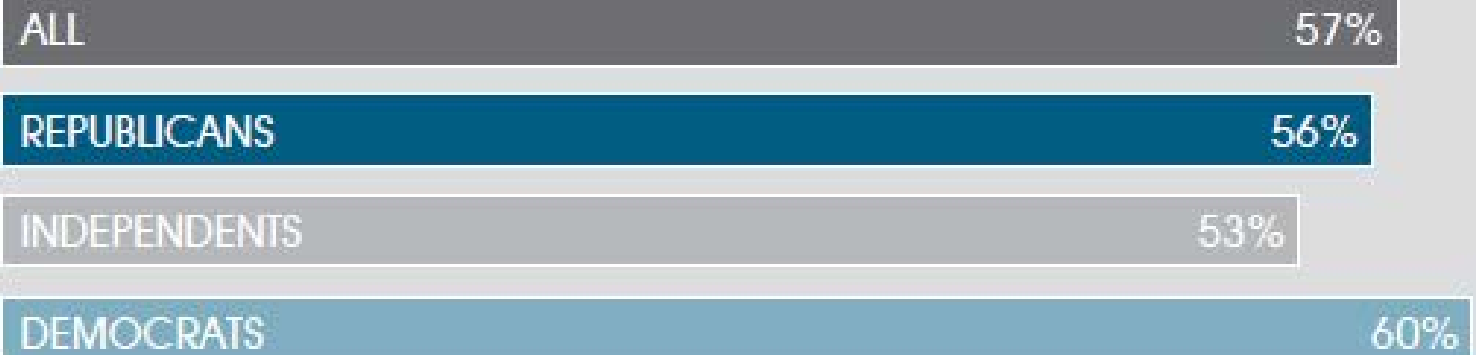
Voters are more likely to support Right to Shop when they learn it could mean lower out-of-pocket costs for individuals with chronic health conditions.



## What Goes Into Our Wallets Matter

### Every dollar counts.

When asked, a majority of consumers would consider switching providers for a savings of as little as \$50 on a non-emergency procedure under Right to Shop.



**Incentives work.**



## EXPENSIVE

# 62%

of voters say it would  
be tough to pay their  
entire deductible in  
one month



## CONFUSING

# 63%

know prices  
differ wildly for  
same care



## HARMFUL

# 69%

think insurers are  
**NOT** working to keep  
their costs down







- 98% of insurers have a cost tool but only 2% of members use it.
- Right to Shop works.
- ***Incentives matter.***



## Potential savings from switching facilities\*

Knee arthroscopy  
**\$15,869**

Cataract  
surgery  
**\$7,204**

Shoulder  
MRI  
**\$2,038**

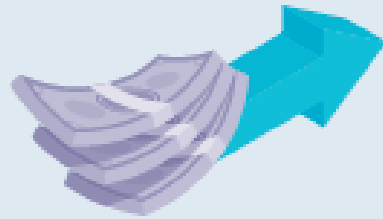
Colonoscopy  
**\$2,894**

ANCHORAGE, AK

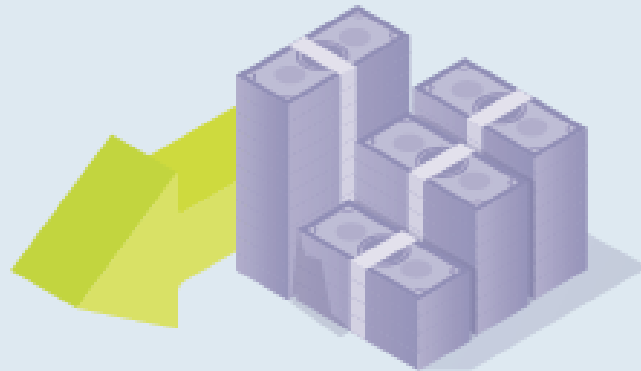
*\*Difference in price between high-cost and lower-cost in-network facilities.*



## Incentives drive savings

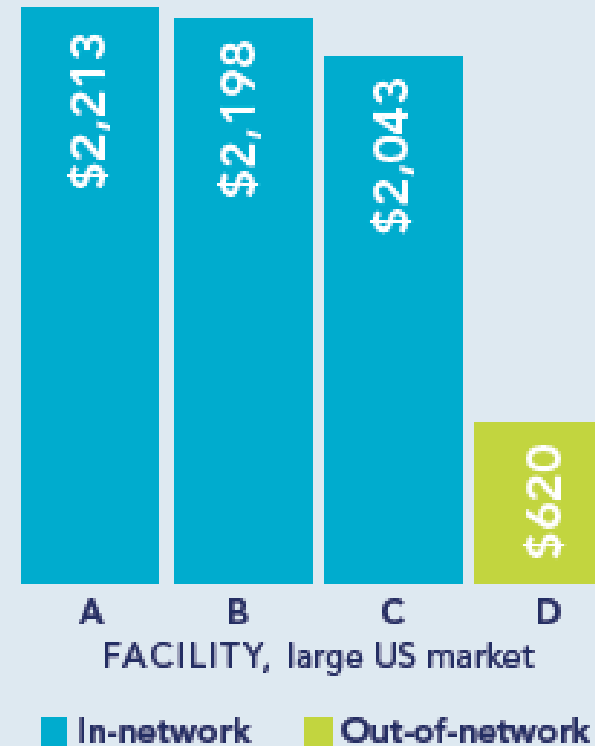


One large public entity paid  
**\$30,000 in cash incentives**  
and captured over  
**\$800,000 in savings.**



## Out-of-network care can save money\*

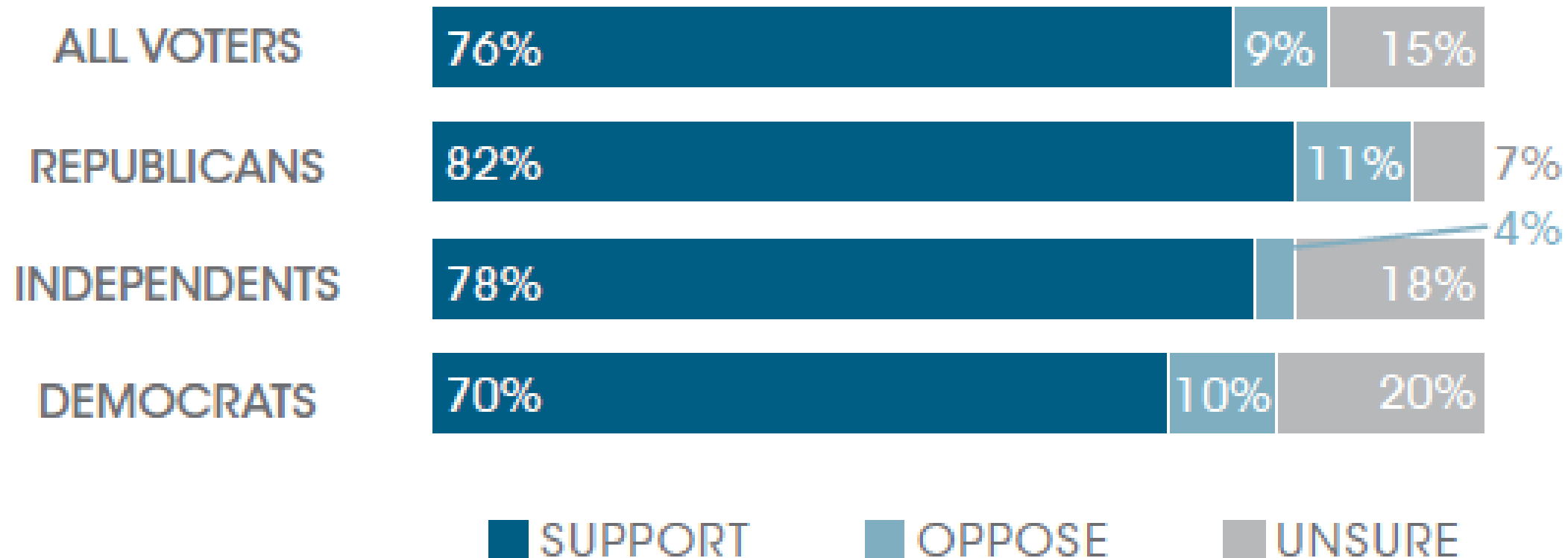
### KNEE MRI PRICING



\*Cash pay rates for out-of-network facilities can be less expensive than network rates for facilities that are in-network.

## BENEFITS SMALL BUSINESSES AND WORKERS

Right to Shop would help small businesses deal with rising health care costs, freeing up money to hire more workers.





# Who Has RTS?

## **Right to Know (Full Transparency):**

- ✓ Private Market: MA, ME

## **Right to Save (Incentives):**

- ✓ Private Market: ME
- ✓ Public Employees: FL, KS\*, KY\*, MA\*, NH\*, VA (more to join shortly)

## **Right to Pick (Out-of-network protection):**

- ✓ Private Market: AZ, ME

## **States Considering RTS Bills in 17/18:**

AK, AZ, CO, IA, KS, KY, MA, MO, MT, NE, OH, OK, SC, TN, UT, VA, WV

\* Agency driven reform.