

Oregon calls for transparency

BY PATTY ENRADO,
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EUGENE, OR – In a move to drive more transparency in the health-care insurance market, the Oregon legislature has mandated health plans to provide the cost of 35 different treatments to consumers.

PacificSource has delivered nearly 1,000 estimates for its members since it deployed TriZetto's Treatment Cost Navigator in July, said CIO Erick Doolan.

The not-for-profit insurer has done little marketing and had no estimated projections, given that the state mandate is the first of its kind, but Doolan said, "It's a little bit low." PacificSource will do more marketing to inform its members, he said.

"In general, we're interested in providing more information to patients to help them make better decisions about the treatments they need," he said.



Erick Doolan

→ **THE NEWS:** Oregon has mandated that health plans provide costs for 35 treatments.

→ **WHAT IT MEANS:** IT will have a role to play in providing payers with data about how their members are using price comparison tools.

While the state mandates price transparency for seven different categories within the top five treatments, PacificSource initially rolled out cost data for 50 treatments. It plans to expand that number throughout 2010.

Payers are supporting their consumer-directed healthcare products with tools that remove the complexity and make it easier for members to know what the rates are for particular services, said David Pinkert, senior vice president of product management for The TriZetto Group's Constituent Web Solutions.

In the short term, payers can analyze the data and see how members are using their system and whether the data is enabling them to make cost-effective deci-



The Portland, Ore., skyline.

sions, he said. The long-term benefit of the tool is providing data that can help payers develop their business strategy, which can "bend the cost of healthcare," Pinkert said.

A treatment cost application could bend the cost of healthcare, said Janice Young, program director for payer IT strategies for Health Industry Insights. Quality metrics, however, must be tied with cost to really impact healthcare cost, she stressed.

The other major issue is providing the right information to members to enable them to make the right healthcare decisions.

Young isn't sure payers are ready to release contractual information for provider services. ■



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