



Pulling back the curtain on price transparency

Employers that offer health plans that provide employees visibility into coverage and cost may have an edge in today’s competitive job market.

With 56% of people surveyed reporting feeling “completely lost” when trying to understand what their health plan covers, the consequences can start piling up: paying more than necessary, holding off on filling prescriptions and even deferring care.¹ On the flip side, those who have a higher level of understanding are more likely to trust in and engage with their health care benefits and invest in their own health.²

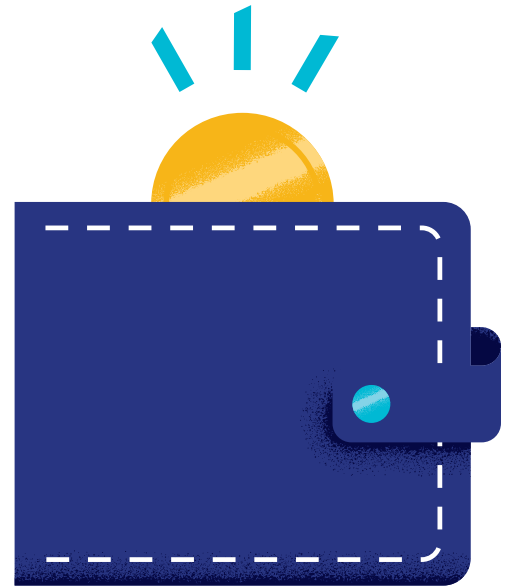
To address the impact of health care confusion in the U.S., the No Surprises Act was passed in 2020 to provide federal protection against the surprise medical bills that can occur when consumers unintentionally receive care from out-of-network providers.³

Taking effect in 2022, these new protections, along with the **Transparency in Coverage** rule,

which requires insurers to create online, personalized pricing tools for consumers,⁴ have been a catalyst for carriers and providers to develop new tools that help employees, employers and providers better understand the total cost of care.

When employees can make more informed, cost-effective decisions, better health outcomes, lower costs and higher satisfaction with the employer’s health plan may follow. And in this tight labor market, employee satisfaction may make a difference in attracting and retaining talent.

With 94% of surveyed employers identifying health care costs as a top priority for the next 2 years,⁵ carriers recognize the need to provide greater transparency to retain business and stay competitive.



“People do not understand health insurance. They only begin to understand health insurance when the bills come in. That’s not an ideal time to learn.”

George Dippel

President
Deft Research

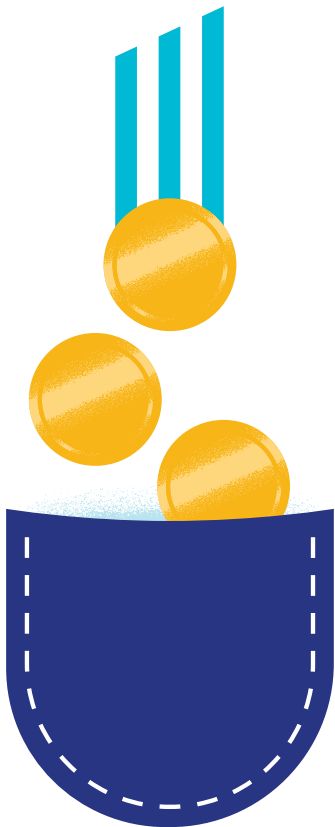
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Reimagining health care products and services for a simpler experience

Carriers can help increase transparency by rethinking the products and solutions they offer and redesigning them to provide greater visibility into actual costs.

For example, health plans like **Surest™**, a UnitedHealthcare company, provide cost and coverage information, allowing members to check costs and compare options for doctors, treatments and medications before making an appointment or picking up their prescription. This type of visibility aims to help employees avoid the shock of receiving an unexpected medical bill and may ultimately result in a better health care experience.

Price Edge, a tool from Optum Rx, also makes it easier for employees to understand and manage their costs. This tool, which launched in January 2023, compares direct-to-consumer pricing for traditional generic drugs against insurance pricing, ensuring that employees pay the lowest prescription cost available. Plus, transactions initiated through the Price Edge tool count toward deductibles and out-of-pocket (OOP) limits, at no additional cost to employees or employers.



“The cost of care isn’t just paid for by the employee, it’s paid for by the employer, as well. So, if an employee takes advantage of the pricing tools available to them and makes better informed decisions, both parties will benefit.”

Matthew Vesledahl

Chief Affordability Officer
UnitedHealthcare Employer & Individual

surest™

A UnitedHealthcare Company

Up to

15%

**in potential cost savings
for employers⁶**

54%

**lower member
out-of-pocket costs⁷**

90%

member retention⁸

Developing tools that help employees manage health care costs

Cost estimation tools like the Consumer Price Transparency Tool, which is available in the **UnitedHealthcare® app** and on the **myuhc.com®** website, are helping employees better understand what they may have to pay out-of-pocket for services such as office visits, tests, imaging, screenings and vaccines.

“We know health care quality and cost can vary significantly even within the same city, which is why we offer millions of our members resources to review quality information and cost estimates for more than 820 common medical services,” says Samantha Baker, chief consumer officer of UnitedHealthcare Employer & Individual. “By providing this information online, via our mobile app and through our customer care advocates, we are making it easier for them to check costs and make more informed decisions.”

When it looks like a planned appointment or some other action could create a surprise bill, **active member intercept** is a program that can help employees avoid unexpected charges.

Advocates, for example, can call an employee when a pre-appointment eligibility check reveals an out-of-network issue. The warning may give an employee the chance to learn about ways to stay in the network and potentially lower their costs by making a more optimal decision.

If an employee does end up receiving an out-of-network bill, that’s where solutions like **Naviguard®** can come in. Leveraging local market expertise and analytics, Naviguard works to deliver end-to-end issue resolution and reduce out-of-network costs, with a \$2.4K average per-bill reduction.¹⁰

“Health care costs are a main driver of member frustration. Providing access to price transparency tools and presenting options to employees gives them some control over their health care and can lead to a better overall experience,” says Vesledahl. “But in most cases, it isn’t enough to offer the tools. Employers need to take an active role in educating employees and providing recommendations for use.”

Equipping providers with information at the point of care

While consumer cost transparency tools enable employees to research and price out care options, it can be just as powerful for providers to have access to patient information to help them deliver a better, more informed patient experience.

Tools for providers like **Point of Care Assist®** that integrate real-time patient information, including clinical, pharmacy, labs, prior authorizations and coverage information, into a provider’s existing electronic medical records (EMR)⁹ can offer a more complete picture of a patient’s current care needs and anticipated costs.

And, as care plans may also include prescribed medications, tools like **PreCheck MyScript®**, which allow providers to run trial pharmacy claims directly from their EMR, can save providers an average of \$41 per prescription in time not spent on prior authorizations¹⁰ while saving employees an average of \$111 per prescription fill.¹¹

“The wide range of costs we see today for the same types of care and services feeds into the general lack of understanding of the health care system,” explains Vesledahl. “Greater price transparency benefits the entire industry, which is why we are working to collaborate with providers, employers and others to bring solutions to market that deliver a simpler, more intuitive experience that so many other industries already provide.”

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Learn more

Contact your broker, consultant or UnitedHealthcare representative
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¹ Gordon, Deb. Health Insurance Confusion Continues to Plague Americans. Forbes, Feb. 8, 2021. Available: <https://www.forbes.com/sites/debgordon/2021/02/08/health-insurance-confusion-continues-to-plague-americans-new-data-show/?sh=77e0f6414667>. Accessed: May 2023.

² What Is Health Literacy? Centers for Disease Control and Prevention. Available: <https://www.cdc.gov/healthliteracy/learn/index.html#:~:text=Personal%20health%20literacy%20is%20the,actions%20for%20themselves%20and%20others>. Accessed: May 2, 2023.

³ Pollitz, Karen. No Surprises Act Implementation: What to Expect in 2022. Kaiser Family Foundation, Dec. 10, 2021. Available: <https://www.kff.org/health-reform/issue-brief/no-surprises-act-implementation-what-to-expect-in-2022/>. Accessed: May 2023.

⁴ Health Plan Price Transparency. Centers for Medicare & Medicaid Services, Mar. 23, 2023. Available: <https://www.cms.gov/healthplan-price-transparency/plans-and-issuers>.

⁵ Employers to tackle employee healthcare affordability amid rising costs. Willis Towers Watson, April 26, 2022. Available: <https://www.wtwco.com/en-US/news/2022/04/employers-to-tackle-employee-healthcare-affordability-amid-rising-costs>.

⁶ Combination of modeled and actual results across Surest ASO and FI products, prospects and clients. Industry benchmarks are age/gender/risk/geography adjusted.

⁷ Comparison of 2022 medical out-of-pocket spend for members who migrated to a Surest plan in 2022 compared to members from the same employers in a non-Surest plan.

⁸ 2022 Surest book of business.

⁹ Visit Point of Care Assist® for list of EMR platform integrations.

¹⁰ Third-party analysis of OptumRx claims data. September 2018 – August 2019 based on 4.6 million members, >188,000 providers and 28.2 million transactions using PreCheck MyScript.

¹¹ Optum Rx analysis of full year 2021 trial claim and production claim data using PreCheck myScript.

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