Background Information

HJR 20 Study: Health Care Price Transparency
Panel Discussion: Model Cost Reduction Programs
Prepared by Rep. Kathy Kelker, HJR 20 Subcommittee Presiding Officer for January 17, 2018

Background
The HJR 20 Subcommittee will hear about health care costs from the perspectives of four health care providers during its first meeting. The providers represent:

- a hospital;
- insurers; and
- a health policy foundation.

The panelists have been asked to specifically address the following questions:

1. What are some of the most cost-effective clinical delivery models? Where are they being implemented in Montana?

2. Health care delivered by specialists is more expensive. Are there ways to reduce cost by utilizing primary care physicians more effectively?

3. Does having health care networks—providers, critical access hospitals, major hospitals—have potential for reducing costs to consumers?

4. Chronic care is the costliest type of health care. What measures can be taken to reduce these costs while maintaining quality?

5. How does coordination of care reduce the costs for consumers?

6. Can health care providers become more efficient in utilizing staff, equipment and processes and reduce costs to consumers?

7. How do new medical technology and drugs increase the prices of health care?

8. What role does advertising of new drugs and medical technologies play in increasing health care costs?

9. What effect do administrative costs for processing insurance claims have on the price of health care? Are there ways to reduce processing costs?

10. What is the relationship between prices for health care and quality of health care?