

Healthcare Affordability State Policy Scorecard

Polling data repeatedly shows that healthcare affordability is the number one issue that state residents, on both sides of the political aisle, want their policymakers to work on. This scorecard identifies areas where Louisiana is doing well and areas where it can improve.

STATE:

LOUISIANA

RANK:

32

out of 42 states + DC

Louisiana has relatively low healthcare spending per person, yet a high percentage of residents report affordability problems, suggesting a need for immediate policymaker attention.

	POLICY SCORE	OUTCOME SCORE	RECOMMENDATIONS
EXTEND COVERAGE TO ALL RESIDENTS 	3 OUT OF 10 POINTS Medicaid coverage for childless adults extends to 138% of FPL. Certain recent immigrants have state coverage options.	7 OUT OF 10 POINTS In 2018, LA was in the middle third of states in terms of covering the uninsured, ranking 26 out of 50 states, plus DC, for this measure.	Consider options that help families that make too much to qualify for Medicaid, like Basic Health Plan, reinsurance or supplementary premium subsidies. Additionally, LA should consider adding affordability criteria to insurance rate review.
MAKE OUT-OF-POCKET COSTS AFFORDABLE 	4 OUT OF 10 POINTS LA has some protections against skimpy, confusing STLD health plans and capped cost-sharing for specialty pharmaceutical drugs.	3 OUT OF 10 POINTS Forty-seven percent of adult residents report healthcare OOP affordability burdens and LA ranked 41 out of 49 states, plus DC, for this measure.	In light of grave affordability problems, LA should consider a suite of measures to ease consumer burdens, including SMB protections and stronger protections against STLD health plans.
REDUCE LOW-VALUE CARE 	2 OUT OF 10 POINTS LA requires some forms of patient safety reporting and has enacted non-payment policies for 'never events'. LA performs below avg. for hospital antibiotic stewardship & has not measured the provision of low-value care.	0 OUT OF 10 POINTS LA ranks poorly in terms of reducing C-sections for low-risk mothers (50 out of 50 states, plus DC) and ranks 48 out of 50 states, plus DC, in terms of capita antibiotic prescribing.	Curtailing low- and no-value care is a key part of a comprehensive approach to affordability. LA should use claims and EHR data to identify unnecessary care and enact a multi-stakeholder effort to reduce it. Moreover, LA should increase efforts to address antibiotic overprescribing.
CURB EXCESS PRICES IN THE SYSTEM 	0 OUT OF 10 POINTS As is common in many states, LA has done little to curb the rise of healthcare prices.	9.3 OUT OF 10 POINTS LA is a top-ranked state, keeping private payer prices below the national median, ranking 3 out of 42 states, plus DC, for this measure.	Year-over-year increases in healthcare prices overwhelmingly drive healthcare spending in a state. Even states with lower price levels (like LA) should consider establishing strong price transparency requirements. LA should consider creating a robust APCD; establishing a health spending oversight entity; and creating health spending targets.

APCD = All-Payer Claims Database FPL = Federal Poverty Level EHR = Electronic Health Records OOP = Out-of-Pocket Costs SMB = Surprise Medical Bill STLD = Short-Term, Limited-Duration

See state notes on page 2.

Full report and additional details at www.HealthcareValueHub.org/Affordability-Scorecard/Louisiana

Healthcare Affordability State Policy Scorecard

STATE:

LOUISIANA

RANK:

32

out of
42 states
+ DC

LOUISIANA NOTES

Methodological Notes:

State rank reflects the weighted sum of the policy and outcome scoring components. In this summation, the Extend Coverage to All Residents category received the biggest weight (reflecting its large impact on the uninsured population) and Reduce Low-Value Care received the smallest weight, reflecting its smaller impact on spending. A lower state rank number (i.e. close to 1) reflects a higher overall score and better performance when compared to other states.

For a complete discussion of methodology, please see healthcarevaluehub.org/affordability-scorecard/methodology.

The Problem:

Louisiana is in the bottom third of states in terms of high healthcare affordability burdens, with 47% of adults reporting healthcare OOP affordability burdens, giving the state a rank of 41 out of 49 states, plus DC, for this measure. The most common burden reported was 'made changes to medical drugs because of cost' (32% of adults), followed by 'trouble paying medical bills.' According to the BEA, healthcare spending in Louisiana totalled \$6,623 per person in 2018.* Moreover, between 2013 and 2018, healthcare spending per person grew 19.4%.* Residents are struggling to afford needed healthcare (in part due to high rates of uninsurance among the population). Louisiana has much work to do to ensure wise health spending and affordability for residents.



Extend Coverage to All Residents:

Some level of prenatal care is available, regardless of immigration status, through CHIP's "unborn child" option.



Make Out-of-Pocket Costs Affordable:

High-deductible health plans create barriers to care for many families. Between 2011 and 2016, the average deductible associated with employer coverage rose 4.2% per year in Louisiana.*

Louisiana caps cost-sharing for specialty-tier drugs, which applies AFTER the deductible is reached.



Reduce Low-Value Care:

Addressing medical harm to improve patient safety can take many forms. One form is declining payment for services related to "never events," serious reportable events identified by the National Quality Forum (NQF) that should never occur in a healthcare setting.

Louisiana Medicaid will not pay for selected, adverse events.

Eighty percent of Louisiana hospitals have adopted the CDC's 'Core Elements' of antibiotic stewardship – short of the goal of 100% of hospitals.



Curb Excess Prices in the System:

Private payer price levels in Louisiana are 235% higher than prices paid by Medicare.*

NOTE: The very high healthcare prices seen in Alaska (relative to the national median), means that most other states received a relatively good outcome score for this category.

* Informational data, not used in state score or ranking. DOI = Department of Insurance BEA = U.S. Bureau of Economic Analysis • Scorecard Updated: Jan. 7, 2020