2021 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 Montana is doing well and areas where it can improve. It reflects policies implemented as of Dec. 31, 2020.

STATE: MONTANA **RANK: 30** out of 47 states + DC

***TOTAL SCORE:** 30.3 OUT OF 80 POSSIBLE POINTS*

Montana has much work to do to ensure wise health spending and affordability for its residents. According to SHADAC, 10% of MT adults could not get needed medical care due to cost as of 2019, and the share of people with other affordability burdens is far higher. While MT's high uninsurance rate (8.3%) may be a factor, healthcare is increasingly unaffordable largely due to high costs that affect everyone. According to the PCE, healthcare spending per person in MT grew 31% between 2013 and 2019, totaling $7,931 in 2019.*

	POLICY SCORE	OUTCOME SCORE	RECOMMENDATIONS
CURB EXCESS PRICES IN THE SYSTEM	**0.0 OUT OF 10 POINTS** As is common in many states, MT has done little to curb the rise of healthcare prices.	**1.3 OUT OF 10 POINTS** High private prices are one factor driving costs. MT is among the most expensive states, with inpatient private payer prices at 227% of Medicare prices. Ranked 45 out of 48 states, plus DC.	*Year-over-year increases in healthcare prices overwhelmingly drive state healthcare spending. MT should consider creating a robust APCD, strong price transparency requirements, establishing a health spending oversight entity and creating health spending targets.*
REDUCE LOW-VALUE CARE	**0.2 OUT OF 10 POINTS** MT has not enacted meaningful patient safety reporting. 70% of hospitals have adopted antibiotic stewardship. MT has not yet measured the extent of low-value care being provided.	**7.0 OUT OF 10 POINTS** MT has slightly less low-value care than the national average. Ranked 11 out of 50 states, plus DC.	*MT should consider using claims and EHR data to identify unecessary care and enact a multi-stakeholder effort to reduce it.*
EXTEND COVERAGE TO ALL RESIDENTS	**6.6 OUT OF 10 POINTS** Medicaid coverage for childless adults extends to 138% of FPL. Only some immigrants can access state coverage options. MT uses reinsurance, to reduce costs in the non-group market.	**6.6 OUT OF 10 POINTS** 8% of MT residents are uninsured. Ranked 28 out of 50 states, plus DC.	*MT should consider coverage options for residents earning too much to qualify for Medicaid, like premium subsidies, Basic Health Plan, Medicaid buy-in and public option. MT should also consider offering coverage options for legally residing immigrant pregnant people, undocumented children, pregnant people and adults, as well as adding affordability criteria to rate review.*
MAKE OUT-OF-POCKET COSTS AFFORDABLE	**0.6 OUT OF 10 POINTS** MT has limited protections against short-term, limited-duration health plans.	**8.0 OUT OF 10 POINTS** MT ranked well in terms of affordability burdens, but 10% of adults could not get needed medical care due to cost. The share of people with other affordability burdens is far higher.	*MT should consider a suite of measures to ease consumer burdens, such as: stronger protections against short-term, limited-duration plans; SMB protections not addressed by the federal No Surprises Act; and waiving or reducing cost-sharing for high-value services.*

APCD = All-Payer Claims Database **CHESS** = Consumer Healthcare Experience State Survey **CMS** = Centers for Medicare and Medicaid Services **EHR** = Electronic Health Records **FPL** = Federal Poverty Level **PCE** = Personal Consumption Expenditure (Healthcare PCE measures spending growth among households as well as nonprofit, commercial and government hospitals/nursing homes) **SHADAC** = State Health Access Data Assistance Center **SMB** = Surprise Medical Bill **STLD** = Short-Term, Limited-Duration

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

ALTARUM HEALTHCARE VALUE HUB

Healthcare Affordability State Policy Scorecard

STATE: MONTANA **RANK: 30** out of 47 states + DC

MONTANA NOTES

Methodological Notes:

State rank reflects the weighted sum of the policy and outcome scoring components. 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.

Curb Excess Prices in the System:

In order to receive credit for price transparency tools, a state's tool had to be public-facing, searchable by specific procedure and hospital and show the negotiated rate paid by insurance plans/patients (not chargemaster rate). Montana did not have a tool that met this criteria.

MT has none of the four policy elements measured for this category. Montana capped payment for all hospital services for the state employee program at an average of 234 percent of Medicare rates beginning in 2016, saving the state approximately $15.6 million in the second year of implementation.

Reduce Low-Value Care:

According to the Johns Hopkins Overuse Index created using Medicare data, MT's overuse of low-value care is -0.7 standard deviations below the national average, which is likely a good thing assuming they are also delivering appropriate care (however, the value is still relatively close to the national average).

Montana does not mandate any patient safety reporting or validation for CLABSI/CAUTI.

Improper use of antibiotics is another type of low-value care. Antibiotic stewardship is the effort to measure and improve how antibiotics are prescribed by clinicians and used by patients—states were scored on what share of their hospitals follow the CDC's stewardship program.

Extend Coverage to All Residents:

MT's Medicaid expansion program is slated to end in 2025 unless renewed by the legislature. The state has sought federal approval to implement Medicaid work requirements and may decline to renew the program if the proposal is not approved. MT charges premiums for Medicaid coverage.

MT began operating a reinsurance program through a 1332 State Innovation Waiver in 2020.

MT offers Medicaid coverage to lawfully residing immigrant children without a 5-year wait. MT does not offer coverage options for legally residing immigrant pregnant people; undocumented children/pregnant people/adults.

MT has effective rate review as classified by CMS, but does not incorporate affordability criteria into rate review.

Make Out-of-Pocket Costs Affordable:

High-deductible health plans create barriers to care for many families. According to SHADAC, the average family deductible among employer insurance plans in MT rose 54% between 2013 and 2019, totaling $3,842 in 2019. States should consider exploring new policies to reduce financial barriers to care for people with high-deductible health plans, although there are limits to how much states can influence employer insurance and Medicare.

In response to rising insurance costs, some people turn to STLD health plans, which offer lower monthly premiums compared to ACA-compliant plans. However, these policies offer less coverage, can discriminate against people with pre-existing conditions and pose significant financial risks for consumers. States received credit depending on how much they limit or protect against these plans.

The federal No Surprises Act prohibits SMB in most plans effective January 2022. However, it does not cover ground ambulances which often result in surprise bills. States can still implement protections in this area—42% of ground ambulance rides in MT charged to commercial insurance plans had the potential for surprise medical billing (MT had a small sample size [241] compared to other states, so interpret percentage with caution).*

* Informational data, not used in state score or ranking. Scorecard Updated: Oct. 27, 2021.