2022 Healthcare Affordability State Policy Scorecard

This Scorecard looks at both policies and related outcomes across four affordability-related areas that were implemented as of Dec. 31, 2021. Lawmakers, regulators, consumer advocates and the public can use the Scorecards to understand how their state performs when it comes to healthcare affordability policies and outcomes relative to other states and identify opportunities to improve.

STATE: MONTANA **RANK:** 41 out of 50 states + DC

Policy Score	7.5	out of 40
Outcome Score	14.8	out of 40

TOTAL 22.3 OUT OF 80 POSSIBLE POINTS

Setting the stage: According to SHADAC, 26% of Montana adults experienced healthcare affordability burdens as of 2020. According to the Personal Consumption Expenditure, healthcare spending per person in Montana grew 36% between 2013 and 2021, totaling $8,289 in 2021. Please note some of the outcome measures in this Scorecard include data from 2020, which may have been impacted by the COVID-19 pandemic.

CURB EXCESS PRICES IN THE SYSTEM

POLICY SCORE

0.0 OUT OF **10** POINTS

This section reflects policies the state has implemented to curb excess prices, outlined below.

OUTCOME SCORE

4.7 OUT OF **10** POINTS

MT's inpatient/outpatient private payer prices are 239% of Medicare prices, placing them in the middle range of all states. Ranked 24 out of 50 states, plus DC.

RECOMMENDATIONS

MT should consider creating a robust APCD, building a strong price transparency tool, establishing a health spending oversight entity and creating health spending targets.

THIS CHECKLIST IDENTIFIES THE POLICIES THAT WERE EVALUATED FOR THIS SECTION.

☒	***Create an all-payer or multi-payer claims database to analyze healthcare price inflation, price variation and utilization*** Montana attempted to create an all-payer claims database (APCD) in 2016 through HB620, which would have required health plans to submit claims information or be subject to a penalty, but it did not pass. In 2011, the Montana legislature passed HB0573 authorizing the state to conduct a study into the creation of a statewide APCD, creating an advisory council and establishing reporting requirements, but the bill terminated in 2012.
☒	***Create a permanently convened health spending oversight entity*** Montana did not have a permanently convened health spending oversight entity as of Dec. 31, 2021.
☒	***Create all-payer healthcare spending and quality benchmarks for the state*** Montana did not have active health spending benchmarks as of December 31, 2021. Montana capped payment for all hospital services for the state employee program at an average of 234% of Medicare rates beginning in 2016, saving the state approximately $30 million in the first three years of implementation.
☒	***Implement free, public-facing healthcare price transparency that reflects negotiated rates and features treatment- and provider-specific prices*** Montana did not have a tool that met the criteria to receive credit. To receive credit, a state's tool has to be public-facing, searchable by specific procedure and hospital and show the negotiated rate paid by insurance plans/patients (not chargemaster rate).

KEY: ✓ = implemented by state ☒ = not implemented by state ⋯ = the state has implemented policies, but could be enhanced

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

ALTARUM HEALTHCARE VALUE HUB

Healthcare Affordability State Policy Scorecard

STATE: MONTANA **RANK:** 41 out of 50 states + DC

REDUCE LOW-VALUE CARE

POLICY SCORE	OUTCOME SCORE	RECOMMENDATIONS
0.3 OUT OF 10 POINTS	1.4 OUT OF 10 POINTS	*MT should consider using claims and EHR data to identify unnecessary care and enact a multi-stakeholder effort to reduce it.*
MT has not yet measured the extent of low-value care being provided. They have not enacted meaningful patient safety reporting. 80% of hospitals have adopted antibiotic stewardship.	MT was among the states with the most low-value care, with 21% of residents having received at least one low-value care service. Ranked 41 out of 50 states, plus DC.	

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☒	***Analyze claims and electronic health records data to understand how much is spent on low- and no-value services*** Montana did not measure the provision of low-value care as of Dec. 31, 2021.
☒	***Require validated patient-safety reporting for hospitals*** Central line-associated bloodstream infections (CLABSI) and catheter-associated urinary tract infections (CAUTI) are two common forms of hospital-acquired infections. Montana does not mandate any patient safety reporting or validation for CLABSI/CAUTI.
☒	***Universally implement antibiotic stewardship programs using CDC's 7 Core Elements*** 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, and states were scored on what share of their hospitals follow the CDC's stewardship program. 80% of Montana hospitals have adopted antibiotic stewardship. States with 90% adoption or more get the most credit.

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EXTEND COVERAGE TO ALL RESIDENTS

POLICY SCORE	OUTCOME SCORE	RECOMMENDATIONS
6.6 OUT OF 10 POINTS MT Medicaid coverage for childless adults extends to 138% of FPL. Only some immigrants can access state coverage options (see below). MT uses reinsurance to reduce costs in the non-group market.	6.1 OUT OF 10 POINTS 8% of MT residents are uninsured. Ranked 31 out of 50 states, plus DC.	*MT should consider additional options for residents earning too much to qualify for Medicaid, like a Basic Health plan, premium subsidies, Medicaid buy-in or a Public Option. MT should also consider offering coverage options for legally residing immigrant pregnant people and undocumented children, pregnant people and adults. Also consider adding affordability criteria to rate review.*

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✓	***Expand Medicaid to cover adults up to 138% of the federal poverty level*** Montana has expanded Medicaid, but the program is slated to end in 2025 unless renewed by the legislature. The state has sought federal approval to implement Medicaid work requirements, which is unlikely to be approved by the Biden administration, and the Montana may decline to renew the program if the proposal is not approved. Montana charges premiums for Medicaid coverage, but in December 2021, CMS notified Montana that it would phase out the state's premium requirement by the end of 2022.
✓	***Provide high-quality, affordable coverage options for people whose incomes are too high to qualify for Medicaid, e.g., Basic Health Plan, reinsurance or augmented premium subsidies*** Montana began operating a reinsurance program through a 1332 State Innovation Waiver in 2020.
···	***Provide options for immigrants that don't qualify for the coverage above*** Montana offers Medicaid coverage to lawfully residing immigrant children without a 5-year wait but offers no coverage options for lawfully residing immigrant pregnant women without a 5-year wait or for undocumented immigrants.
···	***Conduct strong rate review of fully insured, private market options*** Montana has effective rate review as classified by CMS but does not incorporate affordability criteria into rate review.

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MAKE OUT-OF-POCKET COSTS AFFORDABLE

POLICY SCORE

0.6 OUT OF 10 POINTS

MT has limited protections against short-term, limited duration health plans.

OUTCOME SCORE

2.6 OUT OF 10 POINTS

MT ranked 44 out of 50 states, plus DC on affordability burdens—26% of adults faced an affordability burden: not getting needed care due to cost (11%), delaying care due to cost (10%), changing medication due to cost (12%), problems paying medical bills (17%) or being uninsured due to cost (sample size too small).

RECOMMENDATIONS

MT should consider a suite of measures to ease consumer burdens, such as enacting stronger protections against short-term, limited-duration health plans and surprise medical bill protections not addressed by the federal No Surprises Act. MT should also consider waiving or reducing cost-sharing for high-value services. If MT wants to pursue standard plan design, they can establish a state-based exchange.

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⋯	***Limit the availability of short-term, limited-duration health plans*** Montana has enacted some protections against short-term, limited duration health plans (STLDs) but there are still plans available with a max duration of over one year. Some people choose STLD health plans for their lower monthly premiums compared to ACA-compliant plans. However, they offer poor coverage, can discriminate against people with pre-existing conditions and pose financial risks for consumers. States received credit depending on how much they limit these plans.
☒	***Protect patients from inadvertent surprise out-of-network medical bills*** Montana has no state-level protections against surprise medical bills (SMBs). The federal No Surprises Act prohibits SMBs in most plans effective January 2022. However, it does not cover ground ambulances. States can still implement protections in this area—42% of ground ambulance rides in Montana charged to commercial insurance plans had the potential for SMBs (2021). (Montana had a small sample size [241] compared to other states, so interpret percentage with caution).
☒	***Waive or reduce cost-sharing for high-value services*** Montana did not require waiving or reducing cost-sharing for high-value services as of Dec. 31, 2021.
☒	***Require insurers in a state-based exchange to offer evidence-based standard plan designs*** Montana conducts plan management activities on a federally facilitated marketplace and cannot implement standardized plans unless they establish a state-based exchange. Standard plan design makes cost-sharing the same across plans within metal tiers, making it easier for consumers to compare plans. They also help regulators and exchanges negotiate or set rates with insurance carriers, which may translate to lower prices for consumers.

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