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: VIRGINIA **RANK: 14** out of 50 states + DC

Policy Score	23.9	out of 40
Outcome Score	19.6	out of 40

TOTAL *43.5 out of 80 possible points*

Setting the Stage: According to the Healthcare Value Hub's 2019 CHESS survey, 55% of Virginia adults experienced healthcare affordability burdens. According to the Personal Consumption Expenditure, healthcare spending per person in Virginia grew 31% between 2013 and 2021, totaling $7,178 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

3.0 OUT OF 10 POINTS

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

OUTCOME SCORE

2.5 OUT OF 10 POINTS

VA's inpatient/outpatient private payer prices are 279% of Medicare prices, placing them in the middle range of all states. Ranked 36 out of 50 states, plus DC.

RECOMMENDATIONS

Even states like VA with lower price levels than other states should consider establishing a health spending oversight entity and creating health spending targets. VA should add negotiated prices and provider information to their price transparency tool.

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*** Virginia's all-payer claims database (APCD) includes medical and pharmacy claims data from commercial, Medicaid and Medicare plans. It's estimated that the Virginia APCD captures approximately 60-65% of the Commonwealth's commercially insured residents. The APCD started as a voluntary effort, then transitioned to mandatory submission under Senate Bill 1216, effective July 2019. Data is actively used to produce reports, such as Trends in the Cost and Utilization of Healthcare Services, and additional data and reports are available for a fee.
☒	***Create a permanently convened health spending oversight entity*** Virginia did not have a permanently convened health spending oversight entity as of Dec. 31, 2021. Policymakers proposed legislation to create a prescription drug affordability board in the 2021-2022 session, but it did not pass. Virginia created a Primary Care Task Force in 2020, which monitors and releases reports on primary care spending and total costs of care. While it is not permanent, the General Assembly extended funding for the Task Force for an additional two years in 2022.
☒	***Create all-payer healthcare spending and quality benchmarks for the state*** Virginia did not have active health spending benchmarks as of Dec. 31, 2021.
☒	***Implement free, public-facing healthcare price transparency that reflects negotiated rates and features treatment- and provider-specific prices*** Virginia 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). Virginia Health Information's (VHI) Healthcare Pricing Report provides median allowed amounts for multiple services, but not broken out by specific provider.

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/Virginia**

ALTARUM HEALTHCARE VALUE HUB

Healthcare Affordability State Policy Scorecard

STATE: VIRGINIA **RANK:** 14 out of 50 states + DC

REDUCE LOW-VALUE CARE

POLICY SCORE

9.9 OUT OF 10 POINTS

VA has taken important steps to measure the extent of low-value care being provided. They require some forms of patient safety reporting. 97% of hospitals have adopted antibiotic stewardship.

OUTCOME SCORE

2.9 OUT OF 10 POINTS

19% of Virginia residents have received at least one low-value care service, placing them in the middle range of states. Ranked 35 out of 50 states, plus DC.

RECOMMENDATIONS

VA is the rare state that has taken the key initial steps to identify low-value care but the problem persists. VA should consider taking steps to strengthen their multi-stakeholder campaign to reduce the use of the services identified.

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

✓	***Analyze claims and electronic health records data to understand how much is spent on low- and no-value services*** Virginia is a national leader in using claims data to measure spending on low-value care. The nonprofit Virginia Center for Health Innovation (VCHI) and Virginia Health Information, the state's APCD administrator, produced their first report in 2014. The VCHI subsequently received a $2.2 million grant from Arnold Ventures to create a statewide pilot aimed at reducing the provision of low-value care by creating a largescale health system learning community and employer task force, in addition to developing a set of consumer-driven low-value care measures. Looking Ahead: In 2022, VCHI launched the Virginia Health Value Dashboard in an effort to better understand how Virginia performs in terms of delivering health value, and to determine how we can facilitate action for improvement where necessary,
✓	***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. Virginia mandates both patient safety reporting and 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. 97% of Virginia 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
4.8 OUT OF 10 POINTS VA Medicaid coverage for childless adults extends to 138% of FPL. Only some immigrants can access state coverage options (see below).	6.2 OUT OF 10 POINTS 8% of VA residents are uninsured. Ranked 29 out of 50 states, plus DC.	*VA should consider options for residents earning too much to qualify for Medicaid, like a Basic Health plan, premium subsidies, Medicaid buy-in or a Public Option. VA should also consider offering coverage options for undocumented children and adults, as well as adding affordability criteria to rate review.*

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

✓	***Expand Medicaid to cover adults up to 138% of the federal poverty level*** Virginia has expanded Medicaid.
✗	***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*** Virginia did not offer any additional coverage options for residents earning too much to qualify for Medicaid as of Dec. 31, 2021. Looking Ahead: In 2022, the federal government approved Virginia's application to establish the Commonwealth Health Reinsurance Program and will go into effect in 2023.
···	***Provide options for immigrants that don't qualify for the coverage above*** Virginia offers Medicaid coverage to lawfully residing immigrant pregnant women and children without a 5-year wait. Starting July 2021, Virginia Medicaid offers prenatal coverage for pregnant women regardless of immigration status through the FAMIS MOMS benefit package during pregnancy, including coverage 60 days postpartum. The state offers no coverage options for undocumented children/nonpregnant adults.
···	***Conduct strong rate review of fully insured, private market options*** Virginia 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

6.2 OUT OF 10 POINTS

VA has comprehensive protections against surprise medical bills and caps cost-sharing for some high-value services.

OUTCOME SCORE

8.0 OUT OF 10 POINTS

VA ranked 5 out of 50 states, plus DC on affordability burdens, but 20% of adults faced an affordability burden: not getting needed care due to cost (6%), delaying care due to cost (8%), changing medication due to cost (8%), problems paying medical bills (12%) or being uninsured due to cost (72% of uninsured population).

RECOMMENDATIONS

VA should consider a suite of measures to ease consumer burdens, such as enacting protections against short-term, limited-duration health plans and surprise medical bill protections not addressed by the federal No Surprises Act. VA should consider requiring standard plan design on their exchange.

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

☒	***Limit the availability of short-term, limited-duration health plans*** Virginia has no protections against short-term, limited duration health plans (STLDs) beyond federal regulations. 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*** Virginia has comprehensive protections against surprise medical bills (SMBs). 'Comprehensive' protections include emergency departments and hospitals, apply to all insurance types, hold consumers harmless/prevent balance billing and adopt adequate payment standard or dispute resolution process. States with only some of these policies have 'partial' protections. 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—68% of ground ambulance rides in VA charged to commercial insurance plans had the potential for SMBs (2021).
✓	***Waive or reduce cost-sharing for high-value services*** Virginia requires any payment/discount made for the patient for prescription drugs be applied to the patient's annual OOP cost-sharing requirement. The state limits cost sharing to $50 per 30-day supply of insulin for those with state-regulated commercial insurance as of Jan. 1, 2021.
☒	***Require insurers in a state-based exchange to offer evidence-based standard plan designs*** Virginia has a state-based exchange but has not implemented standard plan design. 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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