



# HEALTHCARE AFFORDABILITY STATE POLICY SCORECARD

## Executive Summary



## Healthcare Affordability State Policy Scorecard

### EXECUTIVE SUMMARY

Polling data repeatedly shows that healthcare affordability is a top issue—often the number one issue—that state residents *on both sides of the political aisle* want their policymakers to work on.<sup>1</sup> Moreover, it is well documented that people are declining coverage and delaying or forgoing care due to cost concerns—or getting care but struggling to pay the resulting bill—and that these affordability burdens affect nearly 70 percent of adults in some states.<sup>2,3</sup>

Healthcare affordability problems cause stress and anxiety for families, crowd out other critical family spending and lead to poorer and less equitable health outcomes. Evidence of affordability problems goes far up the income ladder and affects people of every stripe, functioning as a strong call for action that must be met with a comprehensive approach.

To inform policy conversations and support policymaker responsiveness, the Altarum Healthcare Value Hub's 2022 *Healthcare Affordability State Policy Scorecard* ranks states' performance on a broad set of policies to make healthcare more affordable and allows users to: (1) do a quick and easy assessment of actions their state has already taken and (2) identify actions policymakers can take to further improve.

While there is more than one path to healthcare affordability, core elements include:

- ▲ Addressing the underlying causes of high healthcare costs by reducing spending on low-value care and curbing excess prices;
- ▲ Expanding affordable coverage options for all; and
- ▲ Ensuring that coverage options feature affordable cost-sharing and don't leave consumers underinsured or create barriers to high-value care.

In addition to examining policies in each of these areas, the scorecard looks at related outcomes, giving states credit for strong outcomes even if the policy environment is missing key actions.

While a complete description of the methodology is available in the accompanying *Methodology Report*, there are a few important points to note:

- ▲ This scorecard is *retrospective* and scores states on policies that were implemented prior to Dec. 31, 2021. Policies that were passed, but not implemented, before this date will be factored into next year's scores. Nevertheless, we do our best to acknowledge these accomplishments on the back of each scorecard.
- ▲ **Due to methodology enhancements between the 2020, 2021 and 2022 iterations, we strongly recommend against comparing state ranks and/or scores between years.** 2022 scorecards should be used as "point in time" assessments based on the improved measures, rather than a continuation of the state's previous score/rank. The following measures were changed for the 2022 scorecards: "out-of-pocket costs" outcomes scores metric, "low-value care" outcome score metric and both the policy and outcome score metrics for the "curb excess prices" measure. Details on methodological changes can be found in the complementary *Methodology Report*.

## KEY FINDINGS:

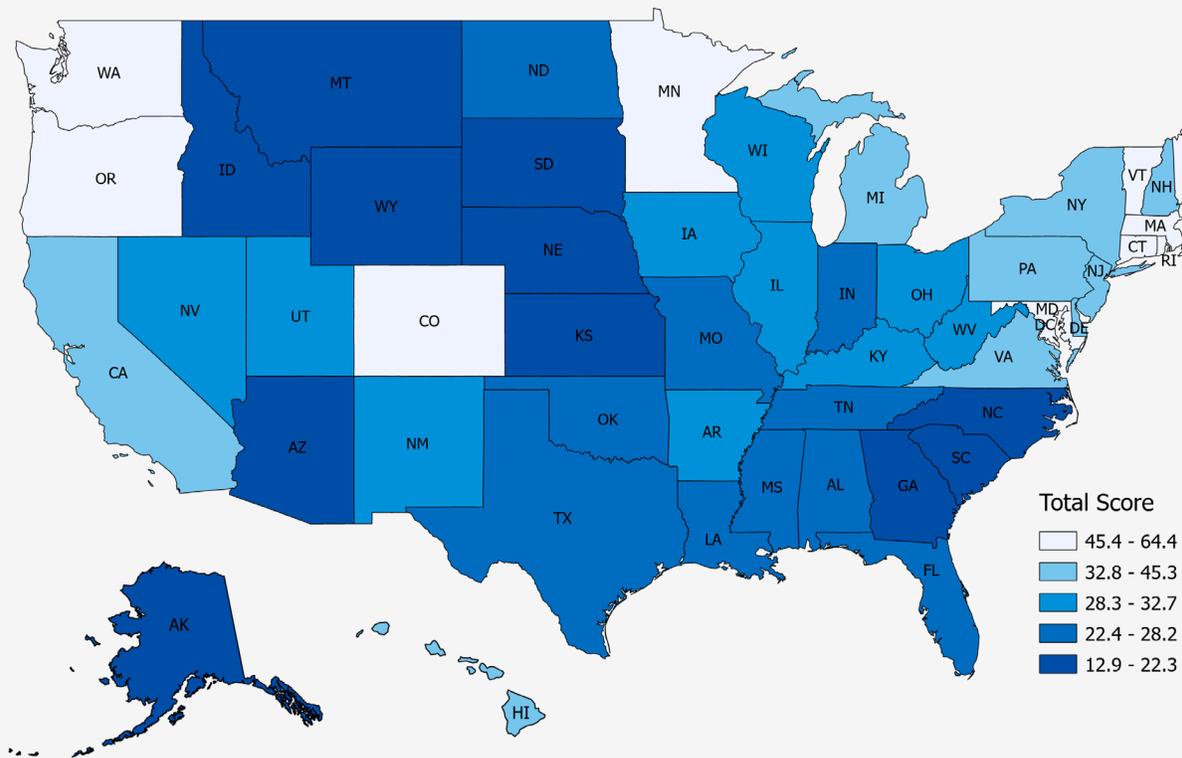
- ▲ No state earned a perfect score overall. The highest ranked state, Washington, performed well on many policy and outcome measures, but earned only 64.3 out of 80 possible points—equating to a B- grade on healthcare affordability.
- ▲ California was the highest scoring state for policy actions to extend affordable coverage to all state residents, with Washington, Oregon and Massachusetts tying for second place. Massachusetts scored the highest in terms of coverage outcomes (i.e., reducing the portion of the population that is uninsured), followed by the District of Columbia. Still, more work needs to be done. Unlike the other domains, all states have taken one or more actions to improve access to coverage.
- ▲ California and New York scored the highest in terms of policies to make out-of-pocket (OOP) costs affordable, followed by Connecticut. However, Vermont (followed by Delaware, New Hampshire, Mississippi and Virginia) scored the highest in terms of OOP cost outcomes—as measured by the percent of people who have experienced one or more of five affordability burdens: delayed seeking medical care due to cost; avoided getting medical care due to cost; made changes to prescription drugs due to cost; had problems paying medical bills; or were uninsured due to cost.
- ▲ Virginia, followed by Rhode Island, was the highest scoring state for policy actions to reduce low-value care. However, Hawaii and Minnesota scored the best for outcomes, as measured by the provision of low-value care among Medicare beneficiaries.
- ▲ Our examination of policy measures to address excess prices assigned the top score to Oregon and Massachusetts, both with perfect scores. However, both Maryland and Hawaii performed best in terms of outcomes (private payer inpatient and outpatient prices as a percentage of Medicare rates).

The Healthcare Affordability State Policy Scorecard serves as a call-to-action and road map for advocates and policymakers to strengthen efforts to address a top priority for consumers on *both sides of the political aisle*—healthcare affordability. A Summary Report highlights the robust toolset state policymakers can use to address this issue, reveal states’ performance compared to their “peers” and present case study examples from states leading the way.

The following pages show graphically how each state ranked in the four categories of healthcare affordability. All materials produced as part of the project, including the Methodology Report, scorecards for individual states, graphics and more are available on our website at: [www.HealthcareValueHub.org/Affordability-Scorecard](http://www.HealthcareValueHub.org/Affordability-Scorecard).

## HEALTHCARE AFFORDABILITY STATE RANKS

The *Healthcare Affordability State Policy Scorecard* ranks 50 states and the District of Columbia on their adoption of evidence-based policy actions to improve healthcare affordability for residents. The Scorecard looks at both policies and outcomes across four areas that were implemented by Dec. 31, 2021.

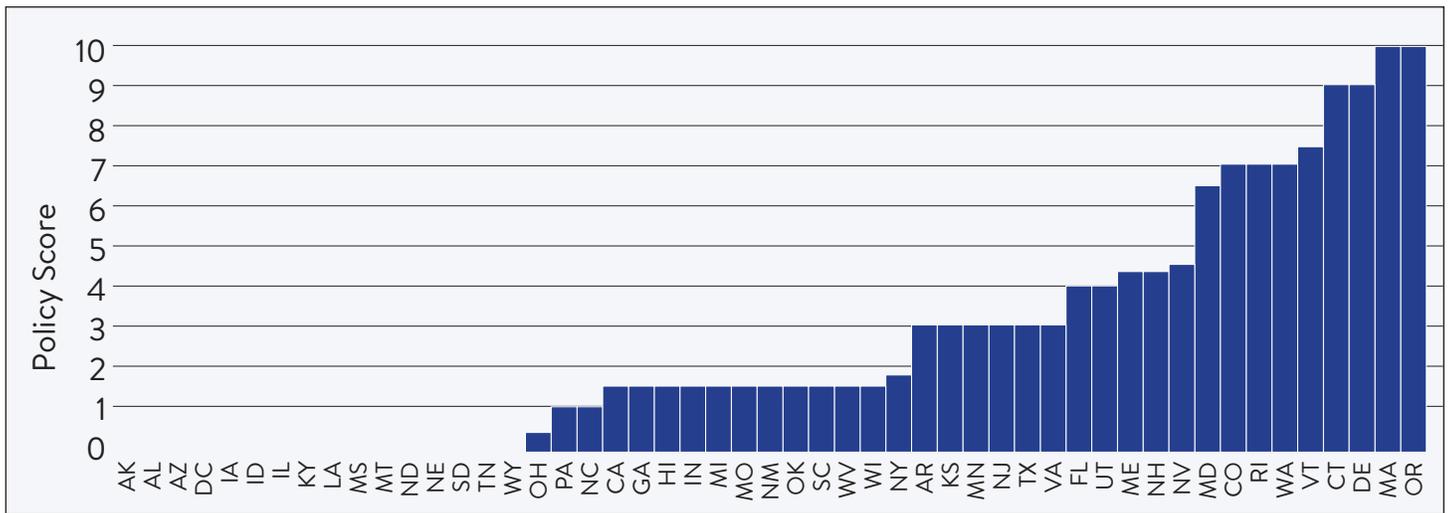


# 2022 HEALTHCARE AFFORDABILITY STATE POLICY SCORECARD

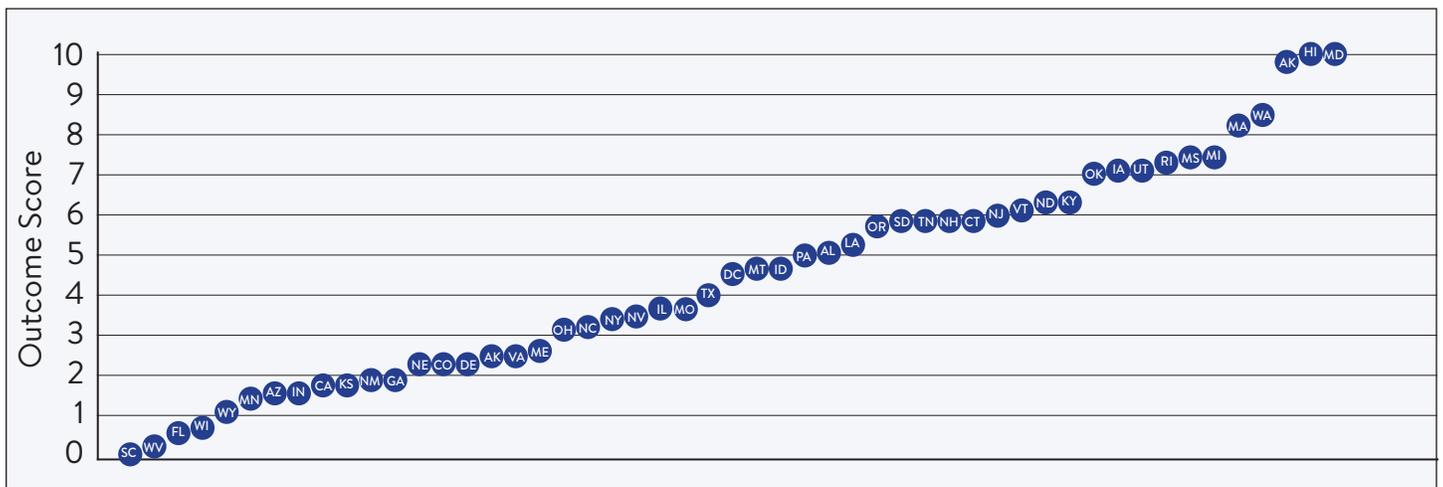
## STATE SCORE COMPARISON: CURB EXCESS PRICES IN THE SYSTEM

The Healthcare Value Hub’s *Healthcare Affordability State Policy Scorecard* details a variety of approaches to address the burden of healthcare affordability. Year-over-year increases in healthcare prices overwhelmingly drive state healthcare spending and can cause financial harm to patients. This one-pager shows how states compare on *Curb Excess Prices in the System* policy and outcome scores.

### Policy Scores



### Outcome Scores

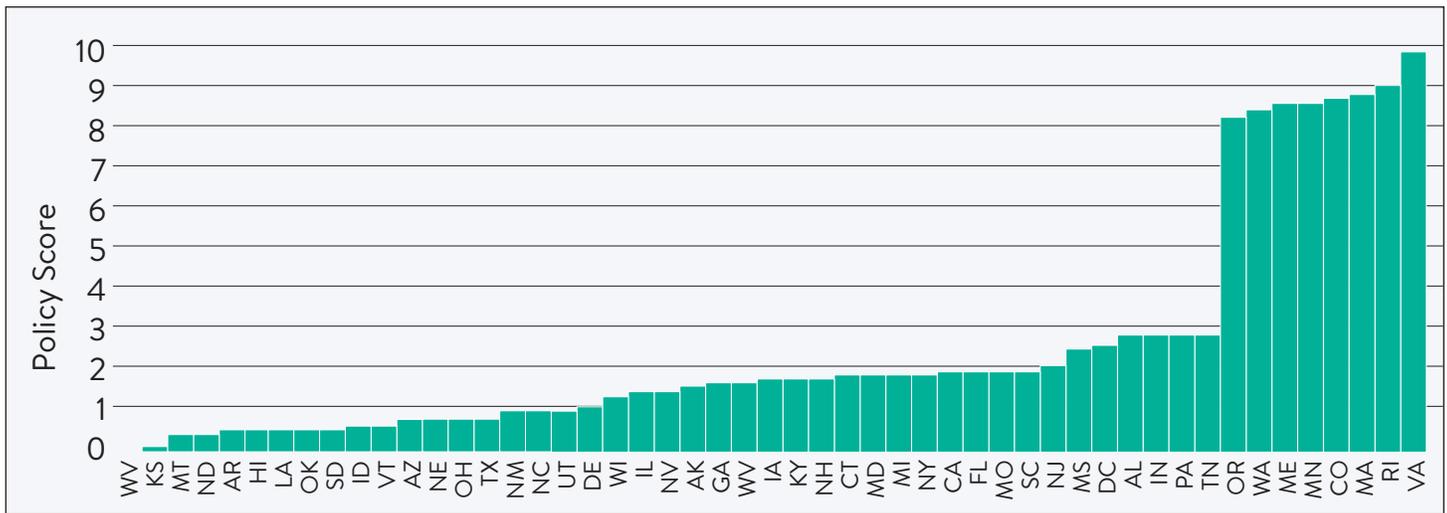


# 2022 HEALTHCARE AFFORDABILITY STATE POLICY SCORECARD

## STATE SCORE COMPARISON: REDUCE LOW-VALUE CARE

The Healthcare Value Hub’s *Healthcare Affordability State Policy Scorecard* details a variety of approaches to address the burden of healthcare affordability. Low-value care causes waste in our healthcare system and potential harm to patients. This one-pager shows how states compare on *Reduce Low-Value Care* policy and outcome scores.

### Policy Scores



### Outcome Scores

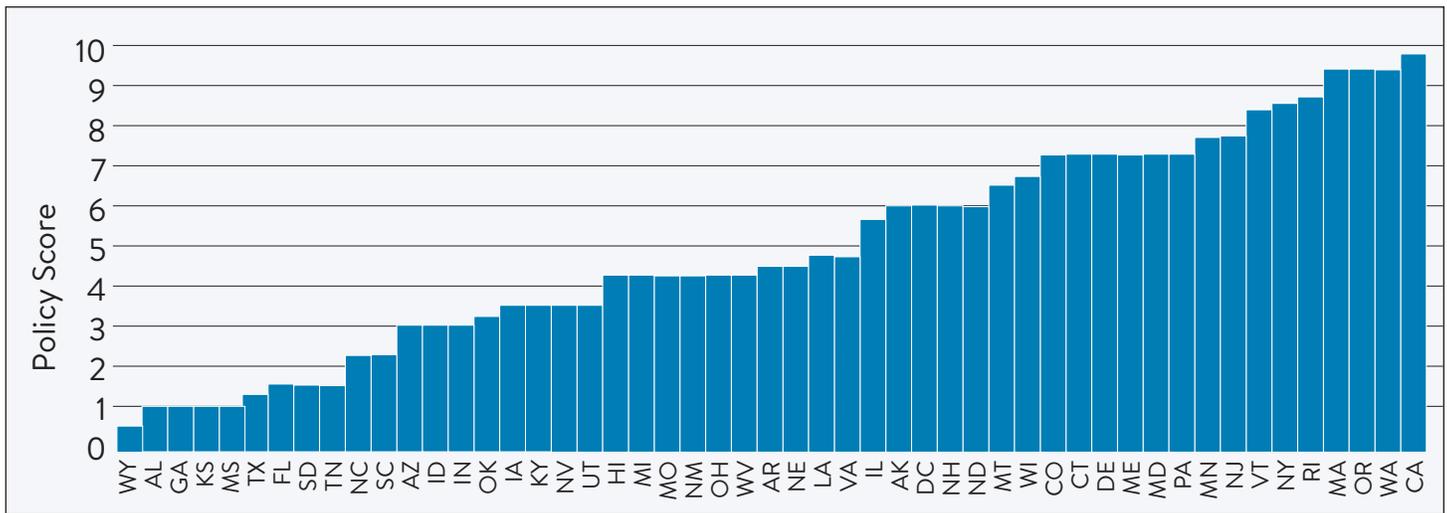


# 2022 HEALTHCARE AFFORDABILITY STATE POLICY SCORECARD

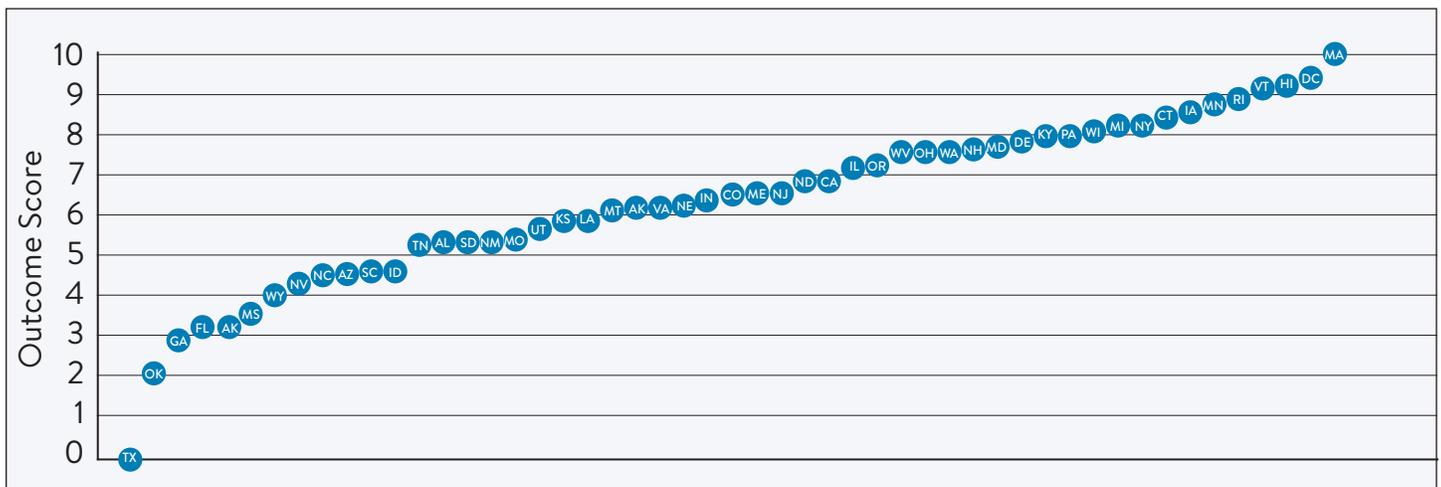
## STATE SCORE COMPARISON: *EXTEND COVERAGE TO ALL RESIDENTS*

The Healthcare Value Hub’s *Healthcare Affordability State Policy Scorecard* details a variety of approaches to address the burden of healthcare affordability. Being uninsured or having insufficient coverage can lead financial harm and consumers delaying or forgoing needed care. This one-pager shows how states compare on *Extend Coverage to All Residents* policy and outcome scores.

### Policy Scores



### Outcome Scores

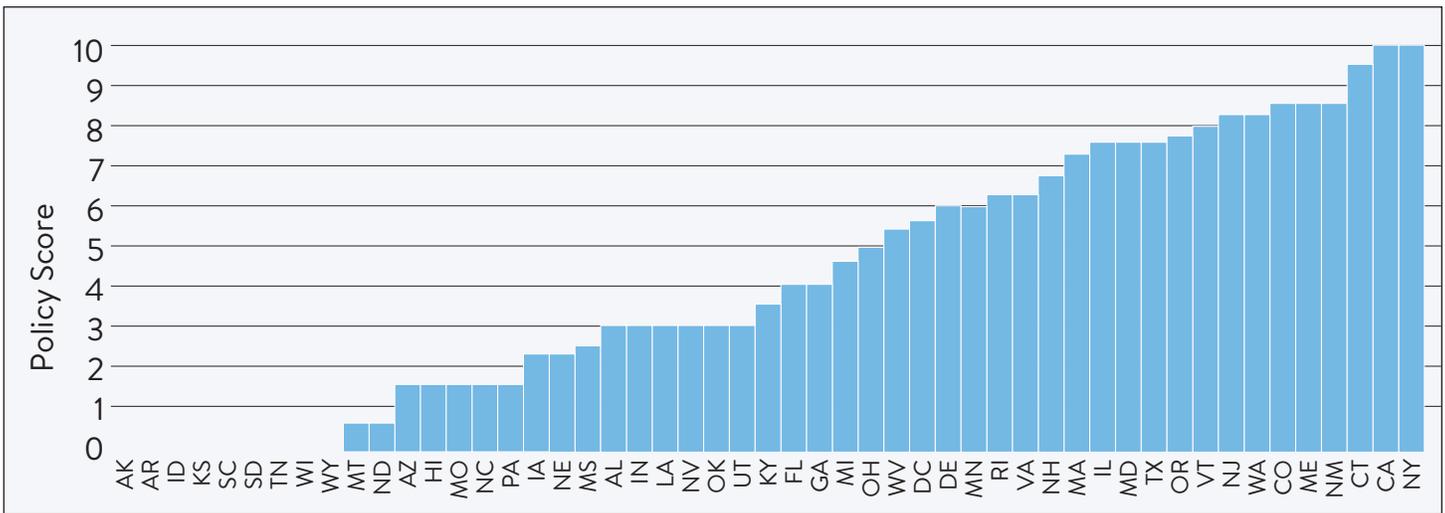


# 2022 HEALTHCARE AFFORDABILITY STATE POLICY SCORECARD

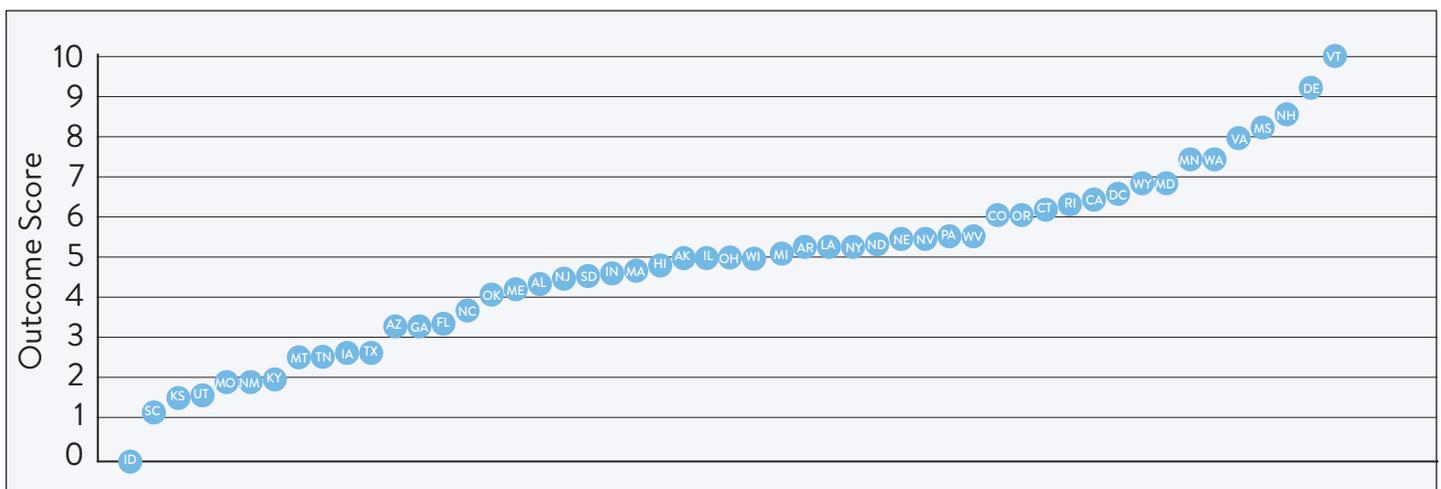
## STATE SCORE COMPARISON: MAKE OUT-OF-POCKET COSTS AFFORDABLE

The Healthcare Value Hub’s *Healthcare Affordability State Policy Scorecard* details a variety of approaches to address the burden of healthcare affordability. Rising out-of-pocket costs can cause financial harm and lead to consumers delaying or forgoing needed care, potentially leading to costlier medical conditions down the road. This one-pager shows how states compare on *Make Out-of-Pocket Costs Affordable* policy and outcome scores.

### Policy Scores



### Outcome Scores



## NOTES

1. *What Do Consumers Say?*, Healthcare Value Hub. Available at <https://healthcarevaluehub.org/cost-and-quality-problems/what-do-consumers-say>
2. *Healthcare Value Hub's Consumer Healthcare Experience State Survey*. Available at: <https://healthcarevaluehub.org/advocate-resources/state-survey-results>
3. *Georgia Residents Struggle to Afford High Healthcare Costs;; COVID Fears Add to Support for a Range of Government Solutions Across Party Lines*, Healthcare Value Hub, Data Brief No. 101 (October 2021).
4. Healthcare Value Hub, *Healthcare Affordability State Policy Scorecard*, Ann Arbor, M.I. (November 2022).

## MORE INFO

All materials produced as part of the *Healthcare Affordability State Policy Scorecard* project, including the Methodology Report and scorecards for individual states, are available on our website at: [www.HealthcareValueHub.org/Affordability-Scorecard](http://www.HealthcareValueHub.org/Affordability-Scorecard)

2022 Healthcare Affordability State Policy Scorecards and complementary materials were created with extensive input from Hub director Beth Beaudin-Seiler; Hub manager Annaliese Johnson; Hub policy analysts Alexandra Allen, Elise Lowry and Britt Sanderson; and Hub communications leader Tad Lee. Special thanks to Lynn Quincy, Amanda Hunt, Corey Rhyan and Samuel Obbin, as well as the RAND Corporation and the Centers for Medicare and Medicaid Services.



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### ABOUT ALTARUM'S HEALTHCARE VALUE HUB

With support from Arnold Ventures and the Robert Wood Johnson Foundation, the Healthcare Value Hub provides free, timely information about the policies and practices that address high healthcare costs and poor quality, bringing better value to consumers. The Hub is part of Altarum, a nonprofit organization with the mission of creating a better, more sustainable future for all Americans by applying research-based and field-tested solutions that transform our systems of health and healthcare.

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