

Patients' Right to Save

Patients need price transparency that rewards them for finding care at a price they can afford

THE PROBLEM



Patients Face Higher Costs but Aren't Rewarded for Finding Savings

Traditional health insurance does not encourage patients to shop for the best and most affordable care. As a result, hospital prices rise more than **twice as fast** as general inflation. 1 in 4 patients reporting skipping care over cost concerns.



Health Insurance Premiums Are Rising Faster than Inflation

Annual premiums for employer-based insurance averaged \$7,739 for an individual and \$16,253 for employers in 2021, a **22% increase from 2016**. Without patient incentives to find affordable treatments, patients will waste money at high-cost providers and premiums will rise every time a patient unnecessarily seeks out a high-cost provider.



Expensive Care Isn't Higher Quality Care

Many patients wrongly believe that more expensive treatments are higher quality. But countless studies find the opposite. In fact, many higher priced options have low quality rankings. Some price transparency companies have found that **the price for a service can vary by 1600%**, but high-cost providers are often ranked the lowest in the CMS quality scoring system.

SOLUTION

States can lower the cost of healthcare by rewarding patients who shop for more affordable care.



Require **cash rate disclosures** from all providers



Offer **deductible credit** for lower-cost cash care



Let patients **share in insurance company savings** post-deductible

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THE BENEFITS

The patients' right to save act creates price transparency that works for patients and rewards providers who offer high quality services for an affordable price .



Providers can **save time and money on paperwork** and insurance negotiations



Cash options typically cost 39% less than insurer rates. Patients should benefit when they seek **affordable cash rates**



Patients with chronic and severe illness and the highest annual spending stand to be the **largest beneficiaries** of the savings incentive



Comprehensive health insurance is a major financial burden for small businesses. Patients' Right to Save lets **small businesses leverage savings to lower premiums and deductibles** for all their employees



Health insurers often must include the most expensive providers in their networks. The Patients' Right to Save Act **free patients to visit the best providers at the lowest cost**, saving money for insurers and patients alike

BOTTOM LINE

Patients' Right to Save incentivizes patients to make price transparency work by rewarding patients who shop for lower cost, high-quality care which will reduce healthcare spending, reduce premiums, and empower patients.