



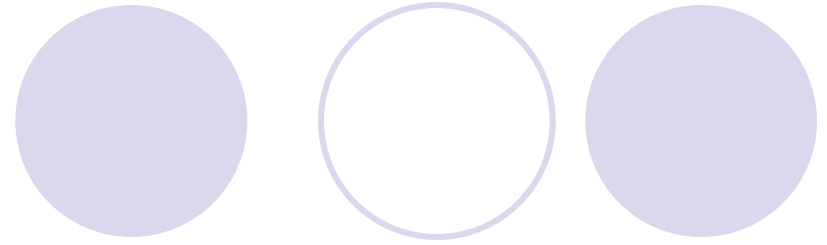
Payments to providers: an inside look at carrier discounts

Tyler Brannen

New Hampshire Insurance Department

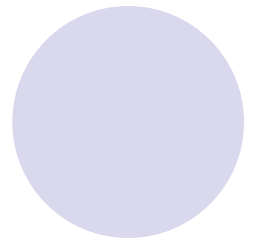
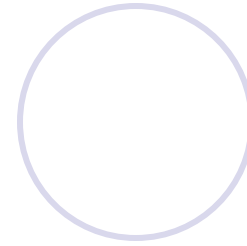
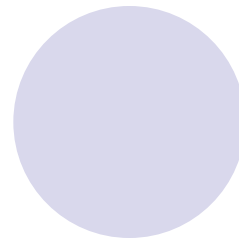
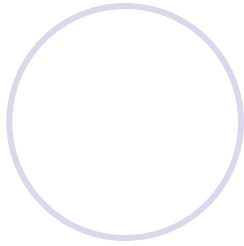
April Fools Day, 2010

Carrier Discounts?



- What are they?
- Who cares?
- What are product lines?

Results:



Product	Distribution of Charges	Average Discount	Anthem-NH	CGLI/Cigna	HPHC	MVP	All Other
HMO	49%	41%	41%	25%	42%	45%	23%
POS	15%	39%	40%	30%	36%	NA	32%
PPO	34%	33%	34%	34%	31%	30%	21%
Indemnity	2%	22%	23%	NA	NA	NA	15%

What about ignoring product line?

- Anthem – NH = 38.6%
- Harvard Pilgrim Health Care = 38.5%
- Connecticut General Life Insurance/Cigna = 32.9%
- MVP = 30.4%
- All other insurance = 20.5%

What about the hospitals?

- Negotiating strategy?
- Hospital A gives:
 - HPHC a 58% discount
 - Small insurance companies an 18% discount
- Hospital B gives:
 - Anthem a 40% discount
 - MVP a 19% discount

What happens now?



- Potential legislative change – SB 505
- Greater price transparency?
- More for the cost shifting discussion?
- Provider response?
- Another analysis?



Want more info?

- Full report:

http://www.nh.gov/insurance/lah/documents/pay_prov.pdf

- Contact me: tyler.brannen@ins.nh.gov
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