



**EMPLOYERS' FORUM OF INDIANA**  
Addressing the challenges of the local healthcare marketplace

# Using Data to Make Evidence-Based Healthcare Market and Policy Decisions

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Association of Health Care Journalists  
Webinar  
August 27, 2024

# About the Employers' Forum of Indiana

Employer-Led Healthcare Coalition Founded in 2001

Board and Executive Committee Comprised of Employers (not providers/TPAs)

Non-Profit 501(c)(3)

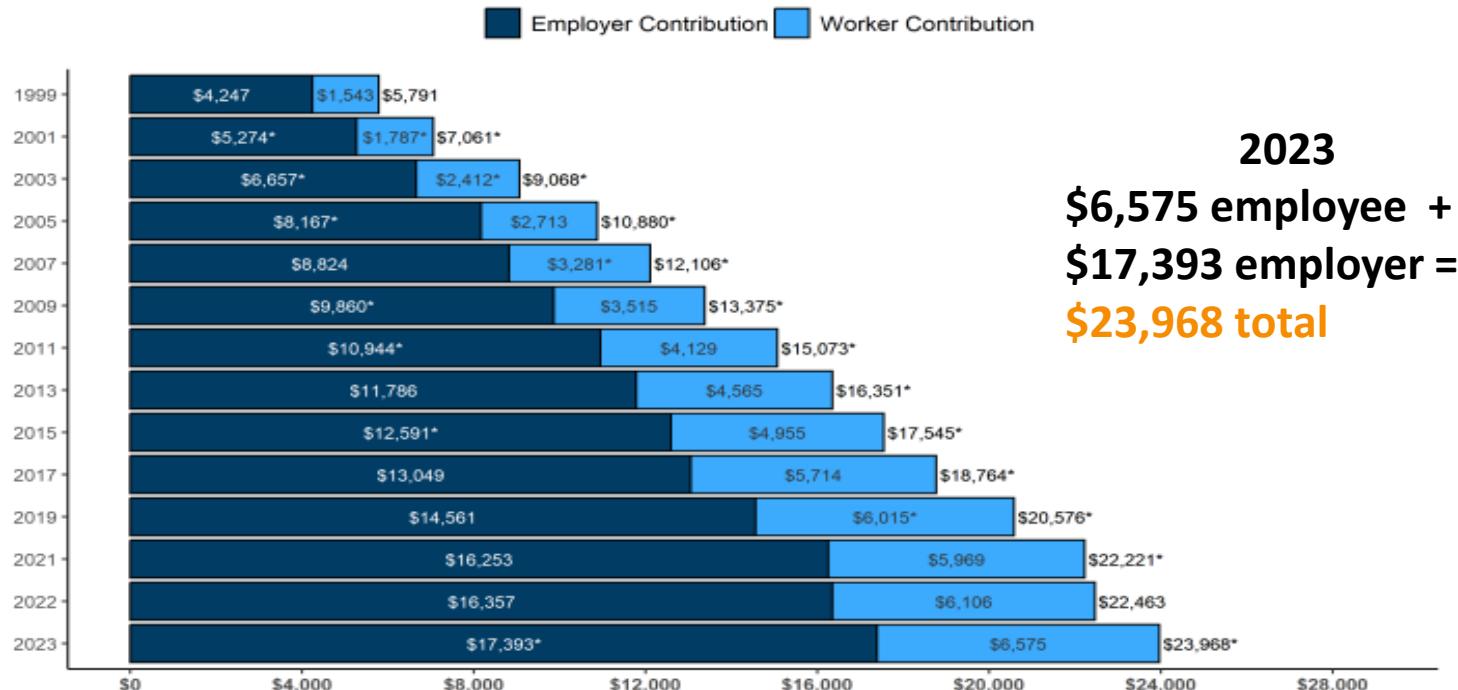
Aim: Improve the value employers and patients receive for healthcare expenditures

Strategy: education, initiatives, policy

<https://employersforumindiana.org/>

Is there a business coalition in my state? Visit the National Alliance of Healthcare Purchaser Coalitions: <https://www.nationalalliancehealth.org/who-we-are/business-coalitions/>

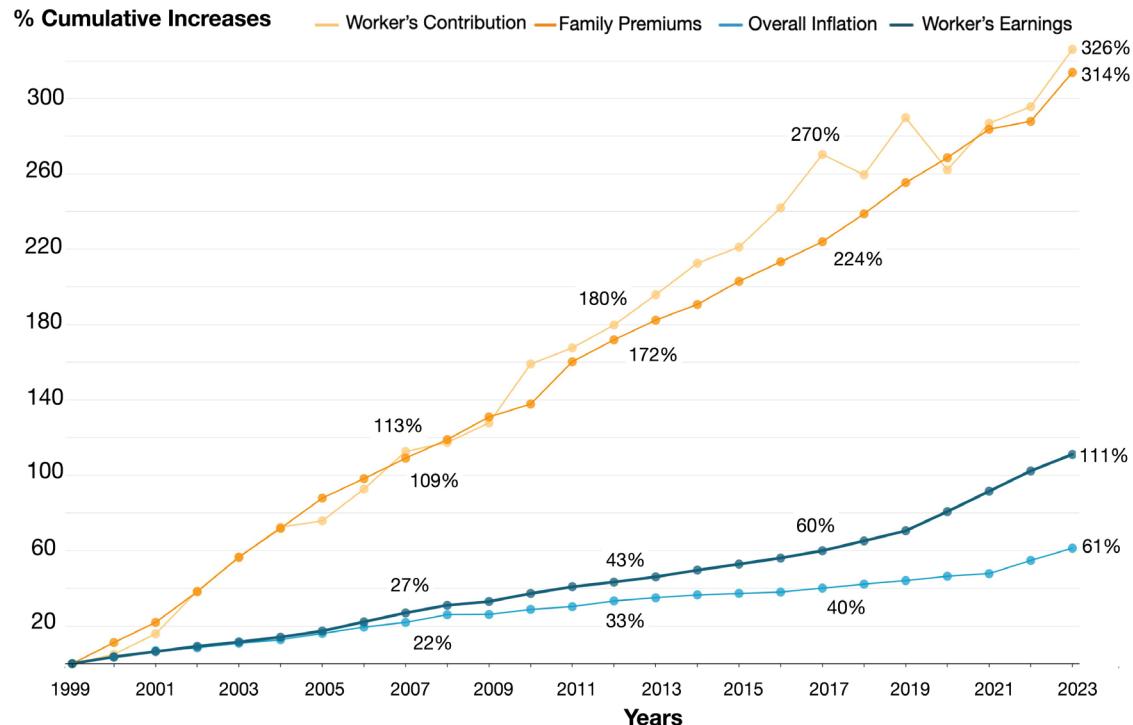
# U.S. Employees & Employers are Paying More for Health Insurance Premiums: Family Coverage, Trend 1999-2023



\* Estimate is statistically different from estimate for the previous year shown (p < .05).

SOURCE: KFF Employer Health Benefits Survey, 2018-2023; Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 1999-2017

# Cumulative Increases in Workers' Contribution, Family Premiums, Overall Inflation, and Workers' Earnings, 1999-2023



Worker's contribution 326%  
Family premiums 314%

Worker's earnings 111%

Overall inflation 61%

# Employers' Forum of Indiana Initiative: Employer Price Transparency Studies

- First-of-its-kind study in the country to publish negotiated prices by hospital name, noted as Percent of Medicare & Standardized Prices
- Conceived & commissioned by the Employers' Forum of Indiana
- Independent analysis & report conducted by RAND Corp
- Funded by employers and grants from the Robert Wood Johnson Foundation (*no funding was accepted from insurers or hospitals*)

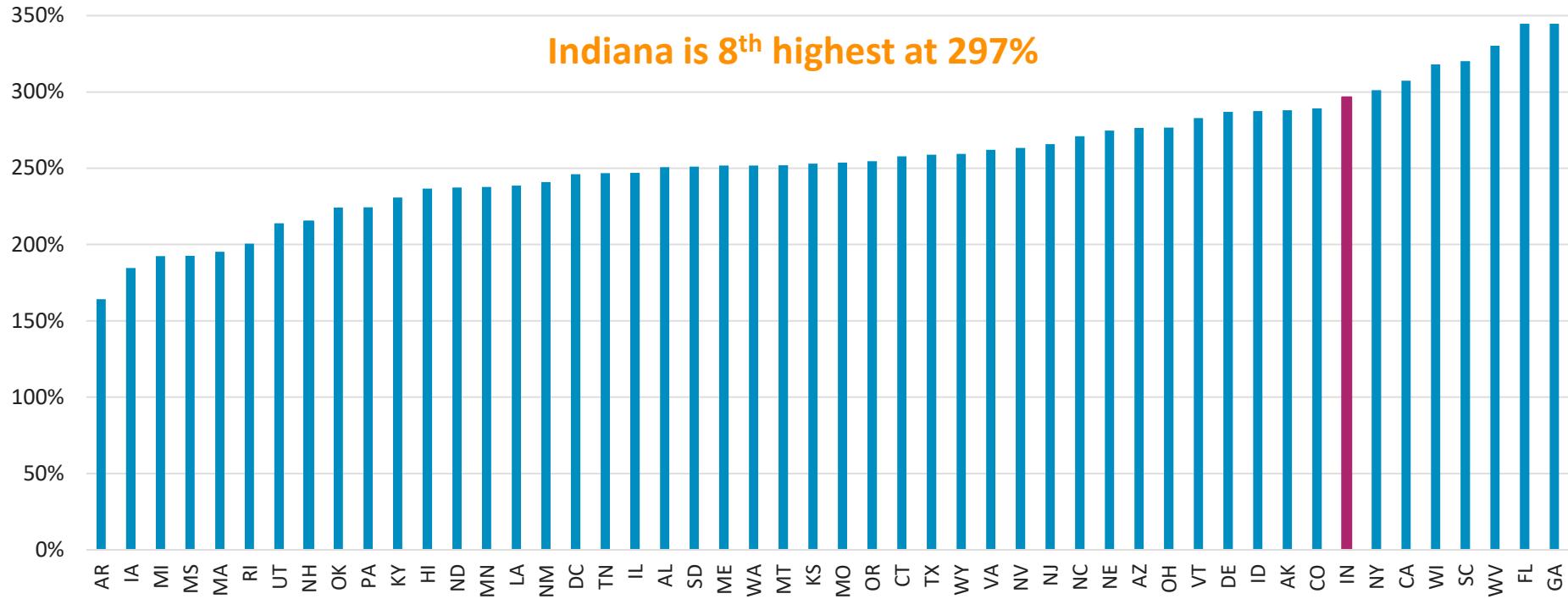


Studies -> Publish ->	RAND 1.0 2017	RAND 2.0 2019	RAND 3.0 2020	RAND 4.0 2022	PT5 (RAND 5.0) 2024
<b>Services</b>	Facility Inpt & Outpt Fees	Facility Inpt & Outpt Fees	Facility Inpt & Outpt Fees Professional Inpt & Outpt Fees	Facility Inpt & Outpt Fees Professional Inpt & Outpt Fees	<b>Facility Inpt &amp; Outpt Fees Professional Inpt &amp; Outpt Fees</b>
<b>States</b>	IN	25 States	49 States	49 states and the District of Columbia	<b>49 states and the District of Columbia</b>
<b>Years</b>	2013 - 2016	2015 –2017	2016 – 2018	2018 - 2020	<b>2020 - 2022</b>
<b>Hospitals</b>	120	1,598	3,112	4,102	<b>4,083</b>
<b>Claims</b>	14,000 inpt facility stays 275,000 outpatient facility services	330,000 inpt facility stays 14.2 million outpt facility services	750,000 inpt facility stays (& professional) 40.2 million outpt services (& professional)	1.3 million inpt facility stays (& professional) 12.2 million outpt services (& professional)	<b>1.3 million inpt facility stays (&amp; professional) 11.2 million outpt facility services (&amp; professional)</b>
<b>Spend</b>	\$695,000 million	\$12.9 billion	\$33.8 billion	\$78.8 billion	<b>\$77.4 billion</b>
<b>Data Sources</b>	Participating self-funded employers	Employers, health plans, and 2 APCDs	Employers, health plans and 6 APCDs	Employers, health plans and 11 APCDs	<b>Employers, health plans and 12 APCDs</b>

# Total Hospital Commercial Prices as a Percent of Medicare

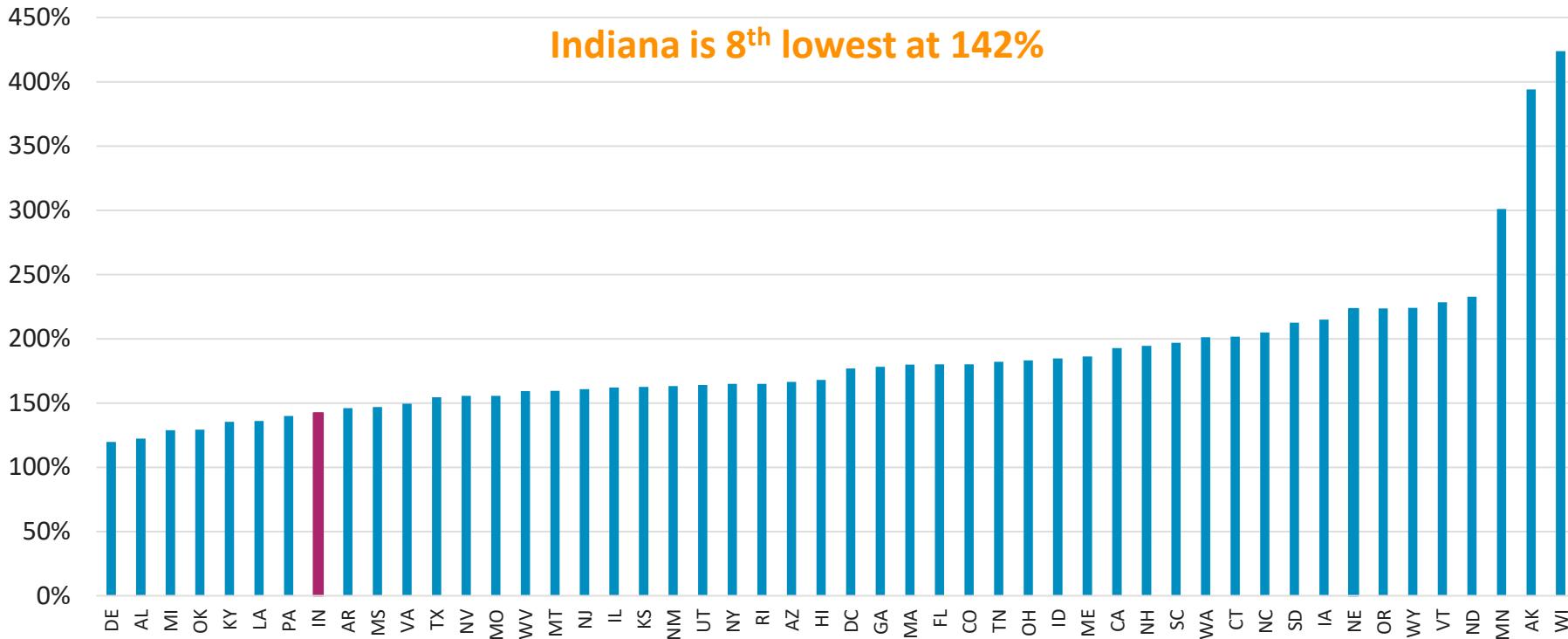


Inpatient & Outpatient Hospital Facility plus Inpatient & Outpatient Physician



# Total Professional Commercial Prices as a Percent of Medicare

## Inpatient & Outpatient Professional



# Market Solutions



# Employees are Suing their Employers for not Meeting Health Plan Fiduciary Duty under ERISA



A sign on a building at the Johnson & Johnson campus shows their logo in Irvine, California on August 28, 2019.  
Photo by MARK RALSTON/AFP via Getty Images

Feb. 9, 2024, 5:05 AM EST

## Johnson & Johnson Case Signals Employee Drug Price Suits to Come

DEEP DIVE



Sara Hansard  
Senior Reporter



Bloomberg

Live TV Markets ▾ Economics Industries Tech Politics Businessweek Opinion More ▾

Industries | Legal

## Wells Fargo Sued Over Drug Costs in Employee Health Plan

- Employers face rising risk over management of health benefits
- Lawsuit alleges bank paid inflated prices for prescriptions



# Lawyers are Circling the Wagons

Ads for Class Action Lawsuits Looking for Employees to Sue their Employers!

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# Ad to Sign Up to See if One Qualifies for an Employee Class Action Lawsuit Against Lockheed Martin

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## Lockheed Martin healthcare benefits investigation

Top Class Actions | November 27, 2022

Category: [LAWSUITS](#) (2,251)

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Are Lockheed Martin health benefits too expensive? Who's affected?

**GET HELP – IT'S FREE**



Join a Lockheed Martin insurance lawsuit investigation

If you qualify, an attorney will contact you to discuss the details of your potential case at no charge to you.

The law firm is responsible for the content of this page.  
Harriet Remond  
(800) 447-4691

**Do you qualify?**

If you are a current or former employee of Lockheed Martin you may qualify to join this lawsuit investigation.

Current and former employees are helping with an investigation on how the corporation handles benefit deductions and whether employees are being charged fairly.

Please fill out the form on this page for more information.

[Fill Out the Form Now!](#)

### Insurance premiums

As of 2021, the average premium for family coverage increased 22% over the previous five years and 47% over 10 years, according to the KFF Employer Health Benefits Annual Survey.

Increases in healthcare costs and benefits are passed on to employees in the form of higher premiums, higher deductibles and reduced percentages of covered care.

Some employees of Lockheed Martin may feel they don't know enough about what they are buying and how the money is handled by the corporation.

### Join a Lockheed Martin insurance lawsuit investigation

If you did not fully understand the costs and increases in your Lockheed Martin plan when you signed up, don't know how Lockheed Martin uses the funds it collects for premiums, feel you are not getting what you pay for and see your raise negatively impacted by the increased cost of your healthcare premium, you may want to join this lawsuit investigation.

Please fill out the form on this page to see if you qualify for a FREE case evaluation.

<https://topclassactions.com/lawsuit-settlements/investigations/lockheed-martin-healthcare-benefits-investigation/>

# Questions for Thought

Given Employers per ERISA have a fiduciary responsibility to use health plan assets in a prudent manner.....

1. Are employees getting healthcare services from the best **quality** at the best **price**?
2. Are employers making sure they **own** their healthcare claims data, **understand** their data, and **use** data to make evidence-based purchasing decisions?
3. Are employers protecting themselves by **documenting** their rationale for decisions.

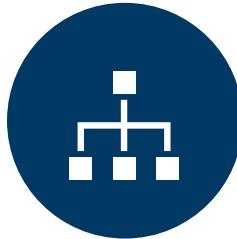


# Evidence-Based Employer Market Strategies



## Direct Contracting, Bundled Payments/COEs

Onsite/near site clinics for high value care & referrals. Direct Contract Ortho for Purdue Univ.



## Narrow Network/ Tiered Networks

State of Indiana, Purdue Univ, and Red Gold have optional narrow network



## Data Informed Decisions

Using independent vendors. Several employers partner with data analytic firms



## Performance Guarantees

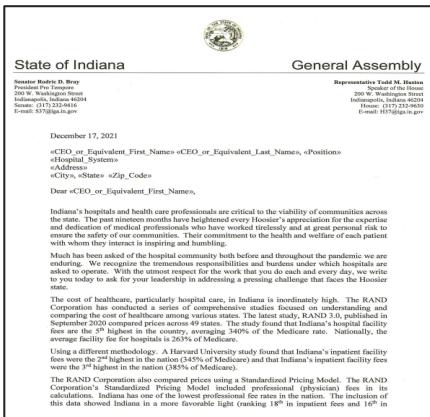
Univ noted % of Medicare in TPA contract

# Legislative Policy Solutions



# Indiana House Speaker Huston and Senate President Pro Tem Bray Sent Letters to Hospital & Insurer CEOs, 2022

By 4/1/2022 hospitals and insurers executives must submit to legislators a plan regarding how they are going to get hospital prices to the national average by 1/1/2025



## Letter to Hospitals:

[Link](#)

## Letter to Insurers:

[Link](#)

# IT TAKES A TEAM!



House and Senate Republican leadership held a press conference to updated House Bill 1001, and the two-year state budget bill, on Wednesday, April 26, 2023, at the Indiana State House in Indianapolis. From left, Speaker of the House, Todd Huston, (R-Fishers,) House Ways and Means Chair Jeff Thompson (R-Linton,) Senate President Pro Tem Rodric Bray (R-Martinsville.)



# 2023 Indiana Legislation: Two Key Bills that Passed into Law

## House Enrolled Act (HEA) 1004

- **Sets a price benchmark of 285% of Medicare** against which Indiana's five largest hospital systems will be compared.
- **Eliminates hospital facility fees** at off-campus labs, imaging centers, physician offices, etc. (there are numerous exceptions).

• [IGA | House Bill 1004 - Health care matters \(in.gov\)](#)

## Senate Enrolled Act (SEA) 7

- **Bans** new primary care physician **non-compete agreements** and notes non-competes are unenforceable in certain circumstances. Prevents non-compete agreements from applying to any physicians after the terms of their employment contract have been fulfilled.

• [IGA | Senate Bill 7 - Physician noncompete agreements \(in.gov\)](#)

# 2024 Top Employers' Forum Policy Priorities

✓ Indicates language appeared in some form in 2024 introduced legislation, bold font = law

## PRIMARY PRIORITIES:

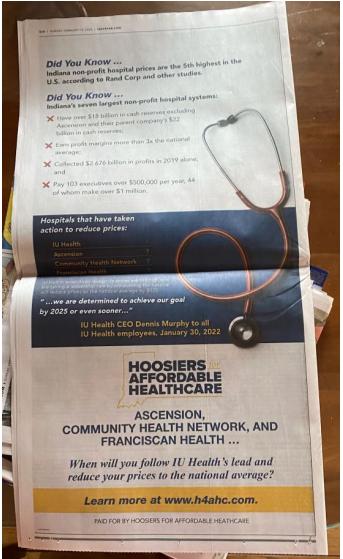
### 1. Strengthen data transparency

- Establish that all employers own their data.
- Prohibit employer audit restrictions in TPA, insurer, PBM contracts, and in contracts with any of their affiliates, subsidiaries, or organizations with whom they have partnerships, i.e. data warehouses.
- Assure fair fees for claims data access by TPAs, insurers, PBMs, and with any of their affiliates, subsidiaries, or organizations with whom they have partnerships.
- Prohibit PBM and TPA/insurer spread pricing.
- Add state penalties to match federal penalties for hospital and insurer non-compliance with price transparency.

### 2. Strengthen anti-trust laws

- Create a **Merger, Acquisition**, and Closure (MAC) board or a **Merger, Acquisition, Closure, and Expansion (MACE)** board.
- Capture insurer, PBM, and provider OWNERSHIP AND PARTNERSHIP information.

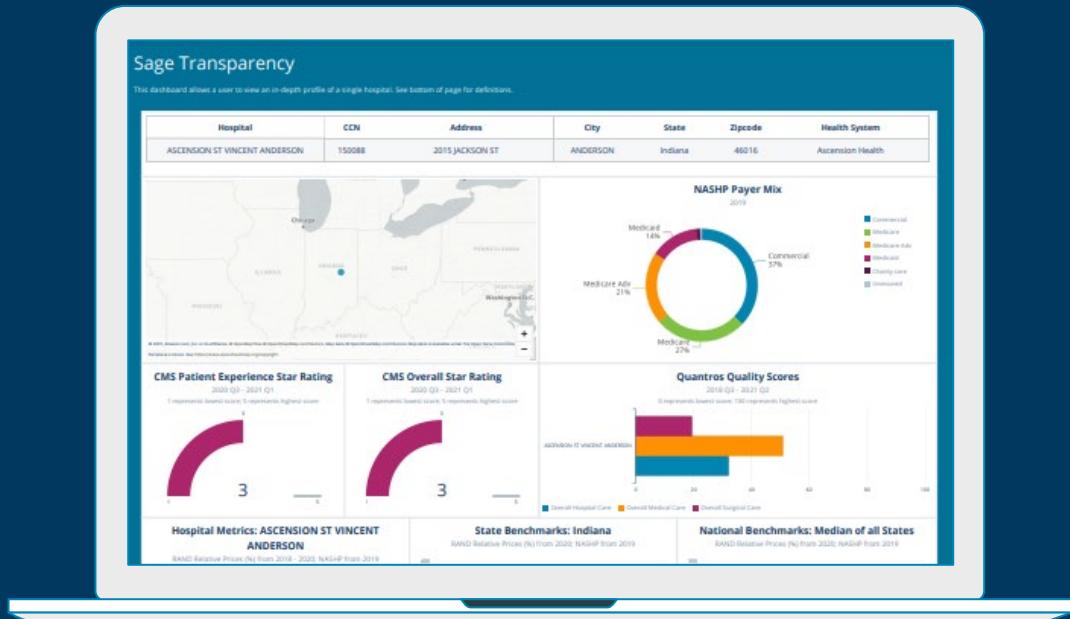
# Hoosiers for Affordable Healthcare Advocacy Efforts



# Price and Quality Resource: SageTransparency.org

# Sage Transparency

Hospital Price, Quality, and Financial data which is freely & publicly available



# Sage Transparency Data Sources

PUBLIC

## PT5, conducted by RAND

Prices paid by employers & insurers

## NASHP Hospital Cost Tool

Commercial payer mix, breakeven cost, operating profit margin

## Centers for Medicare & Medicaid Services (CMS)

Quality ratings: Hospital Star Rating, Patient Experience Star Rating, HRRP Penalty

PROPRIETARY

## January Advisors

Hospitals per Legislator district

## Quantros (Healthcare Bluebook)

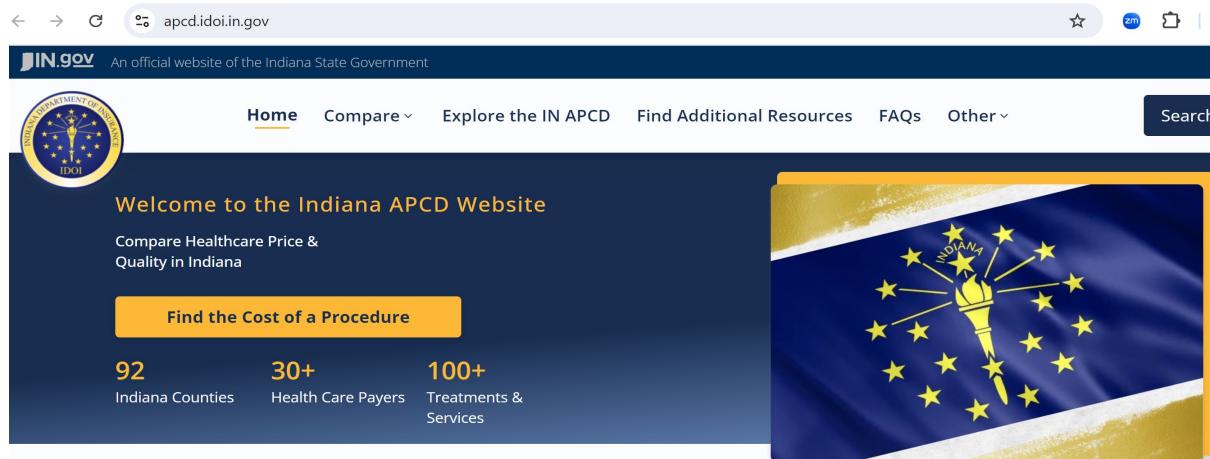
Quality ratings

**DEMO:** <https://employerptp.org/sage-transparency/>



# New Transparency Resource: Indiana All-Payer-Claims Database (APCD)

launched on August 5, 2024



[DEMO: https://apcd.idoi.in.gov/](https://apcd.idoi.in.gov/)



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# THANK YOU!

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Interested in joining the Forum,  
email Gloria Sachdev  
[Gloria@EmployersForumIndiana.org](mailto:Gloria@EmployersForumIndiana.org)