

32BJ Health Fund Fall Conference

Hospital Prices: Are we at the tipping point?

OCTOBER 19, 2023
9:00 AM – 3:00 PM ET



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Welcome to 2nd Annual Fall Conference

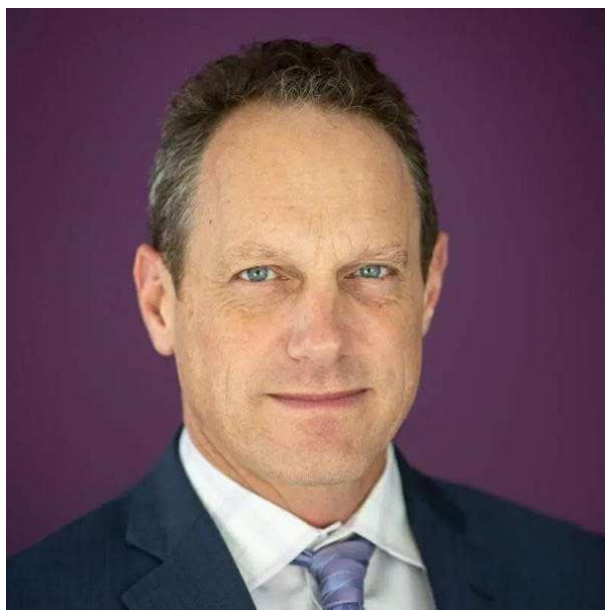
- **Event materials:** Available at the registration table outside the auditorium
- **Restrooms:** Located to the left and the right of the registration table (outside the auditorium)
- **Other amenities:**
 - We are serving breakfast at 8 am and lunch at 12:15 pm, including dietary-specific options
 - Coffee and water are available inside the auditorium (on your right as you enter)
 - Networking break is at 10:30 am
 - WiFi is not available
- **32BJ Member Welcome Center:** The large desk and purple sofas opposite the elevators are designated for visiting 32BJ union members. Please do not occupy this space.
 - If you need to make or receive an important phone call, please ask a staff member to direct you to an appropriate area.



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Manny Pastreich, President, 32BJ SEIU, Chair Labor Industry Cooperation Fund



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Keynote Speaker



Elisabeth Rosenthal, Senior Contributing Editor, KFF Health News



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AN AMERICAN SICKNESS



HOW HEALTHCARE BECAME
BIG BUSINESS AND
HOW YOU CAN TAKE IT BACK
ELISABETH ROSENTHAL



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Economic Rules – Why it Isn't a Market

ECONOMIC RULES OF THE DYSFUNCTIONAL MEDICAL MARKET

1. More treatment is always better. Default to the most expensive option.
2. A lifetime of treatment is preferable to a cure.
3. Amenities and marketing matter more than good care.
4. As technologies age, prices can rise rather than fall.
5. There is no free choice. Patients are stuck. And they're stuck buying American.
6. More competitors vying for business doesn't mean better prices; it can drive prices up, not down.
7. Economies of scale don't translate to lower prices. With their market power, big providers can simply demand more.
8. There is no such thing as a fixed price for a procedure or test. And the uninsured pay the highest prices of all.
9. There are no standards for billing. There's money to be made in billing for anything and everything.
10. Prices will rise to whatever the market will bear.



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An insurer pays \$110,000 per infusion



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Then



OUR
PROVIDENCE
TRADITION

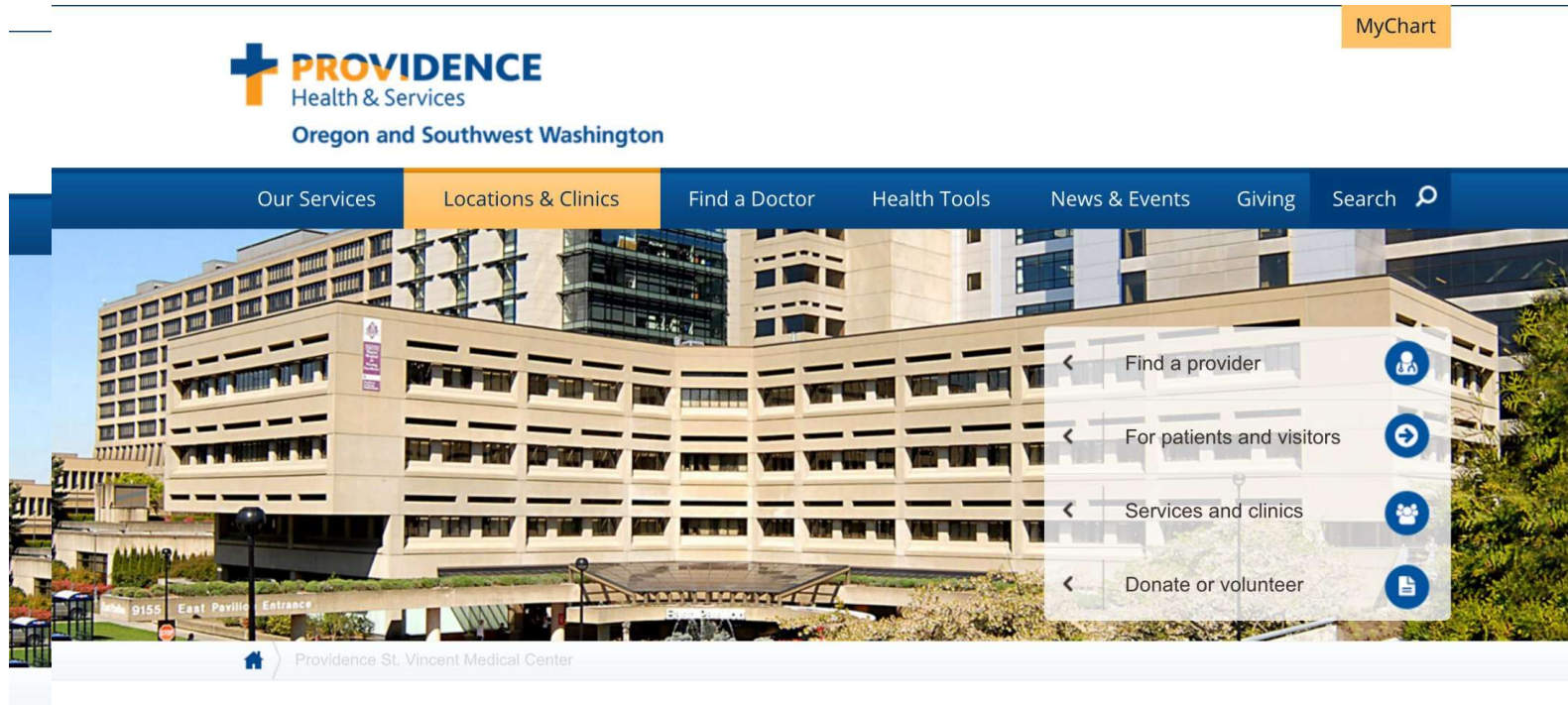


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Now



Providence St. Vincent Medical Center

Contact us



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Is this a hospital or a hotel quiz



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Sick Profit: Investigating Private Equity's Stealthy Takeover of Health Care Across Cities and Specialties



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The OB-ED Rebranding

BILL OF THE MONTH

A hospital hiked the price of a routine childbirth by calling it an 'emergency'

October 27, 2021 · 5:00 AM ET
Heard on Morning Edition

RAE ELLEN BICHELL

 7-Minute Listen

 PLAYLIST



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Where the Frauds Are All Legal

Welcome to the weird world of medical billing.

Dec. 7, 2019



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Price Transparency – First Step, Not an End

- If you need a blood test or radiology scan, ask which are a good deal. Press your doctors for high value radiology centers.
- Have blood and other tests sent in your network. Avoid hospital labs. Jerry Solomon's Vitamin D tests: \$17 versus \$774.
- Why not mandate prices on doctors' order forms?



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Patient Consent Forms and Implied Consent

- When checking in: Don't sign the form that says you'll pay for whatever your insurance doesn't cover. Add "so long as it's in my insurance network."
- When told you're going to stay over: Ask about admission versus "observation status." Jim Silver's \$2,300 story.
- When in the bed: Beware of drive-by doctoring.
- Say no to equipment



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At In-Network Hospital, All Care Should Be In-Network

Why can't hospitals guarantee that ER doctors, anesthesiologists, pathologist, radiologists be in-network? Patients have no choice about these “No Patient Contact” providers.



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Ideas: Informed Financial Consent

- A standardized medical bill in English that patients can read and assess for accuracy.
- No referral to Collections when bills under dispute. Limits on seizures and liens. No medical bills on credit reports.
- Define patient assistance and a reasonable payment plan.



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Ballad Health Application for Financial Assistance

Application Date: _____ Patient's Name: _____

Social Security #: _____ DOB: _____ Guarantor #: _____

Account Number(s) _____, _____, _____, _____

Please provide all documentation listed below that applies. Sign and return to the address listed below. Documentation should include all family members in the household.

Required Documentation (*Do not send originals * Please use black ink)

- Last two years of Federal Tax Returns are required. If you did not file taxes, you must provide a 4506-T form from the IRS.
- W-2 and last 3 pay stubs.
- If you are drawing Social Security, Disability, or a Military Pension, you will need to provide the benefit letter.
- Retirement income, pension, annuity, short/long term disability, or worker's compensation.
- If you receive Food Stamps, please provide a copy of the approval letter.
- Stocks, Bonds, CD's and Mutual Funds
- If you own your home, you must provide copies of your most recent mortgage statement.
- Provide the most recent copy of your checking, savings, and Health Savings Account. Include all pages of the statements.
- Medicaid approval or denial letter.

Determining Eligibility

Ballad Health will determine financial assistance eligibility based on Federal Poverty Income Guidelines and assets.



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Binding Good Faith Estimates Needed

Accurate estimates of cost for patients. This happens in France and Australia. Extremely useful for most of medicine, which is elective. Whole Foods versus Trader Joes.



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A \$1,775 Doctor's Visit Cost About \$350 in Maryland. Here's Why.

Oct. 24, 2021



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Diagnosis: Debt

More than 100 million people in America — a startling 41% of adults — are saddled with medical bills they cannot pay, according to a KFF Health News investigation with NPR and CBS News. The project exposed that medical debt — rather than fighting disease — is now a defining feature of the nation's health care system.



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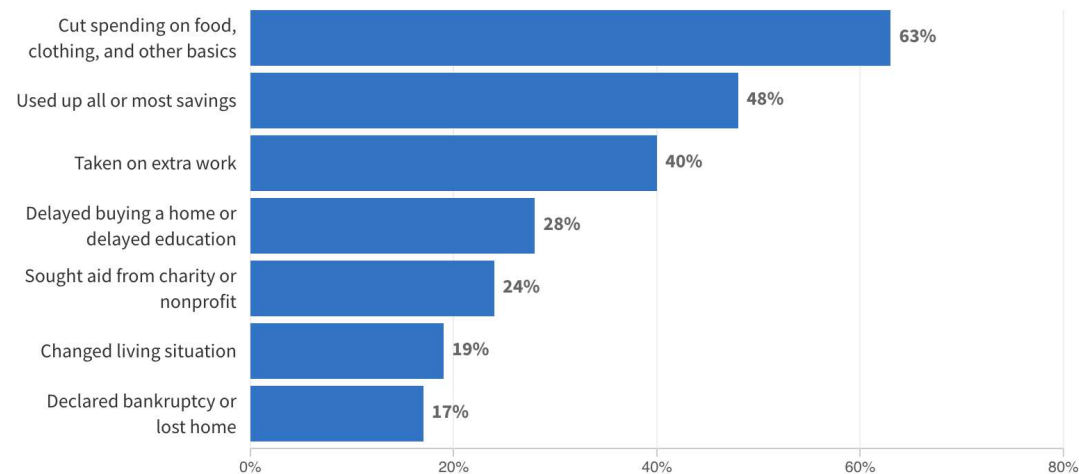


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100 Million Americans Have Medical Debt: About 1 in 5 Will Never Be Able To Pay it Off

What People Sacrificed

Share of indebted adults who have done the following because of health care debt:



Source: KFF Health Care Debt Survey of 2,375 U.S. adults, including 1,674 with current or past debt from medical or dental bills, conducted Feb. 25 through March 20. The margin of sampling error for the overall sample is 3 percentage points.

Credit: Daniel Wood/NPR and Noam N. Levey/KHN



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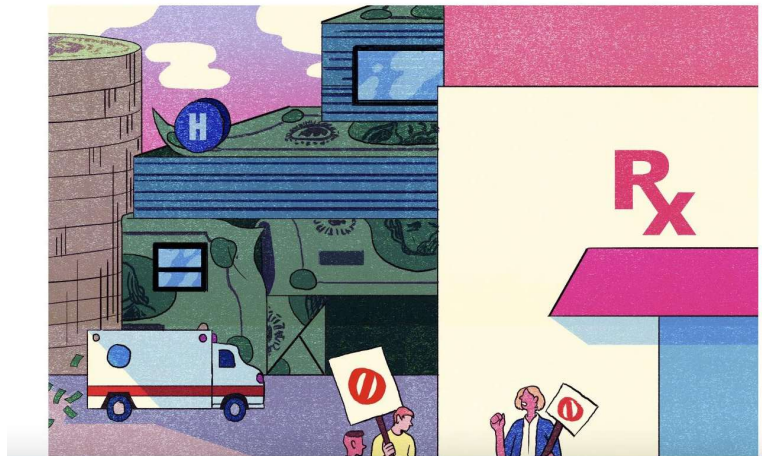
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Do Hospitals Deserve Not-For-Profit Status?

That Beloved Hospital? It's Driving Up Health Care Costs

It's easy to criticize pharmaceutical and insurance companies. But we spend much more on hospitals.

Sept. 1, 2019



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Julie Menin, New York City District 5 Council Member



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Andrew Gounardes, New York State Senator, 26th Senate District



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15-Minute Networking Break



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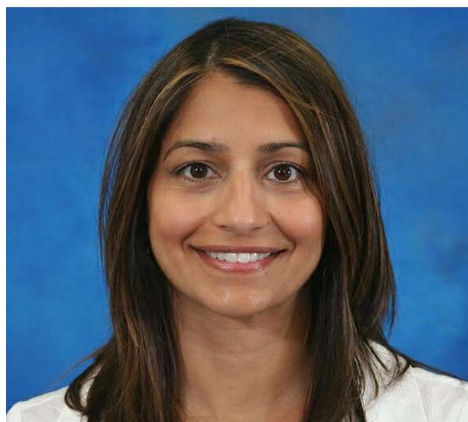


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Morning Panel – Its *Some* of the Prices, Stupid



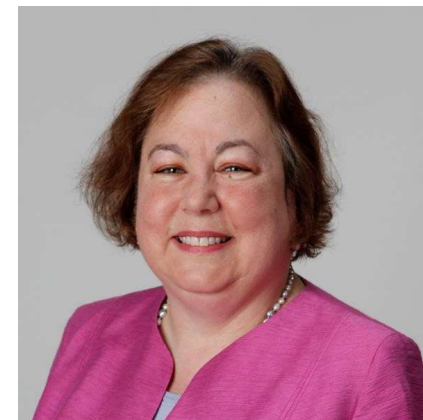
Misha Sharp
Assistant Director of
Policy, 32BJ Health Fund



Gloria Sachdev
President and CEO,
Employers' Forum of
Indiana



Elisabeth R. Benjamin
Vice President of Health
Initiatives, Community
Service Society of NY



Liz Krueger
New York State
Senator & Chair of the
New York State Senate
Finance Committee

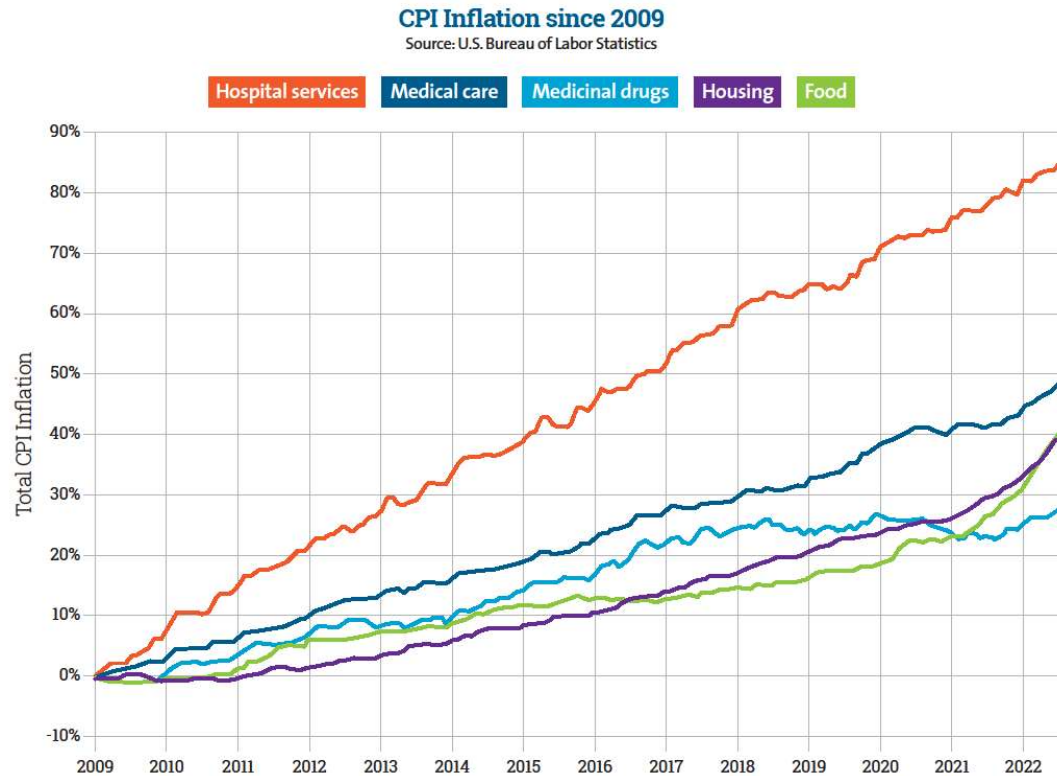


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We know hospital prices are driving health care cost increases



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But it isn't all hospital prices

Not all hospitals are the same in terms of pricing, revenues, or cost pressures

Hospital Systems	Average Commercial Price	Share of Medicaid Patients	Cost-to-Charge Ratio*
NY Presbyterian, Montefiore, Mt. Sinai, Northwell, NYU	Higher	Lower	Charges 4x (or more) costs
Richmond UMC, Episcopal Health	Medium	Medium	Charges 3-4x costs
SUNY Downstate, NYC Health + Hospitals, BronxCare, Brookdale, SBH	Lower	Higher	Charges 2x costs

**The cost-to-charge ratio on the Medicare Cost Reports is the ratio between a provider's costs (expenses incurred in the production of hospital services for Medicare patients), and their corresponding charges (what a provider billed prior to any contractual discounts). These are distinct from what a provider receives as payment. For example, if it costs a provider \$100 to provide an x-ray, but they bill \$400 for that x-ray, the cost-to-charge ratio would be 0.25 (i.e., service billed at 4 times cost).*

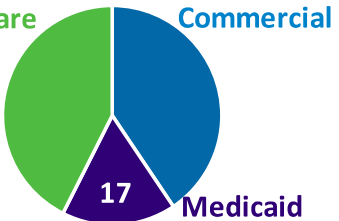
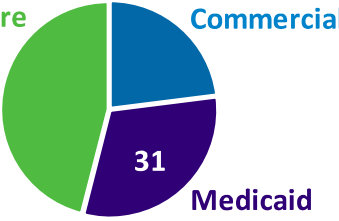
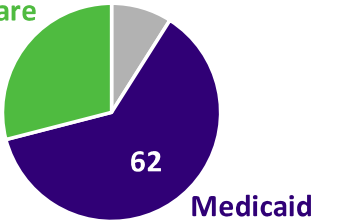


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In our current system, market power drives higher hospital prices

	Market Share In Brooklyn	Commercial Prices	Net Profit Margin	Direct Patient Care Hourly Pay	Quality: Leapfrog Grade	Payer Mix from Net Patient Revenue
New York Presbyterian – Brooklyn Methodist	6% overall 43% of commercial market share	\$\$\$ 297% of Medicare	19%	\$62	D	
Maimonides Medical Center	20% overall 30% of commercial market share	\$\$ 208% of Medicare	1.4%	\$76	D	
NYC Health and Hospitals – Kings County	Commercial market share not available	\$ 87% of Medicare	-2.7%	\$61	D	



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Meet the Panelists

Elisabeth R. Benjamin



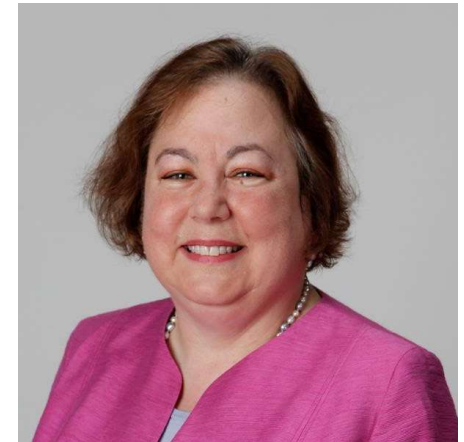
Elisabeth Benjamin supervises health policy, health advocacy, and consumer health assistance programs that serve over 100,000 New Yorkers annually. She is a leading consumer health advocate in New York State and Co-Founder of Health Care for All New York Campaign (HCFANY), a statewide coalition of over 170 organizations devoted to securing affordable, quality healthcare for all New Yorkers.

Gloria Sachdev



Gloria Sachdev serves as President and CEO of the Employers' Forum of Indiana. The aim of the Forum is to align payment with the value of services provided for employers and patients. Dr. Sachdev serves as a member of the Board of Governors for the National Alliance of Healthcare Purchaser Coalitions and as Board Vice Chair for Hoosiers for Affordable Healthcare. She also serves as Adjunct Associate Professor at Purdue College of Pharmacy.

Senator Liz Krueger



Liz Krueger was first elected to the New York State Senate in 2002 and currently serves as the Chair of the Senate Finance Committee. She is a strong advocate for women's rights, tenants' rights, affordable housing, improved access to healthcare, and more. She has made reforming and modernizing New York State's governmental processes, electoral system, and tax policy central goals of her legislative agenda.



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Video Message



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1-Hour Networking Lunch



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Howard Rothschild, President, Realty Advisory Board on Labor Relations



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The Case for Change: The Risks and Rewards for Rethinking Healthcare Purchasing



Stacey Richter
Host,
Relentless Health
Value Podcast



Cora Opsahl
Director,
32BJ Health Fund



Lauren Vela
Advocate for Employers'
Role in Better Health
Care,
Strategic Advisor
& Consultant



Lee Lewis
Chief Strategy Officer
& GM Medical
Solutions, Health
Transformation
Alliance



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Meet your panel...

Stacey Richter hosts Relentless Health Value (relentlesshealthvalue.com) one of the most listened-to weekly healthcare industry podcasts. She is also Co-President of both Aventria Health Group and QC-Health and has spent over 20 years mentoring and working with clients and colleagues in all parts of the healthcare industry.

Cora Opsahl has led the implementation of multiple benefit changes at the 32BJ Health Fund: removing NewYork-Presbyterian hospital system and physicians from the network; transitioning to a new pharmacy vendor and pharmacy group purchasing coalition; and implementing an expanded Centers of Excellence program administered by Mount Sinai Solutions. These efforts saved over \$35 million in 2022. She is currently leading a comprehensive medical RFP and the 32BJ Campaign for Affordable Hospitals to combat rising prices.

Lauren Vela is a passionate advocate for a more rational and sustainable health care system. As an independent consultant, she partners with entities that are committed to changing the ineffective status quo. Previously, Lauren was the Director of Health Care Transformation with Walmart, where she partnered with the Walmart Benefits team to identify solutions concerning low value care, site of care, and vendor evaluation. Prior to Walmart, Lauren led market strategy and member initiatives for the Purchaser Business Group on Health, where she cumulatively spent two decades working within various health care sectors including health information technology, provider organizations, and pharmacy benefit management.

Lee Lewis serves as Chief Strategy Officer and GM Medical Solutions for the Health Transformation Alliance. He leads efforts across over 50 large and jumbo employers and six million employees to save lives and save millions of dollars through improved health delivery, outcomes and experience. Key initiatives include new models of health benefits administration, advanced primary care access, and improved clinical delivery and outcomes. He has advised healthcare strategy at Fortune 10 employers, insurance companies and administrators, medical associations and the Departments of Justice and Labor.



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Thank You

Questions?

Email: healthpolicyevents@32bjfunds.com

Information

<https://www.32bjhealthfundinsights.org/>

Please fill out the feedback survey on your table



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