



# Pulling back the curtain on health care costs

Employers offering health plans that provide employees coverage and cost visibility may have an edge in today's competitive job market.

Nearly half of insured adults reported some challenges in understanding at least one aspect of their health insurance.<sup>1</sup> In fact, 36% reported feeling unsure about what their insurance would cover, 30% wondered what they would owe out-of-pocket for care and another 30% didn't understand their Explanation of Benefits (EOB) statement.<sup>1</sup>

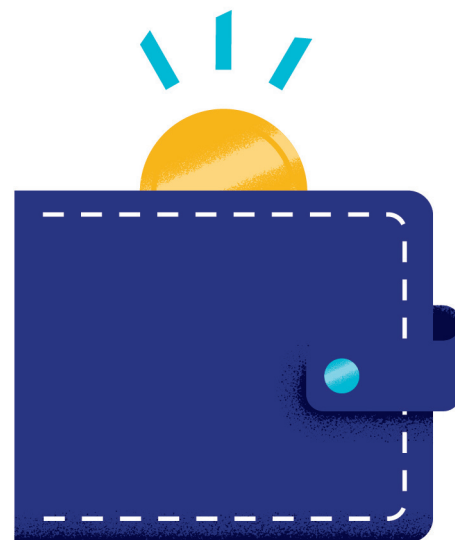
That confusion may cause negative consequences, such as deferring care or going without care.<sup>1</sup> Inadequate health literacy may also cause adults to pay more for their care.<sup>2</sup> On the flip side, those who have a higher level of health literacy may be able to better manage their overall health or any health problems that may come up.<sup>3</sup>

To address the impact of health care confusion in the U.S., the **No Surprises Act** was passed in 2020, providing federal protection against unexpected medical bills that can occur when consumers:<sup>4</sup>

- Receive care at an out-of-network facility or from an out-of-network provider
- Use air ambulance services
- Receive nonemergency care at an in-network facility and are unknowingly treated by an out-of-network provider

Taking effect in 2022, these protections—along with the **Transparency in Coverage** rule, which requires insurers to create online, personalized pricing tools for consumers—have been a catalyst for carriers and providers to develop new tools that help employees, employers and providers better understand the total cost of care.

When employees can make **more informed and cost-effective decisions**, they may have better health outcomes, lower costs and higher satisfaction with their health plan. Plus, satisfaction with employee benefits may make a difference in attracting and retaining talent—an employer's priority nearly equal with reducing lower costs, a 2024 report finds.<sup>5</sup>



**“People do not understand health insurance. They only begin to understand health insurance when the bills come in. That’s not an ideal time to learn.”**

**George Dippel**

President  
Deft Research

## Reimagining health care products and services for a simpler experience

Carriers can help increase transparency by rethinking and redesigning the products and solutions they offer to provide greater visibility into actual costs.

For example, the no-deductible, no-coinsurance **Surest**<sup>®</sup> health plan from UnitedHealthcare enables members to search and compare care and costs before making an appointment, which has helped to reduce costs. In fact, this has led to 54% lower out-of-pocket costs<sup>6</sup> and more than \$400 lower claim costs per member per year, according to a **third-party study**.<sup>7</sup> This type of visibility helps employees avoid potentially receiving an unexpected medical bill and may ultimately result in a better health care experience.

Cost estimator tools available in the **UnitedHealthcare**<sup>®</sup> app and on **myuhc.com**<sup>®</sup> are also helping employees better understand what they may have to pay out-of-pocket for services, such as office visits, tests, imaging, screenings and vaccines.

“We know health care quality and cost can vary significantly even within the same city, which is why we provide millions of our members with tools to help them review quality information and cost estimates for more than 19,000 common medical services,” says Samantha Baker, chief consumer officer of UnitedHealthcare Employer & Individual. “Members can access this information online, via our mobile app and through our customer care advocates, making it easier for them to make more informed decisions.”

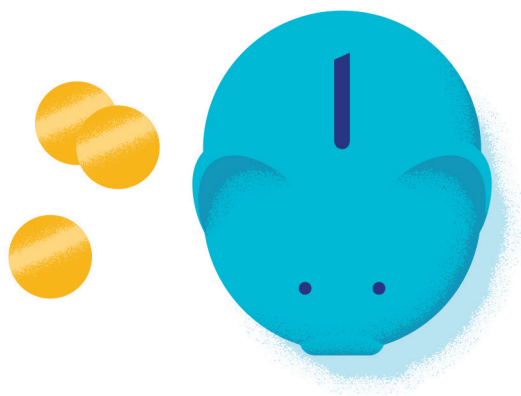
UnitedHealthcare also has processes in place that can proactively help members avoid a potential surprise bill. Active member intercept is the process in which an Advocate calls a member when a pre-appointment eligibility check reveals a potential out-of-network issue. The warning may give an employee the chance to learn about ways to stay within their network and potentially lower their costs by making a more optimal decision.

“Health care costs are a main driver of member frustration,” explains Matthew Vesledahl, chief affordability officer for UnitedHealthcare Employer & Individual. “Providing access to price transparency tools and presenting options to employees can give them more control over their health care and may lead to a better overall experience.”

Vesledahl adds, “But in most cases, it isn’t enough to offer tools alone. Employers can take an active role in educating employees about their benefits at enrollment and how to derive the most value from their plan.”

# 49%

of members who used the cost estimation tool available via the UnitedHealthcare app or **myuhc.com** received health care services at a below-average cost<sup>8</sup>

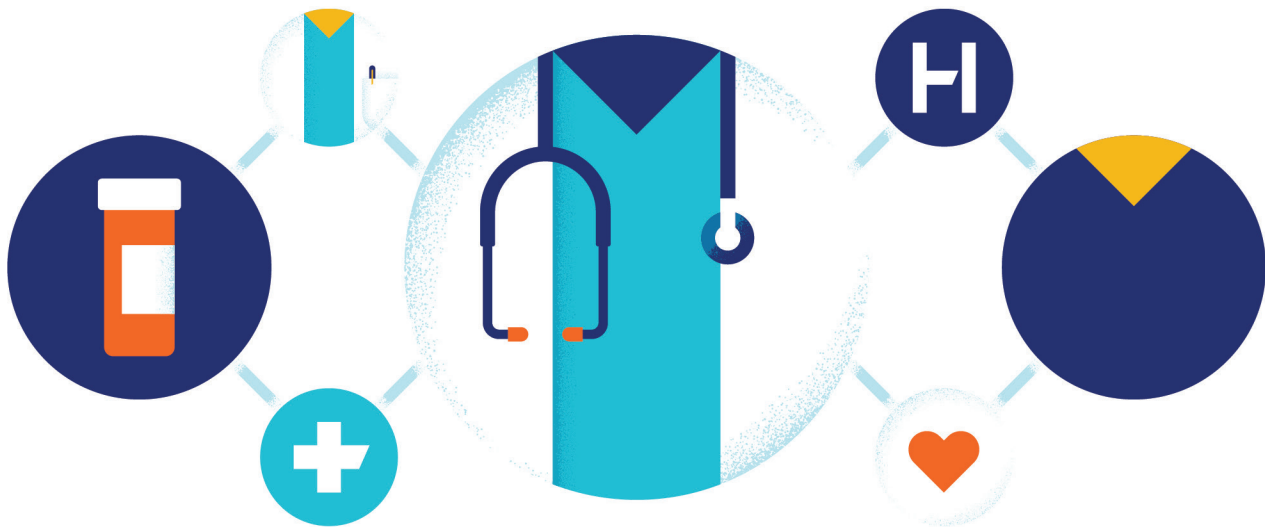


**“We’re focused on enhancing our digital tool set so members have more seamless access to finding and pricing care. Many enhancements are already available in our UnitedHealthcare app today, with more on the horizon.”**

**Matthew Vesledahl**

Chief Affordability Officer  
UnitedHealthcare Employer & Individual





## Equipping providers with information at the point of care

While consumer cost transparency tools enable employees and their families to research and price out care options, it can be just as powerful for **providers** to have access to patient information to help them deliver a better, more informed patient experience.

Tools for providers like Point of Care Assist® that integrate real-time patient information—including clinical, pharmacy, labs, prior authorizations and coverage information—into a provider’s existing electronic medical records (EMR) can offer a more complete picture of a patient’s current care needs and anticipated costs.

And, as care plans can also include prescribed medications, tools like PreCheck MyScript®, which allow providers to run trial pharmacy claims directly from their EMR, may save time and money:



“The wide range of costs we see today for the same types of care and services feeds into the general lack of understanding of the health care system,” explains Vesledahl. “Greater price transparency benefits the entire industry, which is why we are collaborating with providers, employers and others to bring solutions to market that deliver a simpler, more intuitive experience similar to retail experiences consumers engage with daily, like banking, travel and shopping.”

Learn more

Contact your broker, consultant or UnitedHealthcare representative  
or visit [uhc.com/broker-consultant](https://uhc.com/broker-consultant) and [uhc.com/employer](https://uhc.com/employer)

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<sup>1</sup> KFF Survey Shows Complexity, Red Tape, Denials, Confusion Rivals Affordability as a Problem for Insured Consumers, With Some Saying It Caused Them to Go Without or Delay Care. KFF, June 15, 2023. Available: <https://www.kff.org/mental-health/press-release/kff-survey-shows-complexity-red-tape-denials-confusion-rivals-affordability-as-a-problem-for-insured-consumers-with-some-saying-it-caused-them-to-go-without-or-delay-care/>.

<sup>2</sup> Impact of low health literacy on patients' health outcomes: a multicenter cohort study. BMC Health Services Research, Sept. 12, 2022. Available: <https://bmchealthservres.biomedcentral.com/articles/10.1186/s12913-022-08527-9>. Accessed: July 24, 2024.

<sup>3</sup> Understanding Health Literacy. Centers for Disease Control and Prevention, May 19, 2023. Available: <https://www.cdc.gov/healthliteracy/learn/understanding.html>.

<sup>4</sup> No Surprises Act: A Federal–State Partnership to Protect Consumers from Surprise Medical Bills. The Commonwealth Fund, Oct. 20, 2022. Available: <https://www.commonwealthfund.org/publications/fund-reports/2022/oct/no-surprises-act-federal-state-partnership-protect-consumers>.

<sup>5</sup> 2024 Lockton National Benefits Survey. Lockton, 2024. Available: <https://global.lockton.com/us/en/lockton-benefits-survey-2024>.

<sup>6</sup> Surest self-funded 2022 book of business plan sponsors with at least 12 months of incurred experience in 2022 and both medical and pharmacy data within our warehouse; compared to matched comparison groups from a nationally representative commercially insured database matched by gender, age, urbanicity, and zip3 code using exact matching. 141\_V03.

<sup>7</sup> Aon's actuarial analysis compared a cohort of Surest members (derived from Surest's 2021 and 2022 self-funded and fully insured book of business with complete medical and pharmacy data, plus three months of run-out, and who were not excluded by certain normalizing eligibility and experience restrictions) against a control group (derived from a multi-employer database with matching demographics, geographics, diagnoses, and health comorbidities for the same time period), and utilized Aon's member-level Cost Efficiency Measurement (CEM) methods. Claim reduction figures apply to the 2022 plan year.

<sup>8</sup> UnitedHealthcare internal analytics, Sept. 2023.

<sup>9</sup> Optum Rx® analysis of full-year (January – December 2023) trial claim and production claim data.

The UnitedHealthcare® app is available for download for iPhone® or Android®. iPhone is a registered trademark of Apple, Inc. Android is a registered trademark of Google LLC.

All UnitedHealthcare members can access a cost estimate online or on the mobile app. None of the cost estimates are intended to be a guarantee of your costs or benefits. Your actual costs may vary. When accessing a cost estimate, please refer to the Website or Mobile application terms of use under Find Care & Costs section.

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