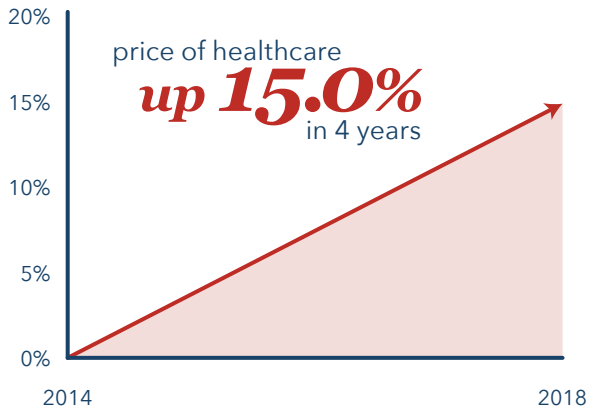


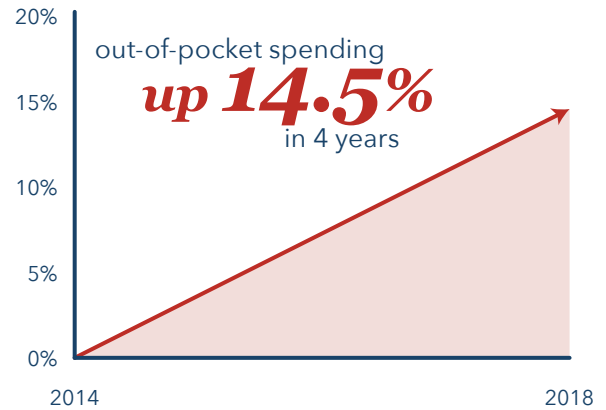
PROBLEM: HIGH PRICES

Solution: Reference Prices

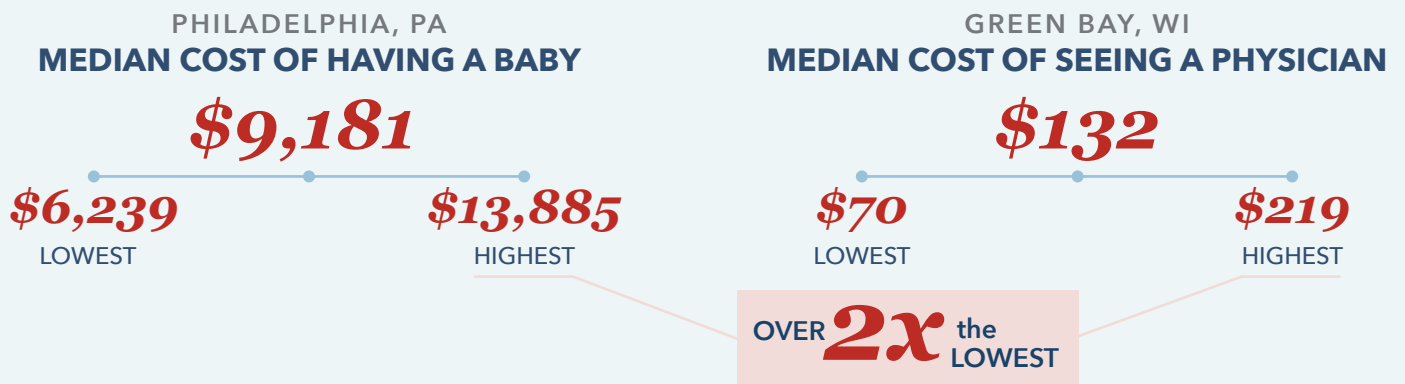
HIGH AND RISING PRICES



PATIENTS FEEL STICKER SHOCK



PRICES VARY A LOT...



...AND THERE ARE GEOGRAPHIC DIFFERENCES...

e.g. PRICES IN SAN JOSE, CA ARE **2x** THOSE IN BALTIMORE, MD

Source: Health Care Cost Institute, 2020

Why Medicare?

- ✓ Services Defined
- ✓ Rates Adjusted
- ✓ Rates Published
- ✓ Flexible Rates by Service
- ✓ Flexible Rates by Geography

Why not?

- × Amplify Medicare's Mistakes
- × Could Slow Intro of New Services

What to do?

- Price comparison tools for patients
- Price variation, price driver analysis for policymakers
- Reference pricing to cap high prices, narrow variation for purchasers



No patient should be left wondering what care will cost them.