



How to Bend the Cost Curve Down for State Employee Health Care

May 13, 2014

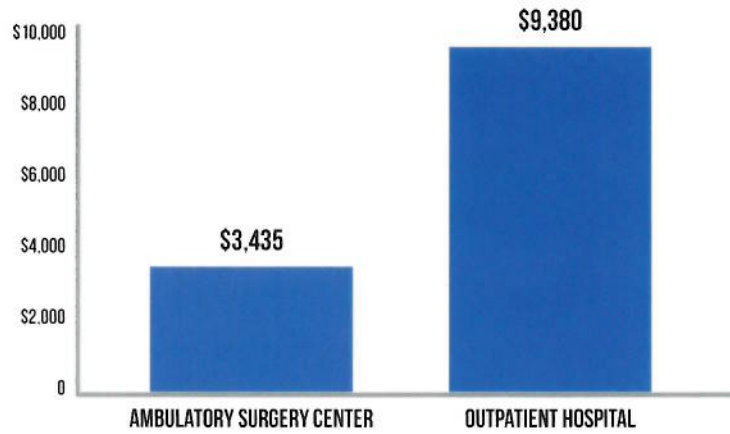
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- County Commissioners enacted a provider services agreement between the Surgery Center of Oklahoma and Oklahoma County that established the Surgery Center as an optional benefit for covered employees, retirees, and eligible dependents. Within the first month, the county saved more than \$200,000 on scheduled surgeries.
- The Surgery Center—and other similar providers—offers prices that range from one-fifth to one-tenth the cost of comparable procedures at traditional major hospitals.
- If the state negotiates with providers by incentivizing the use of cost-effective health care throughout the state, as is being done by Oklahoma County, well over \$20 million a year could be saved.
- The state should apply the same reforms to their employees' health plans as those implemented by Oklahoma County regarding the purchase of surgical procedures in order to save taxpayers and state employees real money.
- Implementing these reforms offers only a positive expansion of flexibility in options—options that can save the state up to \$20 million.
- Officials in the Governor's office and the agency that operates the state insurance plan have requested that lawmakers grant the ability to implement reforms similar to those applied by Oklahoma County. They note the differences in current price schedules shown in the following charts for the reimbursement of health care at facilities like the Surgery Center versus outpatient hospitals.

Oklahoma has the opportunity to save state employees and state taxpayers money while ensuring high-quality health care, by embracing health insurance reforms implemented by Oklahoma County for state employees.

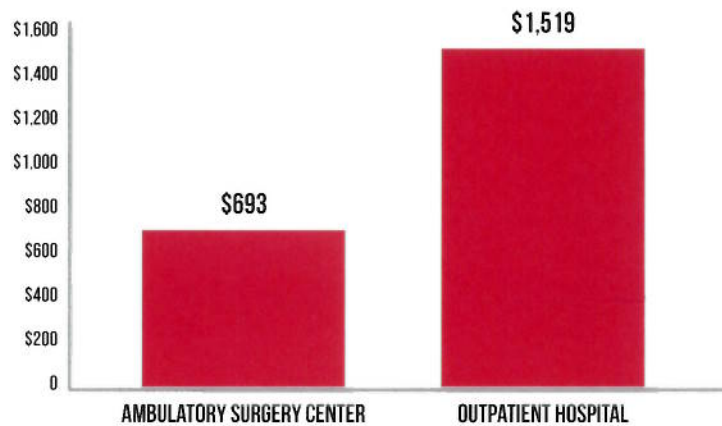


LAPAROSCOPIC GALLBLADDER REMOVAL



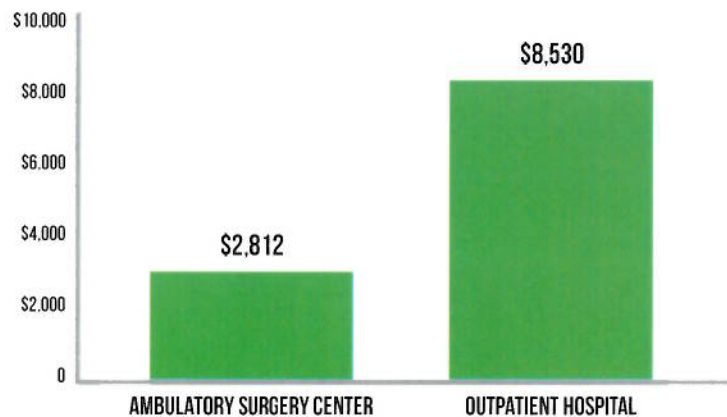
OKLAHOMA OFFICE OF MANAGEMENT AND ENTERPRISE SERVICES, COMPARISON OF ALLOWABLE REIMBURSEMENT FOR SURGERY FOR HEALTH CHOICE

DIAGNOSTIC COLONOSCOPY



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FRAGMENTING OF KIDNEY STONE



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