

March 25, 2015

Senator Laurie Monnes Anderson, Chair
Senate Committee on Health Care
Oregon Legislative Assembly



Re: SB 891

Chair Monnes Anderson and Members of the Committee:

For the record, my name is Dr. John Santa, Medical Director Consumer Reports. I am here on behalf of Consumers Union, the policy and advocacy arm of Consumer Reports. Consumers Union supports SB 891. The consumer need for accurate, actionable information on health care prices is growing, but the health care industry has been slow to respond. SB 891 would be a step in the right direction.

As a physician, I also believe that increased health care price transparency will strengthen the doctor-patient relationship and enable practitioners, who believe they have a professional obligation to be a steward of patient resources, to help their patients navigate the health care system more effectively to find the best value.

Recent research by Public Agenda and the Robert Wood Johnson Foundation demonstrates that Americans are hungry for more information about health care costs.¹ Majorities of Americans polled indicated that they have looked for health care price information, and a majority of those who have shopped around believe they have saved money. However, for the vast majority of Americans, health care prices remain difficult or impossible to access. Our experience at Consumer Reports is similar---it is very difficult to find and publish price information relevant to individual consumers. That should be our goal.

SB 891 will meet this need by ensuring that consumers can access accurate, actionable information about health care prices, both at the point of service and online, to enable informed comparison shopping.

By providing public access to the negotiated allowed amount for each procedure by payer, SB 891 will provide consumers with the information they need to determine their own out-of-pocket costs. Consumers often need to make a quick calculation to determine their out-of-pocket responsibility based on the design of their insurance plan; however, this calculation is rarely possible for consumers based on the information available to them today. Consumers can be savvy shoppers, using this price data to make sure they get the best deal for their health care dollar. Consumers want information they can use on their terms not someone else's.

SB 891 will also enable organizations focused on health markets, to create shopping guides and other tools that could help consumers navigate the health care marketplace, and amplify competition to help bring down costs.

SB 891 will be a step forward for Oregon consumers. It will also represent important progress toward changing the culture of medicine to increase transparency and meaningful consumer engagement. Empowering consumers with actionable price information should be part of a health care provider's responsibility to the patient. Consumers Union urges you to support SB 891.

Thank you for your time and consideration.

¹ Public Agenda, *How Much Will It Cost? How Americans Use Prices in Health Care* (March 2015), available at <http://publicagenda.org/pages/how-much-will-it-cost>