

Advocating for Oregon's Hospitals & the Patients They Serve

Committee: Senate Health Care Committee
Bill: SB 900
From: Kevin Campbell, on behalf OAHHS
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Senator Monnes Anderson and members of the Senate Health Care Committee, on behalf of Oregon's 62 acute care hospitals and the patients they serve, the Oregon Association of Hospitals and Health Systems (OAHHS) appreciates the opportunity to comment on Senate Bill 900, which supports creation of a state-sanctioned hospital price transparency website displaying median prices paid by commercial health plans for common hospital inpatient and outpatient procedures.

Oregon hospitals and the Oregon Health Leadership Council (OHL) are committed to greater health care price transparency, and have come together to advance this legislation in addition to taking other steps to achieve improved clarity of health care pricing. Patients want and deserve information to make informed health care choices. Creation of this website would better utilize data from the All Payer All Claims database in a user friendly-way, while requiring no new data reporting by providers.

Patients are rightly frustrated by the lack of hospital price transparency; 83 percent of likely Oregon voters surveyed in 2014 favored having hospitals display prices paid for common procedures online. By not providing patients this information on a user-friendly website, our state fares poorly on credible national rankings; Oregon scored an "F" in each of the last two years on the Catalyst for Payment Reform report card measuring health care price transparency. The website created by SB 900 would enable patients to compare prices for common inpatient and outpatient procedures by hospital — useful data for patients contemplating procedures. The site would also help Oregon become a national leader in price transparency.

This model would not require health plans or providers to furnish any additional data, but would help to better utilize and display existing data from the state's All Payer All Claims database. This model presents a pragmatic alternative to a competing proposal (SB 891) that would create a significant administrative burden on all health care providers for new data submission without producing meaningful data for health care consumers.

Notably, a Healthcare Financial Management Association-led task force on pricing transparency in April 2014 released a report calling for an industry-wide commitment to assisting patients in understanding health care bills they will receive, focused on providing upfront cost estimates to patients. In response to this important report, two additional steps are under way. 1) Oregon hospitals are developing a policy to provide, upon request, good faith estimates for self-pay and out-of-network patients for planned-ahead services. 2) OAHHS and OHL, in partnership with health plans, are pursuing a model to advance greater disclosure of out-of-pocket responsibility for insured patients, and to advance other HFMA transparency recommendations.

We ask that you support this important legislation to help patients more easily access hospital price information. Thank you for the opportunity to comment.