

Summary of Testimony presented IN FAVOR of SB891 by Bruce Thomson, MD.

March 25, 2015.

Intent of SB 891 – To promote meaningful accountability for Oregon’s health care costs by removing a fundamental impediment to patients’ participation in key decision making regarding the costs of their health care.

Goal of SB 891 – To require Oregon health care facilities to post their prices publicly AND to provide “real-time” estimates of health care costs for consumers and patients upon request.

Reason for SB 891 – Oregonians who require medical care/services provided by a hospital in Oregon face uncertainty of the actual costs for those services. Complex contracting by health insurance companies between patients and health care facilities leads to a wide variation in billed charges for the same procedure and/or service. The US Centers for Medicare and Medicaid services have found that the range can be as much as 20 times the charge for other hospitals for the same care. For labor and delivery charges, the range can vary by a factor of 10 among hospitals. For laboratory services, blood tests billed charges have been shown to vary by a factor as high as 1000, (more typically by a factor of 100). (Kaiser Health News, 8/15/2014).

Billed charges are a starting point in negotiations with insurers, hospitals and patients and as a result billed charges have a significant impact on health care costs. Increasingly, patients are being asked to play a role in keeping health care costs down. Presently, it is nearly impossible for patients to know the costs of hospital based health care services in advance.

Respectfully submitted,

A handwritten signature in cursive script that reads "Bruce Thomson, MD".

Bruce Thomson, MD

Corvallis OR