

Testimony of John Santa MD MPH on Senate Bill 792

March 9, 2017

Madam Chair, Members of the Committee

My name is John Santa. I am a primary care physician, clinical practice in Oregon from 1976 to 1992, 2003 to 2008. During my 40 years in Oregon I have also been fortunate to work in multiple leadership positions for hospitals, doctors, insurers, state of Oregon, OHSU, Portland State University, Consumer Reports and now for Beth Israel Deaconess Medical Center in Boston for the OpenNotes project.

I testify today as an individual in support of Senate Bill 792. I am here because Senate Bill 792 is about transparency. There is no health jurisdiction that has valued health transparency more than Oregon. Each of you have been involved in historic legislation that focused on transparency---the prioritized list, patient protection legislation in the 90s in response to HMO patient concerns, public production of the most successful systematic comparative effectiveness reviews done in the US. That legislation has led to Oregon's citizens being among the most careful when it comes to selecting health care services. It has worked!! A recent Total Cost of Care analysis of commercial health data by the Oregon Quality Corporation showed Oregon has health utilization well below the US average. Oregon clinicians, patients and consumers have done their job---they are not wasting health care products and services.

But the cost of care is determined by the product of units used times price. And it is the price of health products and services in Oregon that is leading our state to be one of the more costly places in the country to receive health care. Sadly, it is not easy to learn how much anything costs when it comes to health in Oregon. Like most markets in the US there is enormous price variation in Oregon---in most cases price varies 5 times across the market for both products and services.

When it comes to transparency what is most important is to start. Senate Bill 792 is similar to many of Oregon's great transparency ideas. It provides starting information for patients/caregivers and consumers and does so in a context that makes sense---as part of information about a drug's benefits and risks.

At Consumer Reports, I learned a lot about price:

- 1) Sellers will go to great extent to avoid providing price information---many examples
- 2) Buyers are hungry for price information, so much so that information that does not include price is less credible, less attractive
- 3) Americans understand that they need to access multiple information sources to evaluate any purchase...and they will. Americans are voracious when it comes to seeking health information.

Sellers often argue that more information will confuse buyers. They don't mention the alternative---ignorance. All of us routinely choose to move from ignorance to confusion to knowledge. Functional markets make information equally available to both buyers and sellers.

During my career, I have heard over and over from health care policy makers that patients must be responsible---patients need to have more "skin" in the game. Oregon patients have shown they can be good buyers. But they need your help to be treated fairly. That starts with basic price information easily provided. I urge you support Senate Bill 792.