Oregon Hospital Payment Report

Presentation to Senate Health Care Committee May 29th, 2024 Piper Block, Research and Data Manager Steven Ranzoni, Hospital Policy Advisor



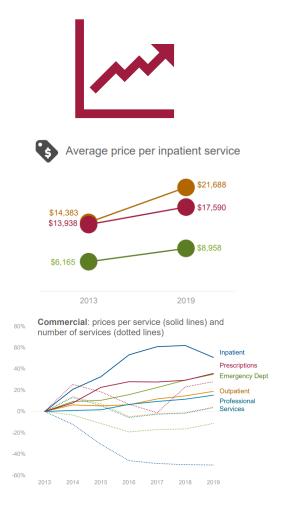
What is the Oregon Hospital Payment Report?

An online, interactive dashboard that shows how much commercial insurers pay hospitals for common procedures



- Created by SB 900 (2015) and codified as ORS 442.373
- Uses data from Oregon's All Payer All Claims (APAC) database
- Includes payments to Oregon's general acute care hospitals and their outpatient clinics
- Excludes non-hospital facilities and specialty hospitals

Why is this important?



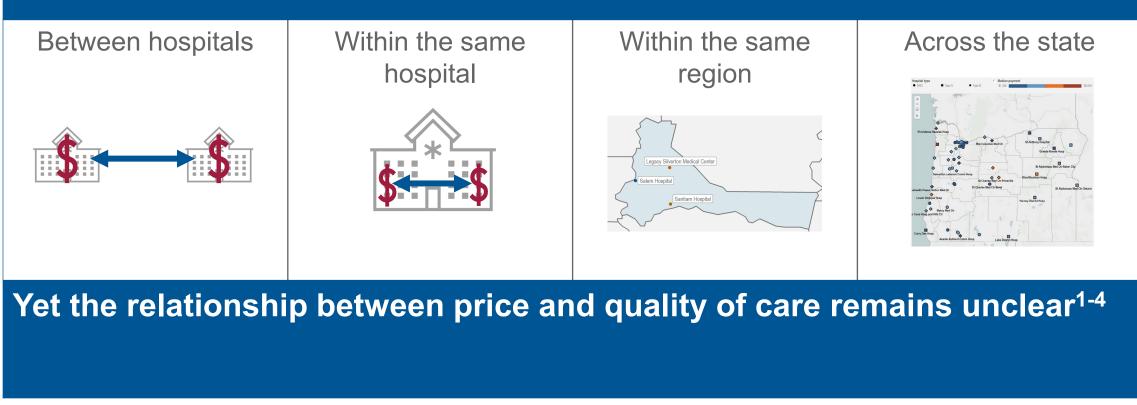
• Hospital prices are a major driver of cost growth

- Commercial prices are generally higher than Medicare or Medicaid¹
- Historically, commercial inpatient prices have increased at a faster rate than prices from other service types (prescriptions, outpatient, professional services)¹

1. Oregon Health Authority. (2022). Health Care Cost Trends: Price & Utilization. State and Market Level Data in Oregon, 2013-2019 (pp. 1–40). Oregon Health Authority.

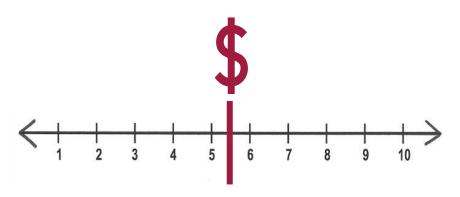
Why is this important?

Commercial prices vary significantly

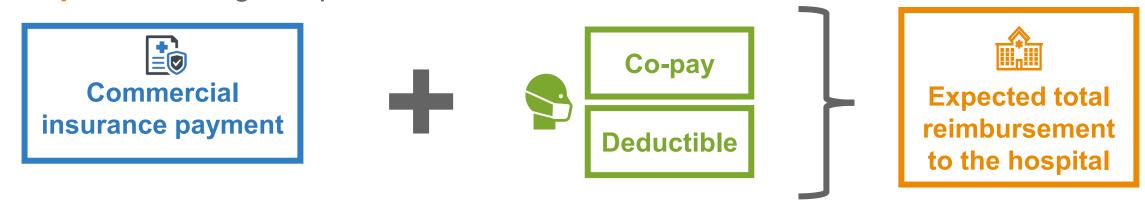


- 1. Cooper, Z., Doyle, Jr., Joseph J., Graves, J. A., & Gruber, J. (2022). Do Higher-Priced Hospitals Deliver Higher-Quality Care? (Working Paper 29809). National Bureau of Economic Research. https://doi.org/10.3386/w29809
- 2. Chernew, M. E., & Frank, R. G. (n.d.). What Do We Know About Prices And Hospital Quality? Health Affairs Forefront. https://doi.org/10.1377/forefront.20190726.723138
- 3. Jamalabadi, S., Winter, V., & Schreyögg, J. (2020). A Systematic Review of the Association Between Hospital Cost/price and the Quality of Care. *Applied Health Economics and Health Policy*, *18*(5), 625–639. https://doi.org/10.1007/s40258-020-00577-6
- 4. Beauvais, B., Gilson, G., Schwab, S., Jaccaud, B., Pearce, T., & Holmes, T. (2020). Overpriced? Are Hospital Prices Associated with the Quality of Care? Healthcare, 8(2), 135. https://doi.org/10.3390/healthcare8020135

The dashboard presents median payments



This includes the **commercial insurance payment** and **patient copays and deductibles**, which add up to the **expected total reimbursement to the hospital** for the given procedure



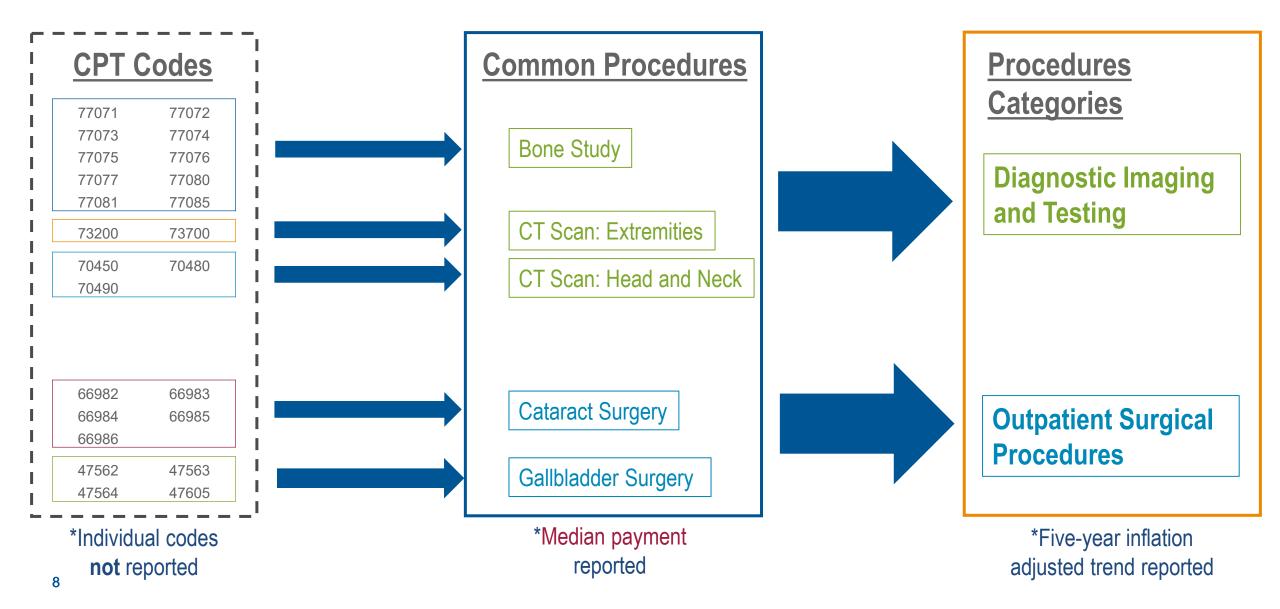


- Most common inpatient and outpatient procedures by frequency
- Range of payments between hospitals and range of payments within the same hospital
- Year over year change in median payments and five-year inflation adjusted trends for large procedure groups
- Individual hospital comparisons



- The dashboard is not a consumer pricing tool and cannot estimate a patient's personal costs
- Payment amounts do not account for financial assistance, such as charity care
- The dashboard does not include professional fees

How are procedures reported?



Oregon Hospital Payment Report Key Takeaways

using colonoscopies as an example of a common procedure

Payment variation among	Statewide	♦ \$2,622 ◄
hospitals	Providence Seaside Hosp	
Median payments for 2021 are	Blue Mountain Hosp	
displayed to the right. The median is the middle value where half of the patients are above and half are	Adventist Tillamook Regional Med Ctr	
	St Charles Med Ctr-Prineville	
	St Charles Med Ctr-Madras	
below. Scrolling down, you can see how payment varies from hospital to	Wallowa Mem Hosp	
hospital. Hover over a data point to	Providence Newberg Med Ctr	
display more information.	Providence Hood River Mem Hosp	
	Harney District Hosp	
	Lower Umpqua Hosp	
	Legacy Silverton Med Ctr	
	Samaritan Good Samaritan Reg Med	
	Coquille Valley Hosp	
	Legacy Emanuel Med Ctr	
	St Charles Med Ctr-Redmond	•
	Salem Health West Valley Hosp	•
	Sky Lakes Med Ctr	•
	Mercy Med Ctr	•
	Columbia Mem Hosp	•
	Samaritan Pacific Comm Hosp	•
	Willamette Valley Med Ctr	•
	St Anthony Hospital	• \$
	Providence Medford Med Ctr	• \$
1.2	Legacy Mount Hood Med Ctr	• \$2,755

Curry Gen Hosp

OHSU Hosp

Salem Health Salem Hosp

McKenzie-Willamette Med Ctr

St Alphonsus Med Ctr-Ontario

Kaiser Sunnyside Med Ctr

Kaiser Westside Med Ctr

Grande Ronde Hosp

Providence Portland Med Ctr

Providence Milwaukie Hosp Providence St Vincent Med Ctr

PeaceHealth Peace Harbor Med Ctr

PeaceHealth Sacred Heart Med Ctr-.

Providence Willamette Falls Med Ctr

Payments for procedures vary widely between hospitals.

In 2021, the commercial median payment for colonoscopies was \$2,622 statewide.

Outpatient Surgical Procedures

Colonoscopy

First, choose a category

Outpatient Surgical Procedures

A colonoscopy is an examination of the large intestine using an endoscope. An endoscope is a slender device that is inserted into the body and used to examine internal organs by capturing video and displaying it on a monitor for the doctor. It is most commonly performed to screen for cancer.

Next, choose a procedure Colonoscopy

\$6,902 ●

\$6,566 •

• \$5,241

• \$5,149

• \$5,067

• \$4,853

• \$4,704 • \$4,267 • \$4,202

• \$4,142 \$4,136 • \$3,996

\$3,865 • \$3,796 • \$3,782 • \$3,683 • \$3,635 • \$3,580 • \$3,540 • \$3,535 • \$3,495 • \$3.463

• \$2.604

\$2,456

\$2,389

\$2,376

• \$2.315

• \$2,293

• \$2,286

\$2.270

• \$2,043

• \$1.810 • \$1.430

• \$1,430

• \$1,430

• \$1,316

\$5,888

Next, choose a procedure

\$6.902

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	• \$5,888
	● \$5,241
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	• \$1,810
	● \$1,430
	• \$1,430

• \$1,316

In 2021, the commercial **median payment** for colonoscopies was **\$2,622 statewide**.

At individual hospitals, the **median colonoscopy payment ranged from \$1,316 to \$6,902.**

Payments for procedures vary widely within the same hospital.

The wider the grey bar, the greater the payment variation from patient to patient at a specific hospital.

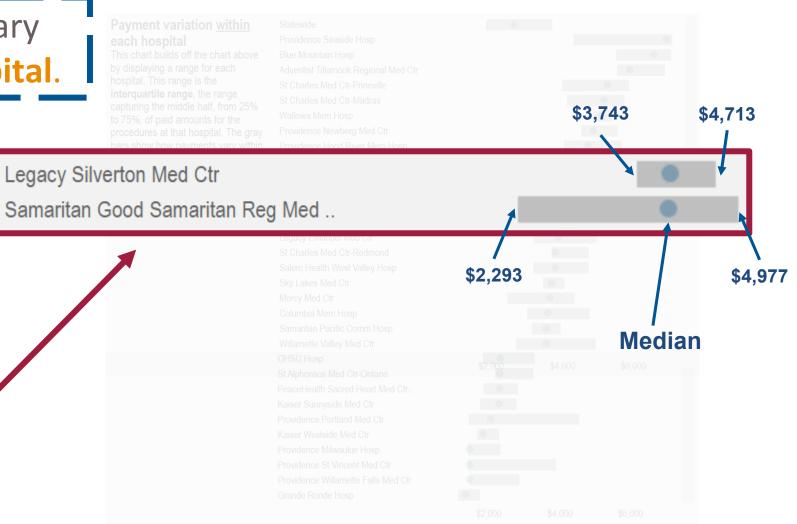
Payment variation within Statewide Pro each hospital This chart builds off the chart above Blu by displaying a range for each Ad hospital. This range is the St interquartile range, the range St capturing the middle half, from 25% Wa to 75%, of paid amounts for the Pro procedures at that hospital. The gray bars show how payments vary within Pro each hospital. Wide bars indicate На wide payment variation from patient Lo to patient. Hover over a data point to Leo display more information. Sa

Slatewide			
Providence Seaside Hosp			
Blue Mountain Hosp			
Adventist Tillamook Regional Med Ctr			
St Charles Med Ctr-Prineville			•
St Charles Med Ctr-Madras			•
Wallowa Mem Hosp			•
Providence Newberg Med Ctr		•	
Providence Hood River Mem Hosp			
Harney District Hosp			
Lower Umpqua Hosp		•	
Legacy Silverton Med Ctr			
Samaritan Good Samaritan Reg Med			
Coquille Valley Hosp			
Legacy Emanuel Med Ctr			
St Charles Med Ctr-Redmond			
Salem Health West Valley Hosp			
Sky Lakes Med Ctr			
Mercy Med Ctr			
Columbia Mem Hosp			
Samaritan Pacific Comm Hosp			
Willamette Valley Med Ctr			
OHSU Hosp			
St Alphonsus Med Ctr-Ontario			
PeaceHealth Sacred Heart Med Ctr			
Kaiser Sunnyside Med Ctr			
Providence Portland Med Ctr			
Kaiser Westside Med Ctr			
Providence Milwaukie Hosp			
Providence St Vincent Med Ctr	•		
Providence Willamette Falls Med Ctr	•		
Grande Ronde Hosp			
	\$2,000	\$4,000	\$6,000

Payments for procedures vary widely within the same hospital.

The wider the grey bar, the greater the payment variation from patient to patient at each hospital.

Legacy Silverton payments range from **\$3,743 to \$4,713** compared to Samaritan Good Samaritan payments ranging from **\$2,293 to \$4,977**.



Percent change in median payment from 2020 to 2021 (unadjusted)

Another way to look at change is **relative change**, or percent change from the previous year. The yellow line at 3.4% is the cross-payer sustainable health care cost growth target as of 2021. Hospitals to the right of the yellow line had payment growth exceeding this target. The percent change values are unadjusted for inflation. Hover over a data point to display more information.

Statewide	◆ -0	7%
Providence Portland Med Ctr		32.5%
OHSU Health Hillsboro Med Ctr		• 20.5%
Samaritan Good Samaritan Reg Med		• 16.7%
St Charles Med Ctr-Prineville		• 15.8%
Adventist Tillamook Regional Med Ctr		• 14.7%
Samaritan Albany Gen Hosp		• 13.5%
Willamette Valley Med Ctr		• 11.6%
Curry Gen Hosp		• 10.8%
St Alphonsus Med Ctr-Ontario		9.9%
Legacy Meridian Park Med Ctr		9.0%
Mercy Med Ctr		8.6%
Providence Medford Med Ctr		• 8.3%
Asante Three Rivers Med Ctr		• 7.5%
Blue Mountain Hosp		• 7.0%
Providence Seaside Hosp		6.7%
Legacy Mount Hood Med Ctr		• 5.7%
Mid-Columbia Med Ctr		• 5.2%
OHSU Hosp		• 4.5%
Legacy Emanuel Med Ctr		• 4.4%
Providence Hood River Mem Hosp		• 4.4%
St Anthony Hospital		• 4.4%
St Charles Med Ctr-Madras		• 4.2%
Sky Lakes Med Ctr		4.0%
McKenzie-Willamette Med Ctr		3.9%
Coquille Valley Hosp	• -3.4%	6
Providence Newberg Med Ctr	- 5.1%	
Samaritan Pacific Comm Hosp	-5.4%	
Asante Ashland Comm Hosp	-5.4%	
Harney District Hosp	-6.2%	
Bay Area Hosp	-6.4%	
Columbia Mem Hosp	-6.5%	
St Alphonsus Med Ctr-Baker City	• -9.8%	
PeaceHealth Peace Harbor Med Ctr	-10.4%	
St Charles Med Ctr-Bend	• -15.3%	
Lower Umpqua Hosp	• -16.7%	3.4% growth target

Hospitals median payments change at different rates from year to year

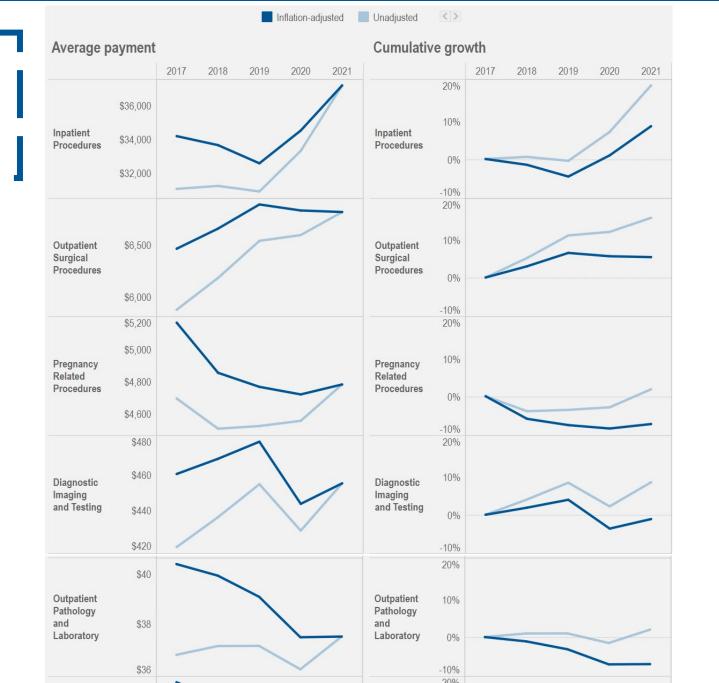
The statewide **median commercial payment** for colonoscopies decreased **0.7%** from 2020 to 2021.

		32.5%
Samaritan Good Samaritan Reg Med St Charles Med Ctr-Prineville Adventist Tillamook Regional Med Ctr Samaritan Albany Gen Hosp Willamette Valley Med Ctr Curry Gen Hosp St Alphonsus Med Ctr-Ontario Legacy Mendian Park Med Ctr Mercy Med Ctr Providence Medford Med Ctr Asante Three Rivers Med Ctr Blue Mountain Hosp Providence Seaside Hosp Legacy Mount Hood Med Ctr Mid-Columbia Med Ctr OHSU Hosp Legacy Emanuel Med Ctr Providence Hood River Mem Hosp St Anthony Hospital St Charles Med Ctr McKenzie-Willamette Med Ctr Coquille Valley Hosp Providence Newberg Med Ctr	 -3.4% -5.1% 	 16.7% 15.8% 14.7% 13.5% 11.6% 0.8% 9.9% 9.0% 8.6% 8.3% 7.5% 7.0% 6.7% 5.7% 5.2% 4.4% 4.4% 4.4% 4.4% 4.4% 4.2% 4.0% 3.9%
	 -5.1% -5.4% -5.4% 	
	 -6.2% -6.4% -6.5% 	
St Alphonsus Med Ctr-Baker City PeaceHealth Peace Harbor Med Ctr St Charles Med Ctr-Bend Lower Umpoue Hose	 -9.8% -10.4% -15.3% -16.7% 	

Hospitals median payments change at different rates from year to year

The statewide **median commercial payment** for colonoscopies decreased **0.7%** from 2020 to 2021.

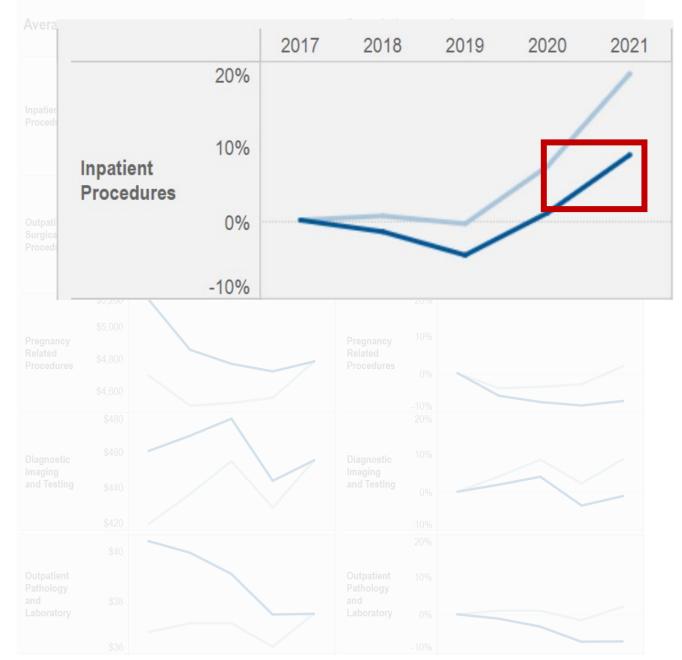
Individual hospital payments ranged from a **16.7% decrease** to a **32.5% increase** from 2020 to 2021. Different procedure categories have **different payment trends** over time



Inflation-adjusted Unadjusted

Different procedure categories have **different payment trends** over time

The average commercial payment for inpatient procedures had the highest inflation-adjusted growth between 2020 and 2021 at **8%**.

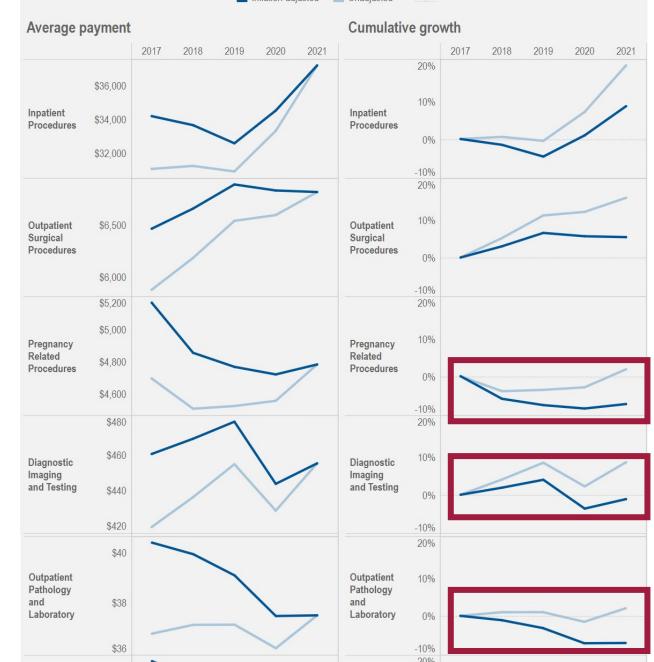


📕 Inflation-adjusted 🛛 📃 Unadjusted 🛛 💷

Different procedure categories have **different payment trends** over time

The average commercial payment for inpatient procedures had the highest inflation-adjusted growth between 2020 and 2021 at **8%**.

Average payments for pregnancyrelated procedures, diagnostic imaging and testing, and pathology and laboratory services **decreased overall** from 2017 to 2021.



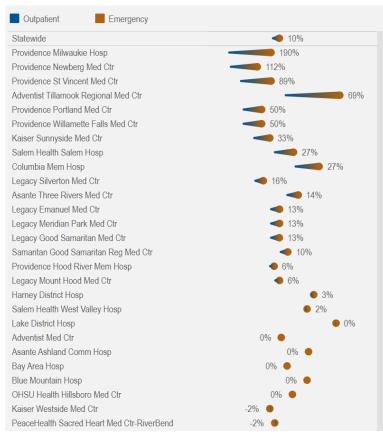
New Features for the 2022 Hospital Payment Report

Medicare price comparison

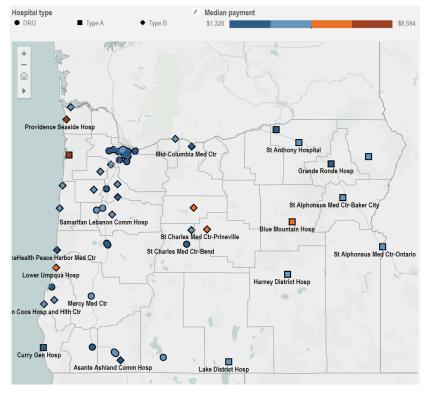
Commercial median payment as a percentage of Medicare fee-for-service median payment

Chemotherapy: Injection	3479
Radiation treatment: IMRT	328%
Radiation treatment: Consult	269%
Radiation treatment: Devices	267%
Radiation treatment: Delivery	267%
Radiation treatment: Guidance	246%
Radiation treatment: Dosimetry	209%
Chemotherapy: IV infusion w porta	201%
Radiation treatment: Sims & film	180%
Chemotherapy: IV infusion	161%

Emergency vs non-emergency



Mapping and prices by region



The 2022 data will be available July 1st

Thank You

