

Report: California lousy about posting healthcare costs

By Chad Terhune, Los Angeles Times

California consumers don't have easy access to actual prices for medical care, according to a national report card that gave the state a D for its dismal showing.

Overall, 36 states received a D or F in the report issued Monday by two nonprofit healthcare groups that analyzed government efforts to make pricing information widely available to consumers. This issue has taken on added importance in recent years as patients shoulder a growing share of healthcare costs from higher deductibles and other insurance changes.

The two organizations, the Catalyst for Payment Reform and Health Care Incentives Improvement Institute, looked at state laws on requiring doctors and hospitals to share prices, whether the data was available on public websites and the ability of patients to request estimates prior to a hospital admission.

Only two states, Massachusetts and New Hampshire, earned an A on the report card.

"Without price transparency, consumers will continue to pay widely ranging amounts for the same exact services with no difference in quality," said Suzanne Delbanco, executive director of Catalyst for Payment Reform, an employer-backed group based in San Francisco.

"Consumers want to know what are they going to pay out of pocket if they pick one provider over another. We hope this

report card spurs states to act to help consumers further," Delbanco added.

Policy experts say greater disclosure of medical prices would enable patients to comparison shop and force healthcare providers to compete more on cost and quality.

"It should be concerning to every lawmaker in the country that 18 percent of the U.S. economy is shrouded in mystery," said Francois de Brantes, executive director of the Health Care Incentives Improvement Institute.

Under a state law that took effect in 2006, California hospitals must publish their average charges for the most common procedures on a state website. But relatively few take the extra step of listing prices on their own websites.

The other problem, Delbanco said, is that no one actually pays those charges reported to California officials, not even the uninsured. Insured patients would be responsible for a reduced price negotiated by their insurer, and the discount would vary based on the company.

Some insurers and employers have tried to assist patients by creating new online tools that show a range of prices among network providers. Other sites such as fairhealthconsumer.org and healthcarebluebook.com offer consumers average prices by ZIP Code for many common services.