A Census of State Health Care Price Transparency Websites

To the Editor: With rising health care costs and 30% of privately insured adults enrolled in high-deductible health care plans, calls for greater health care price transparency are increasing. In response, health plans, consumer groups, and state governments are increasingly reporting health care prices. Despite recognition that price information must be relevant, accurate, and usable to improve the value of patients’ out-of-pocket expenditures, and potential for this reporting to affect health care organizations and prices, there are no data on what kind of price information is being reported. The objective of this study was to describe the characteristics of state health care price websites to identify opportunities for improving the utility of this information.

Methods. Between January and May 2012, we conducted systematic Internet searches to identify publicly available, patient-oriented websites hosted by a state-specific institution (eg, a state government agency or hospital association) that enabled patients to estimate or compare prices for health care services in that state. We focused on state-based tools because many states are publicly reporting health care price information collected under legislative or regulatory authority. We excluded price information reported by health plans because this information is often not comprehensive within a market and is generally restricted to plan enrollees. In addition, price information reported by third parties was excluded because access to this information is often restricted or the mechanisms used to generate this information are often less transparent or less rigorous than mechanisms used in state-based efforts.

For each website, we classified the reporting organization, year reporting started, patient information used to generate price estimates, and types of services for which price estimates were provided. For each type of service, we collected data on whether prices could be estimated and compared across facilities or clinicians, whether quality information was shown alongside prices, whether price information included professional fees or facility fees where applicable, and what the price information represented (eg, billed charges or out-of-pocket costs). For each characteristic, we calculated frequencies.

Results. As of early 2012, there were 62 patient-oriented, state-based health care price websites (eTable at http://www.jama.com). Half of these websites were launched since 2006 (Figure) and most were provided by a state government agency (46.8%) or hospital association (38.7%). Most websites reported prices of inpatient care for medical conditions (72.6%) or surgeries (71.0%). Information about prices of outpatient services such as diagnostic or screening procedures (37.1%), radiology studies (22.6%), prescription drugs (14.5%), or laboratory tests (9.7%) was reported less often (Table). Most prices reflected billed charges (80.6%). For services in which a full episode of care often includes both facility and professional fees (eg, outpatient diagnostic procedures), most price estimates (86.0%) included only facility fees. Few price estimates incorporated patient insurance status (9.7%) or specific health plan (8.1%). For services in which quality is not standardized and therefore variation may exist (eg, for outpatient surgeries but not laboratory services), quality information was rarely (13.2%) portrayed alongside prices.

Discussion. Our data point to clear opportunities to improve publicly reported health care price information. Greater relevance to patients could be realized by focusing information on services that are predictable, nonurgent, and subject to deductibles (eg, routine outpatient care for chronic diseases) rather than services that are unpredictable, emergent, or would exceed most deductibles (eg, hospitalizations for life-threatening conditions). Accuracy could be im-
proved by reporting allowable charges for full episodes of care (ie, aggregate prices for health care services that include all fees such as facility, professional, and other fees). Usability could be enhanced by presenting quality information alongside prices where applicable, as opposed to reporting just one type of data needed to assess value. Although there can be challenges in collecting this information and our analysis is based only on data from publicly available state-based health care price websites, these enhancements could help both public and private price transparency initiatives reach their potential to improve the value of health care spending.

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Online-Only Material: The eTable is available at http://www.jama.com.

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