

Your Health: Virginia graded "B" on health price transparency

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A recent report gave Virginia a grade of B on health care price transparency. What does that mean?

The report graded states on whether consumers had access to public information that would allow them to compare prices of health care services.

States' grades were based on whether there were state laws or policies requiring price information to be made available to consumers upon request or disseminated in a report or posted to a public website.

Price transparency is important, expert say, to give the uninsured some negotiating clout with providers and because more people are being insured through high-deductible plans that require them to cover a larger share of expenses before insurance coverage kicks in.

Two states, Massachusetts and New Hampshire, were graded A. Five states received a B grade. The rest were graded C or lower, with 29 getting a grade of F. The report was prepared by two national nonprofits: the Health Care Incentives Improvement Institute and the Catalyst for Payment Reform.

Virginia health care price data is available on the Virginia Health Information website at www.vhi.org. VHI is an independent, nonprofit organization that has a state contract to collect and report health care data. The VHI website has a section labeled "Health Care Prices" where consumers can find the average cost for about 30 commonly preformed outpatient procedures.

The site has information such as:

- The average reimbursement for a colonoscopy varied by where the procedure was done — \$886 at a licensed ambulatory surgical center, versus \$923 at a doctor's office, versus \$2,152 at a hospital outpatient department.
- Average reimbursement for a CT scan of the abdomen was \$552 when done at a doctor's office compared with \$1,283 when done at a hospital outpatient department.

"We made a decision five years ago to focus on consumer information," said Michael Lundberg, Virginia Health Information executive director.

VHI added the price data as a result of 2008 legislation sponsored by Del. John M. O'Bannon III, R-Henrico, a physician, and Sen. John S. Edwards, D-Roanoke. O'Bannon and Sen. Linda T. "Toddy" Puller, D-Fairfax, carried legislation in 2012 that allows the state Health Department to develop an all-payer claims database, which would provide even more cost and quality data.

"That will be basically everything that health insurance carriers pay for," Lundberg said. "It will give us a broader level of information. ... Hopefully this time next year we will be having a number of

different, phased-in levels of reporting" from that database.

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