

## **SB 891: Health Care Price Transparency**

### *The Problem*

A lack of public information on the price and quality of health care services hampers competition and contributes to excessive spending by consumers, insurers, taxpayers, employers and other payers. The Institute of Medicine estimates that lack of competition and excessive price variation causes **\$105 billion in waste** in health care spending each year.

Without health care price transparency,

- Consumers are not empowered to make high-value choices;
- Health care providers cannot make informed referrals and help patients compare the value and cost-effectiveness of treatment options;
- Employers and other purchasers cannot design high-value benefits or identify and reward providers that deliver care at a competitive price; and
- Other parties cannot conduct informed research and create tools to amplify competition, including web tools, mobile apps and reports with comparative rankings.

### *The Solution: [SB 891](#)*

- Health care facilities should post their prices publicly

Each health care facility licensed by the State of Oregon should be required to publicly post the price it charges for the most frequent 100 outpatient and 100 inpatient services it performs, both physically on location and on the facility's web page in a consistent machine-readable format as determined by the Oregon Health Authority. If a facility has established different allowed amounts for services depending on the primary payer, the posting will list these by payer.

- Health care facilities should provide real-time estimates for consumers

All health care facilities licensed by the State of Oregon should be required to respond in real time to an inquiry about the prices charged for a specific admission or service with an estimate of the charges, including physician fees or facility fees.

If the patient requesting an estimate is a member of a health plan, the facility should disclose the allowed payment amount established with the consumer's insurer, and whether the facility and involved practitioners are part of the health plan's network.

*[SB 891](#) will encourage competition, create a more level playing field in the health care industry and empower consumers to take personal responsibility for their own health care costs.*