

# Consumers Can Check Medical Prices, Quality Scores on New State Website

September 22, 2015

---

Source: Los Angeles Times

Lifting some of the secrecy surrounding California healthcare, state officials unveiled a website where consumers can look up average prices for common medical procedures — as well as quality scores for providers.

California Insurance Commissioner Dave Jones, consumer advocates and researchers hailed the online tool launched Monday as the first step in prying more detailed prices from insurers, hospitals and doctors so patients facing high deductibles can find the best deal.

The healthcare industry has often resisted efforts at transparency, frustrating consumers, employers and government agencies paying the bills.

The California Healthcare Compare website is a collaboration among the state Department of Insurance, UC San Francisco and Consumers Union, the publisher of Consumer Reports. Those groups built the site using \$3.9 million in federal grant money made available through the Affordable Care Act.

The information can be found at [www.cahealthcarecompare.org](http://www.cahealthcarecompare.org).

“The time for greater transparency for healthcare costs is long overdue,” Jones said. “Consumers have been in the dark about the price of medical services from one medical provider and facility to the next and certainly haven’t had cost information paired with quality measures.”

Two months ago, California and 44 other states received a failing grade in an annual report card that measures how much access patients have to actual

prices for medical care.

The new online tool seeks to remedy that by offering the range of prices paid by health insurers for more than 100 medical procedures or conditions as well as the average cost by geographic area.

Publishing the amounts actually paid to hospitals and other providers — rather than just the amount charged — is considered more useful. Insurers often pay just a fraction of billed charges, and a policyholder's share is derived from the lower, discounted rate.

Researchers who helped develop the site say the information will be eye-opening to many patients.

Healthcare costs have gone up every year since infinity. that's one of the problems the ACA was trying to fix. For the first five years of the ACA, the rise in costs have been lower on average than previous years before the ACA. This is the first time when the rise was roughly equal to...

For instance, the amount paid for a total knee replacement ranged from \$18,493 to \$47,399 in west Los Angeles County. The average out-of-pocket for an insured patient was \$750, including co-pays and deductibles.

For that procedure, consumers also can see individual hospitals rated for quality on a scale of 1 to 5 for joint replacement surgeries.

"In any region for any service, it is astonishing to see the price variation," said Dr. R. Adams Dudley, director of the UCSF Center for Healthcare Value and a key architect of the online tool. "I think this is a big step forward. We're moving in the right direction."

Consumers could use the website to check whether the price they were quoted for a routine lab test or procedure is out of line with the average cost in their community. Armed with that information, a patient could shop around or negotiate for a lower fee.

But prices alone tell only part of the story, Dudley said. That's why the site

also gives ratings on the quality of care, drawing on data from government sources and outside groups.

“We really don’t think people just want prices. Nobody wants the cheapest toilet paper, and nobody wants the cheapest healthcare,” Dudley said. “We really want high value — taking price and quality information into account.”

Researchers said the data also show a wide variation on the quality of care that patients receive from different providers.

Doris Peter, director of the health ratings center at Consumer Reports, said the shopping tool illustrates that a well-regarded hospital may excel in one area of care, but that doesn’t necessarily translate to other specialties.

There are some limitations to the information available on the site.

Dudley said people can’t compare what different health plans pay for the same service or at a particular hospital or doctor’s office. The pricing data are aggregated by an outside vendor, and health plans aren’t listed by name.

Dudley said health insurers balked at making their specific information available on the state website, fearful that competitors would see the rates they negotiated with medical providers.

Instead, people can click on a button that will take them to their health insurer’s website for detailed cost estimates. One drawback is that only health plan members can access that information, and consumers can’t check the information before buying a policy.

These issues have taken on greater importance as many employers try to control their healthcare costs by raising deductibles and out-of-pocket expenses for workers and their families.

Individuals buying Obamacare coverage in government exchanges also face annual deductibles of several thousand dollars to hold down their monthly premiums.

“The need for this is even more acute than a few years ago,” Jones said. “We can’t have a functioning healthcare market where consumers don’t have pricing information.”

## [Source Link](#)

Filed Under: [California Watch](#), [Exchange](#)