PRICE TRANSPARENCY IN HEALTH CARE

We applaud the current administration's effort to make medical costs more transparent by requiring hospitals to publish their chargemaster list of prices. However, these list prices are not the discounted prices that hospitals receive from insurers, which are more accurate. Yesterday, the administration proposed requiring hospitals to make the discounted prices public as well. This is a great idea.

But we think Delaware state government should go further. We think the requirement should apply to all health care providers, including walk-in clinics and physician practices, not just hospitals. Additionally, we think that for non-emergency procedures, patients should either get cost estimates or have to sign a waiver of their right to an estimate. This is already the law in other industries in Delaware (e.g., Title 6 Ch 49A in particular 4908A). Insured patients should be able to get the set of billing codes and find out their co-pays directly from their insurers. Finally, since providers require patients to sign a statement accepting ultimate responsibility for all bills, even if not paid by insurance, a medical bill should be uncollectable unless this statement includes a maximum amount. Currently patients can be surprised with prices quoted after the fact; this is unjust.

Currently no Delaware laws require health care providers to post prices, give cost estimates, or provide billing codes. In a survey of nine Delaware primary care, walk-in and urgent care clinic websites, none quote an initial consultation fee for self-payers.

For people with high-deductible health insurance and health savings accounts, accurate prices are vital. How can they find the best care for their dollar? How can they be sure that they will not get an unexpectedly huge medical bill? This situation is unnecessary. It is time for Delaware legislators to stand up for the people of Delaware.

By Stacie Beck, Ph.D., Associate Professor of Economics, University of Delaware
& CRI Board Member, March 11, 2019