

Protecting and Improving Care for Patients and Communities

Transparency

Issue

People deserve meaningful information about the price and quality of their hospital care, and hospitals are committed to sharing information that will help consumers make important decisions about their health care.

Quality Transparency. Hospitals have a track record of sharing information on quality and performance with the public. In 2002, the hospital community convened a group of health care providers, businesses, government agencies, quality measurement organizations and quality accreditation organizations to develop a method for sharing meaningful information about hospital quality with consumers. This public-private partnership, called the Hospital Quality Alliance, now makes 20 measures of hospital quality available each quarter on its public Web site, www.HospitalCompare.hhs.gov. Nearly all hospitals participate in this voluntary reporting initiative, and additional measures will be added. Currently, measures are being developed to capture patients' perceptions of the care they received during their hospital stay.

Price Transparency. More recently, there have been calls for increased transparency of hospital pricing. These calls come in large part because consumers are paying a larger share of their health care costs, either through increased deductibles and co-payments for traditional insurance plans or new high-deductible Health Savings Account (HSA) plans. With HSA plans, consumers are typically responsible for deductibles of \$2,500. In some instances, deductibles can be as high as \$10,000, making these consumers more price-sensitive in their health care choices.

AHA View

America's hospitals believe transparency for both quality and pricing information is important. More can, and should, be done to share hospital pricing information with consumers. Our goal: to share meaningful information with consumers about the price of their hospital care.

In doing so, the AHA has several objectives:

- to present information in a way that is easy for consumers to understand and use;
- to make information easy for consumers to access;
- to create common definitions and language to describe pricing information for consumers;

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- to explain to consumers how and why the price of their care can vary;
- to encourage consumers to include price information as just one of several considerations in making health care decisions; and
- to direct consumers to additional information about financial assistance with their hospital care.

To facilitate more meaningful price transparency, the AHA supports:

- existing and expanded state-based efforts to share hospital charge information with the public.
- making information about insured enrollees' expected out-of-pocket costs available to them through their insurance company.
- efforts to better understand the type of pricing information most valuable to consumers.
- efforts to define and describe pricing information for consumers.