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Fewer States Make the Grade this Year on Health Care Price Transparency for Consumers

*Report card takes a deeper look at public websites;
no state received an A*

BERKELEY, CA and NEWTOWN, CT – MARCH 25, 2014 – Forty-five states received a failing grade, only two received a B (Maine and Massachusetts), and no states earned an A, according to the second annual [Report Card on State Price Transparency Laws](#) developed by [Catalyst for Payment Reform](#) (CPR) and [Health Care Incentives Improvement Institute](#) (HCI³). The Report Card offers policymakers, consumer advocates, and other health care stakeholders a comprehensive state-by-state resource on consumer access to price information for health services.

“Access to meaningful price information is more important than ever as consumers continue to take on a rising share of expenses,” said Suzanne Delbanco, executive director of CPR. “While many states have made progress, there’s still much more work to be done for the majority of residents in the United States to have access to essential information on the price of health care.”

Adjusting the bar

The grades are lower than in 2013 as this year’s Report Card no longer graded states only on the laws they have adopted to promote price transparency, but also on states’ price transparency regulations, price transparency websites (to the extent they exist), and all payer claims databases – the ideal source of data for these websites because they contain more accurate, complete price information. States that relied on all-payer claims databases as the source of price information for consumers received higher grades, as did states with adequate, fully operational, consumer friendly websites (mandated by law).

Some states have robust price transparency laws and regulations on the books, requiring them to create a publicly available website – but often the public can’t readily access price information because the website is poorly designed, or inadequately functioning. As an example, New Hampshire – a state that received an A in last year’s Report Card – received an F this year, because its website is inoperative and may remain so for an extended period.

To get a high score, a state needed to have both the “spirit of the law” – public access to a fully functioning website, and the “letter of the law” – robust legislation and regulations on the books ensuring the price information would remain accessible.

“American consumers deserve easy access to robust information about the cost and quality of their health care and we’re especially disappointed that populous states with large numbers of consumers, such as New York, Pennsylvania, and Texas didn’t take steps to raise their failing grades,” said Francois de Brantes, HCI³ executive director. “It’s our goal that the Report Card will inform advocates, lawmakers, and policy experts about today’s best practices or what constitutes a top grade and, over time, generate improvements in public policies and consumer websites across the nation.”

About the Report Card on State Price Transparency Laws

The Report Card on State Price Transparency Laws represents a joint effort between Catalyst for Payment Reform (CPR) and Health Care Incentives Improvement Institute (HCI³) to examine consumers' access to price information in all 50 states, using well-defined grading criteria applied to laws, regulations, and state-mandated websites. The methodology and 2014 Report Card can be found here: <http://www.hci3.org/content/report-card-state-price-transparency-laws-2014>.

About Catalyst for Payment Reform

[Catalyst for Payment Reform](#) is an independent, non-profit organization working on behalf of large employers and other healthcare purchasers to catalyze improvements in the way health care services are paid for and to promote better and higher value care in the United States.

About Health Care Incentives Improvement Institute, Inc.

[Health Care Incentives Improvement Institute, Inc.](#) (HCI³) is a non-profit multi-stakeholder umbrella organization for Bridges to Excellence® and PROMETHEUS Payment®. The mission of the organization is to create significant improvements in the quality and affordability of health care by developing and implementing programs that recognize and reward physicians, hospitals and other health care providers that deliver safe, timely, effective, efficient, equitable and patient-centered care. HCI³ offers a comprehensive package of solutions to employers, health plans and coalitions to improve the flawed incentives that currently permeate the U.S. health care system.

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