



# CPR and HCl<sup>3</sup> Release State Report Card on Access to Health Care Prices for Consumers

New Hampshire moves from an F to an A, most other states remain unchanged

**BERKELEY, CA and NEWTOWN, CT – JULY 8, 2015** – While most state grades remained unchanged, in some states there has been a flurry of activity in legislatures aimed at making price information for health services available to consumers. These are among the findings of the third annual <u>Report Card on State Price Transparency Laws</u> developed by <u>Catalyst for Payment Reform (CPR)</u> and <u>Health Care Incentives Improvement Institute</u> (HCl<sup>3</sup>).

The state-by-state resource offers policymakers, consumer advocates, and other health care stakeholders a comprehensive look at the progress being made, or the lack thereof, for price transparency. This year's report includes new analyses of the legal arguments made by price transparency opponents and the benefits of creating public price information from all payer claims databases.

"Given how little progress there has been with state laws, it's important to understand the tenuous legal arguments used by some in the industry to keep price information inaccessible to the public," said Francois de Brantes, HCl<sup>3</sup> executive director. "Very few of the commonly used arguments have merit."

### Grades in 2015

While the latest Report Card awards only New Hampshire an A, there were two Bs (Colorado and Maine), two Cs (Vermont and Virginia), and 45 states received a failing grade. Notable changes this year include:

- New Hampshire raised last year's F grade to an A due largely to relaunching its website, NH HealthCost, a prime example of a price transparency website built with consumers in mind.
- Traditionally a leader in transparency, Massachusetts previously received high honors. However, in 2014, legislation went into effect that placed the responsibility of transparency on health plans; the government-mandated website went dark. Without a state website that provides price information to consumers, Massachusetts' grade dropped from a B to an F.
- Colorado's grade improved from a C to B this year as its public website is now up and running, although the information it provides to consumers is limited.

"While we expect the private sector to lead advances in price transparency, there is an undeniable role for states—and we need them to step up," said Suzanne Delbanco, executive director of CPR.

## 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 (HCI<sup>3</sup>) 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 2015 Report Card can be found here: <u>http://www.hci3.org/content/2015-report-price-transparency-laws</u>.

### **About Catalyst for Payment Reform**

<u>Catalyst for Payment Reform</u> 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.

<u>Health Care Incentives Improvement Institute, Inc.</u> (HCl<sup>3®</sup>) is a not-for-profit organization that aims to create significant improvements in the quality and affordability of health care through evidence-based incentive programs and support of payment reform models. It is the umbrella organization for the Bridges to Excellence<sup>®</sup> program and PROMETHEUS Payment<sup>®</sup> model, as well the creator of episode of care, or Evidence-informed Case Rates (ECRs), definitions and the ECR Analytics<sup>®</sup>. Through these components, HCl<sup>3</sup> 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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