

SEIU Local 49: Price Transparency Compliance in Oregon

National Context

- On January 1, 2021, new CMS rules took effect requiring hospitals to comply with a set of comprehensive price transparency regulations, including disclosing payor-specific negotiated rates for all items and services.
- After [widespread non-compliance with these rules](#), the [Biden administration made it clear](#) last week that they were doubling down on this rule by increasing the maximum fine to \$2 million per hospital per year.

Oregon: Key Findings

The CMS rules have two main requirements. Hospitals must offer: 1) A single, “machine-readable” file with payor-specific negotiated rates for all items and services, and 2) Pricing information in a public-friendly format of 300 “shoppable services.” Our analysis examined compliance by Oregon hospitals on the first component.

Overall, nearly half (49.2 percent) of Oregon hospitals have not released negotiated rates in a single, machine-readable file as required by the CMS rules.

- Only 30 of the 59 hospitals we examined were in compliance with this portion of the rule (50.8%); 29 were not (49.2%).
- 6 of the 14 healthcare systems in Oregon were in compliance (42.9%); 8 were not (57.1%).

System-affiliated hospitals were more likely to be out of compliance than smaller, independent hospitals -- despite having significantly more resources to compile and publish this information.

- 60.5 percent of system-affiliated hospitals are *out of compliance* with this portion of the rule (26 out of 43).
- Meanwhile, 82 percent of independent hospitals are *in compliance* (13 out of 16).

New data illustrate how much prices can vary for the same services, even at the same facility.

- Adding to the findings from the Oregon Hospital Data report OHA released last week, these data show that prices vary wildly even within one hospital for the same services.
- While we couldn’t perform a thorough analysis due to the lack of compliance among many of the state’s largest health systems, to illustrate this point we analyzed the negotiated rates for some of the common procedures required by CMSⁱ at two Samaritan hospitals (Good Samaritan Regional Medical Center and Samaritan Albany General Hospitalⁱⁱ).
 - Cardiac Valve Proceduresⁱⁱⁱ: Insurer negotiated rates range from \$96,328 to \$225,390.
 - Major Hip and Knee Joint Replacement^{iv}: Insurer negotiated rates range from \$35,877 to \$64,329.
 - Spinal Fusion^v: Insurer negotiated rates range from \$74,582 to \$92,661

PRICE TRANSPARENCY COMPLIANCE IN OREGON HOSPITALS, JULY 2021

Health Systems	Negotiated Rates in Single, Machine-Readable File?	Number of Oregon Hospitals in System
Asante	Yes	3
OHSU	Yes	2
PeaceHealth	Yes	4
Salem Health	Yes	2
Kaiser	Yes	2
St. Charles	Yes*	4
TOTAL IN COMPLIANCE	6 (42.9%)	17 (39.5%)
RCCH Healthcare Partners (Willamette Valley Medical Center)	No**	1
Samaritan	No***	5
Adventist	No	2
CommonSpirit Health	No	2
Legacy	No	5
Providence	No	8
Quorum (McKenzie Willamette Medical Center)	No	1
Trinity Health	No	2
TOTAL OUT OF COMPLIANCE	8 (57.1%)	26 (60.5%)

* St. Charles does provide machine-readable files, so deemed in compliance; these files are large and unwieldy, but do provide negotiated rates for a large number of services.

** Link to single-machine readable file buried at the very bottom of this [page](#) (not prominent, as required by rules).

*** Missing negotiated rates for the health plan owned by the health system (Samaritan Health Plan): [Source](#)

Independent Hospitals	Negotiated Rates in Single, Machine-Readable File?
Bay Area Hospital	Yes
Blue Mountain Hospital	Yes
Columbia Memorial Hospital*	Yes
Coquille Valley Hospital	Yes
Curry General Hospital	Yes
Grande Ronde Hospital	Yes
Harney District Hospital	Yes
Mid-Columbia Medical Center	Yes
Pioneer Memorial Hospital - Heppner	Yes
Santiam Memorial Hospital	Yes
Sky Lakes Medical Center	Yes
Southern Coos Hospital & Health Center	Yes
Wallowa Memorial Hospital	Yes
TOTAL INDEPENDENT IN COMPLIANCE:	13 (82.3%)
Good Shepherd Medical Center	No
Lake District Hospital	No
Lower Umpqua Hospital	No
TOTAL INDEPENDENT OUT OF COMPLIANCE:	3 (18.8%)

* Columbia Memorial does provide a single file with negotiated rates, though is very large (1.7 GB) and only accessible using a Javascript reader.

Methodology:

- The CMS rules have two main requirements. Hospitals must:
 - 1.) Offer a “machine-readable” file with all items and services
 - 2.) Pricing information in a public-friendly format of 300 “shoppable services”
- We chose to narrow our analysis to examine compliance on the first component.
 - CMS requires that hospitals must include the following for each procedure in the machine-readable file: gross charge, discount cash price, payor-specific negotiated charge, and de-identified minimum and maximum negotiated charges.
 - In addition, CMS stipulates that this information must be “prominently displayed” on a public website, free to use without creating a user account or providing personal information, and in a *single* digital file.
- We conducted this analysis from April to July of 2021 by visiting the websites for 59 Oregon hospitals (excluding Shriners); this information is accurate as of July 23, 2021.
- Our determination that a hospital was in compliance with the first portion of the rule was made based on the whether they provided a reasonable amount of services in a single, machine-readable file and negotiated rates by payor.
 - However, we did not verify whether every insurance plan contracted with each hospital was listed or whether every service the hospital provides was included, as there is no way we could reliably verify that information.
 - What we DID note, however, were situations in which a health system that owns its own insurance plan omitted those rates from its machine-readable files (e.g., Samaritan Health System and Samaritan Health Plan).
 - In addition, some files were very difficult to use (e.g., Columbia Memorial provided a very large 1.7 GB file that only appears to be accessible using a JavaScript reader; St. Charles’ Bend Hospital file is more than 4 million rows, with nearly 90,000 errors and lacks headings when imported into Excel). However, these hospitals did provide negotiated rates in a single, machine-readable file, and were thus deemed in compliance.

ⁱ [original.png \(1820x2583\)](#)

ⁱⁱ Retrieved May 7, 2021 at [Learn More About Price Transparency \(samhealth.org\)](#)

ⁱⁱⁱ Cardiac Valve And Other Major Cardiothoracic Procedures With Cardiac Catheterization With McC (DRG 216)

^{iv} Major Hip And Knee Joint Replacement Or Reattachment Of Lower Extremity Without McC (DRG 470)

^v Spinal Fusion Except Cervical Without McC (DRG 460)