

The Path to Price Transparency – The Wisconsin Story

**National Summit on Health Care Price, Cost and
Quality Transparency**

Sponsored by the Robert Wood Johnson Foundation

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Objectives

- Explain the path to PricePoint
- Share other pricing transparency tools we use in Wisconsin
- Describe how our approach has helped us respond to consumers, regulators and the media

History of WI's Rate Setting Programs

- 1972-1983 (Rate Review) – Hospital Rate Review Council – voluntary
- 1983-1987 (Rate Setting) – Hospital Rate Setting Commission - mandatory



The Birth of WI Statute Chapter 153 - 1989

- Focuses on **collection and dissemination** of health care information
- Originally the role of the Department of Health Services

- Includes
 - Discharge Data
 - Annual Publications
 - Health Care Data Report
 - Guide to WI Hospitals
 - Uncompensated Care Report
 - Quality Indicator Report
 - Hospital Rate Increases Report

Wisconsin Environment for Price Transparency - 2004-2005

- Privatized collection of hospital and ASC data in 2003
 - Started collecting in Q1 2004
- Culture of transparency
- No health care pricing rate review or rate setting since 1987

The Path to Value



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PricePoint Development

- **Added value** to the use of the discharge and fiscal data
- **Added value** to privatizing data collection
- Technology advancement
- Quarterly rather than annual release
- Easily accessible





[Financial Assistance](#)

Bellin Hospital

744 S Webster Ave, PO Box 23400

Green Bay, WI 54305












920-433-3500

[Top 75 APR-DRG](#)

Normal Newborn, Birthweight 2500g+

April 2012 - March 2013

The hospital charge does not include physician fees.

Filter on Severity of Illness: 	Selected Hospital	All Hospitals in this County 	All Hospitals with Similar Patient Volume 	All WI Hospitals
<input checked="" type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input checked="" type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input type="button" value="Update Report"/>				
 Number of Discharges	1,107	4,043	29,710	58,707
 Average Length of Stay	2.2 Day(s)	2.1 Day(s)	2.2 Day(s)	2.2 Day(s)
 Average Charge	\$2,311	\$3,015	\$3,853	\$3,397
 Average Charge Per Day	\$1,075	\$1,438	\$1,746	\$1,573
 Median Charge	\$2,044	\$2,695	\$3,163	\$2,879
 Median Age	0	0	0	0
 Percentage Male	51.5%	50.1%	50.8%	51.1%
 Percentage Female	48.5%	49.9%	49.2%	48.9%

NR = 1 - 4 Discharges (Not Reported)

= Show hospitals in that group

- Notes About this Table
- Understanding Facility Charge Information
- Why Charges May Differ Between Facilities



View CheckPoint Quality Reports for this Hospital



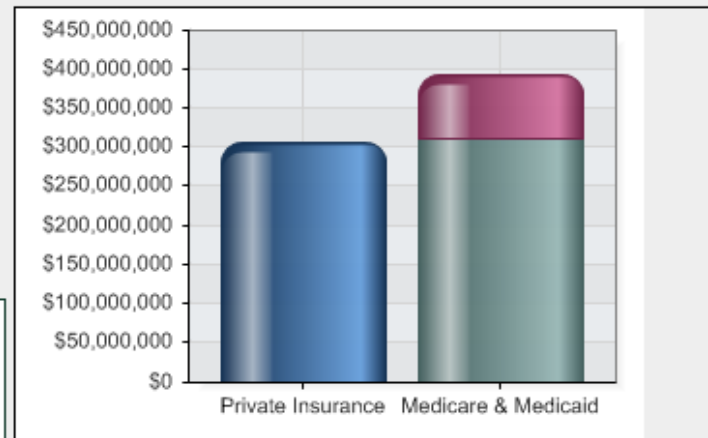
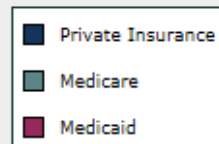
CHARGE AND PAYMENT INFORMATION

Bellin Hospital

Most Recent Fiscal Year - All Services

What is the selected hospital's "payer mix?"

A hospital's "payer mix" refers to the proportion of its total charges attributable to different types of insurance coverage.



How much do government programs pay compared to private insurance?

In many cases, Medicare & Medicaid reimburse hospitals at rates that do not cover the costs they incur to provide care. Payments from privately insured patients generally subsidize the shortfalls created by Medicare and Medicaid and therefore represent a "hidden tax" on individuals and families not covered by government programs.

[Click to view examples of Medicare & Medicaid reimbursement to hospitals in Wisconsin.](#)

The graphs below represent all services provided by the hospital; they are not specific to the selected service.

PRIVATE INSURANCE*

This facility collects an average of **68%** of its charges from private insurance.



\$97,158,042 Charges not Paid
 \$209,224,428 Charges Paid

MEDICARE*

This facility collects an average of **35%** of its charges from Medicare.



\$201,799,473 Charges not Paid
 \$109,420,330 Charges Paid

MEDICAID AND OTHER GOV'T PROGRAMS*

This facility collects an average of **19%** of its charges from Medicaid.



\$66,173,221 Charges not Paid
 \$15,779,550 Charges Paid **

The above information is for all services at the selected hospital. It is not specific to the service you selected or any other single service. Contact your insurer to determine the specific amount that will be paid under your policy for the selected service.

Transparency Legislation Act 146 - 2011

- Each hospital to prepare a single document
 - Top 75 diagnosis groups for uncomplicated cases
 - Top 75 outpatient surgical procedures
 - Median billed charge for recent four quarters
 - The average expected payment under Medicare
 - The average expected payment under private ins.
 - Link to a quality reporting Website (CheckPoint or the Wisconsin Collaborative for Healthcare Quality)



Bellin Hospital
 744 S Webster Ave, PO Box
 23400
 Green Bay, WI 54305
 920-433-3500

Print this report

**Charges for 75 Most Common Types of Hospitalizations in Wisconsin: April 2012 - March 2013
 (Uncomplicated Cases Only)**

Rank	APR-DRG ?	Description	Median Charge ?	Estimated Insurance Payments *	
				Private Insurance	Medicare
1	640	Normal Newborn, Birthweight 2500g+	\$2,018	\$1,372	\$706
2	560	Vaginal Delivery	\$5,107	\$3,473	\$1,787
3	302	Knee Replacement	\$26,238	\$17,842	\$9,183
4	540	Cesarean Delivery	\$12,259	\$8,336	\$4,291
5	720	Blood Infection/Septicemia	0	0	0
6	139	Pneumonia	\$6,588	\$4,480	\$2,306
7	194	Heart Failure	\$10,053	\$6,836	\$3,519
8	301	Hip Replacement	\$27,905	\$18,975	\$9,767
9	751	Psychoses	0	0	0
10	140	Chronic Obstructive Pulmonary Disease	\$8,190	\$5,569	\$2,867
11	753	Bipolar Disorders	0	0	0
12	201	Heart Abnormal Rhythm and Conduction Disorders	\$7,213	\$4,905	\$2,525
13	775	Alcohol Abuse/Dependence	\$2,854	\$1,941	\$999
14	383	Cellulitis and Other Bacterial Skin Infections	\$9,218	\$6,268	\$3,226
15	463	Kidney/Urinary Tract Infection	\$9,872	\$6,713	\$3,455
16	460	Renal Failure	\$6,112	\$4,156	\$2,139

Impact of PricePoint

- Voluntary mechanism to support price transparency
 - Consumers
 - Providers
 - Policymakers
 - Media



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THE COST OF HEALTH

Federal data reveals hospital charge disparities

“Michael Richards, executive director of external affairs at the Gundersen Health System, said the Badger State has a history of transparent pricing information through the Wisconsin Hospital Association at ww.wipricepoint.org.”

PricePoint States



AN ASSOCIATION OF
MONTANA HEALTH
CARE PROVIDERS



OREGON ASSOCIATION OF
HOSPITALS AND
HEALTH SYSTEMS



VIRGINIA HOSPITAL
& HEALTHCARE
ASSOCIATION



UTAH HOSPITAL
ASSOCIATION
www.utahhospitals.org

Closing Thoughts

- PricePoint is a tool to support price transparency
- It can be used with other tools
 - Discharge data
 - Other publications
 - Payer and employer Web sites

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