

## [New state tool reveals cost disparities between hospitals, other providers](#)

By Matt Pilon

It's been known for years that Connecticut hospitals charge, in some cases, vastly different prices to insurers for the same procedures, but new data shines a fresh light on those spreads.

On Tuesday, the Office of Health Strategy (OHS), created by the legislature last year, unveiled a new healthcare cost tool on its website -- one that uses data from a fledgling state-mandated repository of health insurance data, known as the All Payer Claims Database, which became operational this year, after lawmakers ordered its creation back in 2013.

OHS said its "Health score CT" cost estimator tool is intended to better inform state residents about where they might find lower-cost healthcare procedures and services, whether inpatient or outpatient, in the hopes of saving money.

The new tool builds on another consumer widget OHS launched a few months back, which provides care quality data on area providers.

A quick spin through the new cost tool reveals major differences between what Connecticut hospitals and provider groups charged between mid-2018 and mid-2019 for the same types of services, across nearly 50 inpatient and outpatient categories.

Unsurprisingly, inpatient services had the highest price spreads in the data, which included nearly 264,000 procedures over that time.

The procedure with the largest price difference among Connecticut hospitals was coronary bypass surgery, for which insurers paid (including any cost sharing borne by patients) a median price of \$99,330 at St. Vincent's Medical Center in Bridgeport on the high end, and \$45,884 at UConn Health in Farmington on the low end.

On the outpatient side, the smallest spread was observed in X-ray services, which differed across the state by just \$19 for chest X-rays and \$35 for knee X-rays.

OHS said it intends to add data on additional services in the coming months.

Deductibles, co-pays and other forms of health insurance cost sharing with customers are only becoming more common, and Connecticut is in the top 10 most expensive states for single and family deductibles, according to 2018 federal data.

However, various studies and surveys have shown that American consumers have a hard time "shopping" for health procedures and services, due to complexity and other factors.

As former state Healthcare Advocate and executive director of the fledgling OHS -- the successor to the Office of Health Care Access -- Vicki Veltri said Tuesday that she's well aware of those challenges.

"It's not easy to shop, however I think, to use a Bob Dylan phrase, times they are a-changin', and that's in part because people are paying more for their health care out of pocket," said Veltri, who has pushed to implement cost caps as a condition of recent hospital acquisitions and mergers.

The cost data include only insurance claims for commercially insured patients in Connecticut, excluding Medicare, Medicaid and self-insured plans, which are common in the private sector here and across the country.

Providing a tool that displays the median cost of common healthcare procedures is a good starting point for consumers, Veltri said, but she readily admits it's not a cure-all for health care's challenges.

She advises that consumers who check the cost tool also consult with their insurance company and providers to ensure they are as informed as possible about procedures and cost sharing.

She said the All Payer Claims Database is a powerful tool that promises to shine more light on healthcare finances, including insights into population-based or value-based healthcare contracting and prescription drug cost trends.

For now, what sticks out to her from the cost data is the difference in prices for the same services at different provider locations. Plenty of factors could be driving that, she said, including larger hospitals and provider groups having more leverage with insurers and differences in the complexity of patients, but she thinks more study is needed.

"[The cost tool] is sort of foundational and it's just the beginning," she said. "There's a lot more to come."