

Title: **Reforms will offer more equitable health care**  
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# Reforms will offer more equitable health care

*Think New Mexico's proposals aim to improve the quality and reduce the cost of New Mexico's health care system*

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I have practiced in New Mexico for more than 40 years and have seen the soaring cost of health care devastate families. Think New Mexico's recent proposals would provide relief to my patients and would improve the quality of medical care.

In brief, Think New Mexico is recommending that the state create a user-friendly website where New Mexicans can find health care price and quality information. Think New Mexico also recommends outlawing price discrimination, the situation in which patients at the same hospital receiving the same treatment from the same doctor are charged different prices depending on who is paying the bills. (Full disclosure, my wife, Roberta, is chair of Think New Mexico's board, but I would be supporting these reforms even if she were not.)

Many of my patients have insurance policies with high deductibles, or have no insurance at all. These patients often end up with staggering out-of-pocket hospital expenses and are unable to pay for needed medications. Think New Mexico's proposals would empower my patients, as well as myself and other doctors, with essential information about the costs and quality of treatment options.

People who have good health insurance may ask, why should I care? You should care because your insurance is likely to have a high deductible that you will pay. With a \$2,000 or \$4,000 deductible, your perspective may shift from "do whatever you think is necessary" to "are you sure I really need to have that test?"

The evidence in favor of increasing transparency and ending price discrimination is overwhelming. Studies of the 14 states that have already implemented health care transparency websites have found that making this information available brings down costs by an average of 7 percent. Just this past week, a new study in the Journal of the American Medical Association found that patients who had access to pricing information paid about 13 percent less for lab tests and medical imaging procedures.

In addition, states that have publicized risk-adjusted quality data have seen hospitals compete to improve their ratings.

In a 2012 article in the New England Journal of

Medicine, respected health care economist Uwe Reinhardt was joined by 22 other experts in advocating for the same reforms promoted by Think New Mexico. All of these experts are in the vanguard of moving the country from a volume-based (fee for service) health care model to a value-based model that seeks to provide the highest quality care at the most affordable price.

Think New Mexico's health care transparency proposals were also recently endorsed by the Albuquerque Journal.

After reading that eloquent editorial, I was surprised to see a front-page column in the Journal a couple of weeks later calling the reforms a "frail proposition." The column argued that the reforms won't make much of a difference because patients who have insurance only pay a fraction of the hospital's initial charges.

However, this ignores the fact that over 300,000 New Mexicans are uninsured. More are underinsured or have policies with high deductibles (the deductibles for "bronze plans" average more than \$5,000 for individuals and \$10,000 for families).

Another reason my patients would benefit from price transparency is that there are many charges that are simply not covered by insurance. For example, one of my patients recently underwent outpatient surgery at a hospital-owned clinic and was required to pay an up-front "facility fee" of \$2,500 that was not covered by her insurance. If I had known that she could have gone to a different provider that did not charge this fee, I would have been able to recommend options that would have been less financially stressful for her and her family.

Because it is difficult for hospitals, insurers and others enmeshed in the status quo to lead the charge for reform, it is extremely helpful to have an independent, neutral third party like Think New Mexico starting this long overdue conversation about how to improve quality and reduce the cost of our state's health care system.

These reforms matter to every single one of us. If they are implemented, we will have better care at a lower cost. I hope all New Mexicans will urge their legislators and the governor to support these recommendations.