OUR VIEW

State needs transparency in medical costs

Shopping for health care often is described as one way to bring down rising medical costs in the United States. Consumers are told it's simple. Find the most affordable care by comparing costs. Spend money wisely. That's the prescription handed out to patients seeking to save money but still receive excellent care.

However, it's difficult to shop for health care if prices aren't readily available. A mom with a sick baby doesn't know, walking in, the basic cost of the emergency room visit. A man getting a stress test for heart problems isn't given a list of procedures and costs. The youth with the broken ankle isn't going to be told the costs of X-rays ahead of time so that his parents can find the most affordable option.

The cost of care is buried in a maze of paperwork and insurance forms — the real cost seems to be a jealously guarded secret, one that changes depending on the type of patient and which insurer is paying the bill. Without that basic information, consumers cannot price shop.

Think New Mexico, the think tank that looks for solutions to the state's pressing problems, identified the lack of health care transparency as one of the state's pressing problems in 2015. Its "Making Health Care More Affordable" report recommends telling people the costs so that all patients pay the same bill.

That will happen if legislation being considered by New Mexico legislators passes. Sens. Gerald Ortiz y Pino, a Democrat, and Sander Rue, a Republican, have introduced Senate Bill 474 to make hospital prices and quality issues more transparent by amending the existing Health Information System Act.

Under that law, the Department of Health collects information about the quality of care hospitals provide and makes it available to the public. Ortiz y Pino and Rue would require the department to begin gathering information on the prices that patients pay for care at hospitals around New Mexico. That information is not being gathered right now. An advisory committee would be established to advise the department about collecting and releasing data. The information would be collected on a free and searchable website so New Mexicans can find price and quality information on common medical procedures.

Think New Mexico further recommends hospitals develop a single price schedule for their procedures. All patients would pay the same fee for services, except for uninsured patients who can't pay any costs. With a waiver, it's even possible for Medicaid and Medicare patients to pay similar rates. No price discrimination, because of a unified — and public — fee schedule. Consumers would know this because, if Think New Mexico's recommendations are adopted, it would be illegal for insurance companies and health care providers to keep contract costs private.

This just makes sense. How can a patient decide if giving birth is a better (or safer) process in Española or Santa Fe without knowing more about quality and price? How can costs be checked if patients don't know what they are? And isn't everyone — patients, insurers and medical providers — better off by knowing the costs? It's not impossible, either. Maine has been making health care costs public since 2003, and 13 other states have launched public health care cost comparision websites since Maine went first back in 2003.

New Mexico is 51st out of the states and the District of Columbia in health care affordability and access, according to a 2014 study by the Commonwealth Fund, a private foundation that supports health care reform. Our current system makes it difficult for patients to shop around. Without transparency, comparison shopping can't happen.