



# Price Transparency: Let the Data Speak

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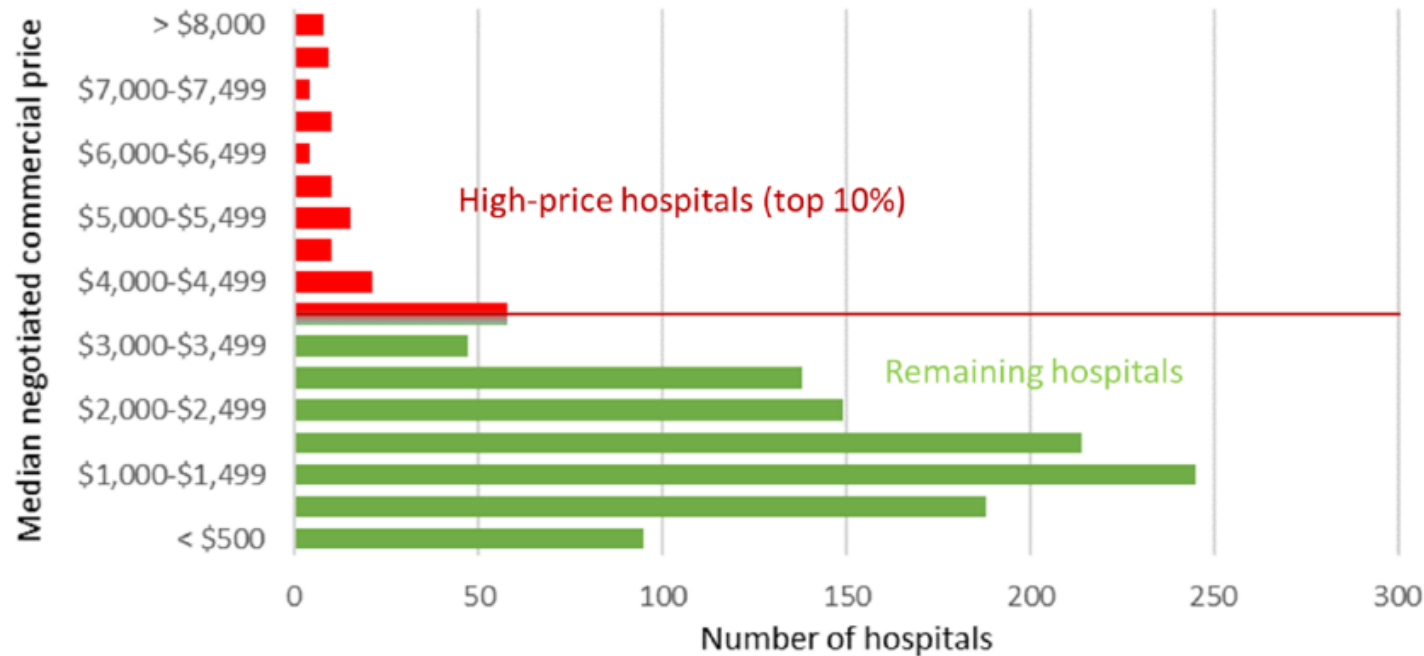
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# Hospital Revenue from Commercial Insured Payers: Colonoscopy



Exhibit 1: Median commercial negotiated price for colonoscopy among 1,225 disclosing hospitals



Source: Turquoise Health.

Jiang, Makary, & Bai  
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# Hospital Revenue from Commercial Insured Payers: Radiology Services



**Commercial Negotiated Prices for CMS-specified 13 Shoppable Radiology Services, as of September 6, 2021**

Radiology Service	No. of Hospitals*	Median No. of Plans <sup>†</sup>	Median Negotiated Price <sup>‡</sup>	Price IQR <sup>§</sup>	Price for 10th Percentile to 90th Percentile Range <sup>¶</sup>	Medicare Rate <sup>¶</sup>
CT examination of head or brain without contrast material (CPT code 70450)	2236 (51)	11	\$813	\$363–\$1275 (1.1)	\$199–\$1882 (2.1)	\$137
MRI examination of brain before and after contrast material administration (CPT code 70553)	2158 (51)	11	\$1788	\$965–\$3033 (1.2)	\$550–\$4209 (2.0)	\$446
X-ray, lower back, minimum of four views (CPT code 72110)	2192 (51)	11	\$291	\$166–\$453 (1.0)	\$103–\$657 (1.9)	\$114
MRI examination of lower spinal canal (CPT code 72148)	2183 (51)	11	\$1311	\$676–\$2148 (1.1)	\$381–\$3050 (2.0)	\$269
CT examination of pelvis with contrast material (CPT code 72193)	2077 (51)	10	\$1079	\$548–\$1694 (1.1)	\$331–\$2433 (1.9)	\$221
MRI examination of leg joint (CPT code 73721)	2091 (51)	12	\$1276	\$690–\$2050 (1.1)	\$400–\$2829 (1.9)	\$267
CT examination of abdomen and pelvis with contrast material (CPT code 74177)	2238 (51)	11	\$1654	\$791–\$3024 (1.3)	\$453–\$4340 (2.3)	\$431
US of abdomen (CPT code 76700)	2227 (51)	11	\$455	\$225–\$737 (1.1)	\$154–\$1008 (1.9)	\$129
Abdominal US of pregnant uterus (CPT code 76805)	1873 (50)	11	\$396	\$225–\$616 (1.0)	\$144–\$878 (1.9)	\$120
US of pelvis through vagina (CPT code 76830)	2190 (51)	11	\$359	\$203–\$562 (1.0)	\$137–\$783 (1.8)	\$120
Mammography of one breast (CPT code 77065)	1708 (50)	12	\$230	\$157–\$323 (0.7)	\$102–\$426 (1.4)	\$101
Mammography of both breasts (CPT code 77066)	1726 (50)	11	\$289	\$190–\$410 (0.8)	\$126–\$535 (1.4)	\$129
Mammography, screening, bilateral (CPT code 77067)	1793 (50)	12	\$235	\$161–\$333 (0.7)	\$111–\$428 (1.3)	\$104

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# Hospital Revenue from Commercial Payers: Surgery Services



**Table 1**  
Commercial negotiated prices for the 22 CMS-defined shoppable surgery services.

Service (CPT/DRG code) <sup>a</sup>	# Hospitals (# State) <sup>b</sup>	Median negotiated rate <sup>c</sup>	IQR (IQR/median)	P10-P90/[(P90-P10)/median]	Medicare rate <sup>d</sup>
<b>Outpatient Services</b>					
Removal of 1 or more breast growth (19120)	1022 (50)	\$3508	\$2237-\$6039 (1.1)	\$847-\$9835 (2.6)	\$2851
Shaving of shoulder bone using an endoscope (29826)	624 (48)	\$3766	\$1265-\$7532 (1.7)	\$462-\$13,249 (3.4)	\$3744
Removal of one knee cartilage using an endoscope (29881)	979 (50)	\$4983	\$2913-\$7735 (1.0)	\$1574-\$11,073 (1.9)	\$2663
Removal of tonsils patient younger than age 12 (42820)	715 (47)	\$4530	\$2396-\$7490 (1.1)	\$820-\$12,025 (2.5)	\$4474
Diagnostic examination of stomach, etc. using an endoscope (43235)	1353 (50)	\$1556	\$936-\$2509 (1.0)	\$532-\$3749 (2.1)	\$805
Biopsy of stomach, etc. using an endoscope (43239)	1425 (50)	\$1656	\$1056-\$2667 (1.0)	\$592-\$4097 (2.1)	\$803
Diagnostic examination of large bowel using an endoscope (45378)	1389 (50)	\$1644	\$1062-\$2561 (0.9)	\$639-\$3676 (1.8)	\$769
Biopsy of large bowel using an endoscope (45380)	1349 (50)	\$1919	\$1274-\$3012 (0.9)	\$796-\$4489 (1.9)	\$1011
Removal of polyps of large bowel using an endoscope (45385)	1307 (51)	\$1895	\$1223-\$3061 (1.0)	\$758-\$4357 (1.9)	\$1004
Ultrasound examination of lower large bowel using an endoscope (45391)	507 (46)	\$2103	\$1306-\$3303 (0.9)	\$799-\$4068 (1.6)	\$1012
Removal of gallbladder using an endoscope (47562)	1076 (50)	\$6613	\$4228-\$10,686 (1.0)	\$1778-\$16,791 (2.3)	\$4601
Repair of groin hernia patient age 5 years or older (49505)	1048 (49)	\$4789	\$2834-\$7885 (1.1)	\$1119-\$11,346 (2.1)	\$2999
Biopsy of prostate gland (55700)	1046 (50)	\$1959	\$1130-\$3427 (1.2)	\$387-\$5786 (2.8)	\$1695
Surgical removal of prostate using an endoscope (55866)	422 (46)	\$11,801	\$6801-\$22,217 (1.3)	\$3286-\$30,700 (2.3)	\$7792
Routine obstetric care for vaginal delivery (59400)	279 (40)	\$3738	\$2406-\$4927 (0.7)	\$1281-\$7932 (1.8)	\$2188
Routine obstetric care for cesarean delivery (59510)	221 (38)	\$4181	\$2543-\$6301 (0.9)	\$1540-\$9500 (1.9)	\$2592
Routine obstetric care for vaginal delivery after prior cesarean delivery (59610)	143 (32)	\$3815	\$2451-\$5726 (0.9)	\$1736-\$7636 (1.5)	\$2384
Injection of substance into spinal canal of lower back (62322)	895 (49)	\$1131	\$708-\$1777 (0.9)	\$347-\$2645 (2.0)	\$619
Injection of substance into spinal canal of lower back using guidance (62323)	1329 (50)	\$1196	\$822-\$1853 (0.9)	\$496-\$2688 (1.8)	\$627
Injections of drug into lower or sacral spine nerve root (64483)	1221 (50)	\$1271	\$870-\$1909 (0.8)	\$555-\$2875 (1.8)	\$798
Removal of recurring cataract in lens capsule using laser (66821)	522 (48)	\$1045	\$652-\$1601 (0.9)	\$471-\$2329 (1.8)	\$507
Removal of cataract with insertion of lens (66984)	736 (49)	\$3616	\$2412-\$5415 (0.8)	\$1536-\$7489 (1.6)	\$1997
<b>Inpatient Services</b>					
Cardiac valve and other procedures with cardiac catheterization (216)	629 (45)	\$105,680	\$73,340-\$156,689 (0.8)	\$50,676-\$212,894 (1.5)	\$70,265
Spinal fusion except cervical without complications (460)	880 (48)	\$45,695	\$33,357-\$63,810 (0.7)	\$24,353-\$88,244 (1.4)	\$27,216
Major joint replacement without complications (470)	1204 (49)	\$24,879	\$17,062-\$35,939 (0.8)	\$13,188-\$54,634 (1.7)	\$13,486
Cervical spinal fusion without complications (473)	825 (47)	\$28,579	\$20,385-\$40,628 (0.7)	\$15,587-\$56,515 (1.4)	\$17,446
Uterine and adnexa procedures for non-malignancy without complications (743)	1019 (49)	\$14,290	\$10,148-\$20,948 (0.8)	\$7465-\$30,429 (1.6)	\$8266

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# Hospital Revenue from Cash Payers



Table. Comparison of Hospital Cash Prices and Commercial Negotiated Prices for 70 Centers for Medicare and Medicaid Services–Specified Services (continued)

Service <sup>a</sup>	CPT/DRG code	No. of hospitals (No. of states) <sup>b</sup>	Cash price, median (IQR), \$ <sup>c</sup>	No. (%) of hospitals		
				Cash price less than median commercial price <sup>d</sup>	Cash price less than all commercial prices <sup>e</sup>	Cash price equal to minimum commercial price <sup>f</sup>
Injections of drug into lower or sacral spine nerve root using imaging guidance	64483	901 (50)	1244 (804-2005)	511 (56.7)	186 (20.6)	24 (2.7)
Removal of recurring cataract in lens capsule using laser	66821	329 (46)	1048 (608-1565)	173 (52.6)	72 (21.9)	12 (3.6)
Removal of cataract with insertion of lens	66984	448 (49)	3678 (2344-6159)	213 (47.5)	47 (10.5)	9 (2.0)
Electrocardiogram, routine, with interpretation and report	93000	398 (48)	125 (52-144)	182 (45.7)	61 (15.3)	3 (0.8)
Insertion of catheter into left side of heart for diagnosis	93452	537 (46)	5977 (3816-8617)	329 (61.3)	77 (14.3)	20 (3.7)
Sleep study	95810	1087 (50)	2476 (1596-3534.7)	529 (48.7)	111 (10.2)	25 (2.3)
Physical therapy, therapeutic exercise	97110	1426 (51)	87.4 (63-129.8)	716 (50.2)	161 (11.3)	53 (3.7)

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# Hospital Revenue from Cash Payers

No. (%) of hospitals		
Cash price less than median commercial price <sup>d</sup>	Cash price less than all commercial prices <sup>e</sup>	Cash price equal to minimum commercial price <sup>f</sup>
667 (42.1)	141 (8.9)	39 (2.5)
627 (48.0)	129 (9.9)	47 (3.6)
716 (45.8)	162 (10.4)	40 (2.6)
659 (53.1)	179 (14.4)	43 (3.5)
643 (51.6)	162 (13.0)	38 (3.0)
681 (52.5)	197 (15.2)	37 (2.9)

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# Compliance to the Hospital Price Transparency Rule



**CONCLUSIONS:** Hospitals take into consideration the behavior of their peers in the same market when making price disclosure decisions. Compliant hospitals are likely to have better IT preparedness, more financial resources and personnel expertise to mitigate the cost required for the implementation of the Price Transparency Rule. The compliance cost, therefore, might be a barrier for some hospitals.

Jiang, Polsky, Littlejohn,  
Wang, Zare, & Bai  
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Thank You!