Robert E. Moffit, Ph.D. CHAIRMAN STATE OF MARYLAND



Ben Steffen EXECUTIVE DIRECTOR

MARYLAND HEALTH CARE COMMISSION

4160 PATTERSON AVENUE – BALTIMORE, MARYLAND 21215 TELEPHONE: 410-764-3460 FAX: 410-358-1236

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Contact: Sarah Litton 202.772.5062 Sarah.Litton@altarum.org

Maryland Health Care Commission Launches "Wear the Cost," A First In The Nation Campaign to Increase Transparency and Consumer Engagement on Health Care Costs

Baltimore, Md. -- The Maryland Health Care Commission (MHCC) today launched a groundbreaking initiative that will shed light on cost and quality differences among Maryland hospitals—information that, until now, has been largely unavailable, particularly in such a consumer friendly form.

The initiative, "Wear the Cost," aims to begin a statewide conversation about disparities in pricing and quality with the ultimate goal of improving health care affordability for Maryland residents. At the center of this initiative is "<u>WearTheCost.org</u>," a platform for educating consumers about cost and quality disparities across Maryland, and ultimately enabling them to become more savvy shoppers of health care.

"The U.S. has the highest health care costs in the world—and costs are rising faster than in other rich countries," says Commission Chairman Dr. Robert E. Moffit. "In Maryland, you might pay \$37,225 for a knee replacement at one hospital, and \$22,687 for a knee replacement at another—this difference can translate to hundreds, even thousands, of dollars more out of the pockets of Maryland residents."

Most consumers are not aware of cost differences in part because prices for health care services are not easy to find, making it difficult to learn what a procedure or the management of a condition over time will cost beforehand. The "Wear the Cost" website aims to fundamentally change how Maryland residents shop for health care services by making this information available to them. WearTheCost.org is one of the first such government websites in the nation that presents cost data in a consumer friendly format. It is part of a larger national movement toward price transparency in health care as a way of containing costs and increasing high-value care.

TDD FOR DISABLED MARYLAND RELAY SERVICE 1-800-735-2258 Visitors of WearTheCost.org can find the average total cost at many Maryland hospitals for four common episodes of care: hip replacement, knee replacement, hysterectomy and vaginal delivery. The Commission will release price information on common outpatient procedures and other inpatient procedures over the coming year. The goal is to release comparative information on medical groups and facilities for a broad range of episodes of care that affect consumers daily.

The website calculates two kinds of costs: 1) typical and expected costs, such as office visits, physician consultations, surgery, and physical therapy; and 2) costs associated with potentially avoidable complications, such as mistakes made in a clinical setting, a failure to follow guidelines, or other system failures. Hospitals that have low total costs and low rates of potentially avoidable complications may offer the best value for Maryland consumers.

"Just because you pay more for a procedure, doesn't mean that it's better quality," says American Institutes for Research Fellow Dr. Marilyn Moon. "Sometimes prices are just higher. We need to make health care costs publicly available, so Maryland residents can see what procedures will cost up front and can then choose the providers they want to deliver their care."

Wear the Cost is a consumer initiative that aligns with Maryland's ambitious efforts to develop innovative health care delivery and payment models that improve quality and efficiency.

"Maryland's system emphasizes access to high-quality, affordable care for all residents," says MHCC Executive Director Ben Steffen. "We want to expand access to and increase affordability of health care services, and to do that we must more actively engage consumers. That's why knowing the cost, talking about the cost, and 'Wearing the Cost' matters" for patients that will need these services and for other consumers that are affected by high health insurance premiums.

The MHCC will hold a press briefing at 11:00 am on Thursday, October 19, 2017 at their offices at 4160 Patterson Ave, Baltimore, MD 21215. This event will also be live-streamed on the MHCC's <u>YouTube</u> page.

About the Maryland Health Care Commission

The Maryland Health Care Commission is a 15-member, independent regulatory agency whose mission is to plan for health system needs, promote informed decision-making, increase accountability, and improve access in a rapidly changing health care environment by providing timely and accurate information on availability, cost, and quality of services to policy makers, purchasers, providers, and the public. The 15 Commissioners are appointed by the Governor with the advice and consent of the Maryland Senate. The Commission's vision for Maryland is to ensure that informed consumers hold the health care system accountable and have access to affordable and appropriate health care services through programs that serve as models for the nation.