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## **BAUCUS PUSHES FOR GREATER TRANSPARENCY IN HEALTH CARE PRICING**

*Finance Chairman: Transparency Could Help Bring Down Health Care Costs for Consumers*

**WASHINGTON** – In a Senate Finance Committee hearing today, Chairman Max Baucus (D-Mont.) pushed for greater transparency in the prices charged for health care services and treatments in order to help reduce costs to patients.

**“Prices aren’t hidden from people buying a home or gas for their cars, and they shouldn’t be hidden from patients at hospitals either. Transparency helps Americans become smarter consumers,”** Senator Baucus said.

Senator Baucus also called for the administration to finalize rules that would protect many uninsured patients from being charged for health care at higher rates than individuals with insurance – a practice that can financially ruin families.

**“For too long, uninsured and underinsured Americans have been stuck paying inflated prices for their care. But thanks to health reform, 26 million Americans will gain affordable insurance, and no one will face a lifetime or annual limit on their coverage,”** Senator Baucus said. **“The health reform law also prevents many hospitals from overbilling low-income, uninsured patients using inflated “chargemaster” prices. The administration needs to act quickly to finalize the regulations related to this provision.”**

The witness panel for the hearing included Steven Brill, the author of the [recent TIME magazine article](#), “Bitter Pill: Why Medical Bills Are Killing Us,” which highlighted several examples of high costs and inefficient use of resources among health care providers.

Much of Brill’s report focused on the little-known “chargemaster” system hospitals use to set prices for individual services, tests and procedures. Chargemaster prices can be marked up as much as 100 times above what an item may actually cost.

Because hospitals have to negotiate with insurers and agree to lower payment rates, those with insurance escape having to pay such inflated costs. But the uninsured and underinsured – especially in markets with few hospitals – are often stuck with no option other than to pay the full chargemaster prices at their local hospital. Senator Baucus and the witness panel discussed how the market power of consolidated hospitals can impact prices, and that higher prices do not equal a higher quality of care.

Senator Baucus also applauded Medicare's recent release of chargemaster data for more than 100 of the most common hospital treatments, and called on Congress and the administration to take additional steps to boost transparency in a way that helps bring health care costs down.

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