

Hospital prices vary for those who call to ask, report shows

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Hospitals in the United States may quote vastly different prices for their services—depending on how you find that information, according to a [new study](#) published in the *JAMA Internal Medicine*.

In this cross-sectional study of 60 U.S. hospitals, there was a significant difference in [prices](#) found online and those given over the phone to "secret shoppers."

"The prices given on the phone were substantially different from those posted online," said Vivian Ho, the James A. Baker III Institute Chair in Health Economics at Rice University's Baker Institute for Public Policy. "And the cash prices given over the phone were not always the less expensive price. Moreover, prices for the same services vary wildly across different hospitals even in the same city. Anywhere from a 30% to 100% difference in price."

Cash prices are required to be posted online under the [Hospital Price Transparency Rule](#), but prior studies have found that many hospitals do not comply. Even for those that do, these prices can be difficult to find and obtain.

The authors calculated the difference between prices given by a [hospital](#) online versus over the phone for vaginal childbirth and brain [magnetic resonance](#) imaging (MRI). They identified different hospitals as top-ranked or [safety-net hospitals](#)—safety-net hospitals typically provide care to individuals regardless of their ability to pay.

For vaginal childbirth, 63% of top-ranked hospitals were able to provide both online and phone prices compared with 30% of safety-net hospitals and 21% for non-top-ranked, non-safety-net hospitals. For brain MRI, 85% of the top-ranked hospitals and 100% of the non-top-ranked, non-safety-net hospitals were able to provide both online and telephone prices, but only 50% of safety-net hospitals were able to do so.

"There were multiple hospitals with online prices that were greater than \$20,000 (for vaginal childbirth), but telephone prices of less than \$10,000," the report reads. "For brain MRI, two hospitals provided

telephone prices of more than \$5,000 when their online prices were approximately \$2,000."

The findings of the study demonstrate hospitals' continued problems in knowing and communicating their prices for specific services. Additionally, the study highlights continued financial challenges for uninsured patients or those who want to comparison shop for [health care](#).

While the Hospital Price Transparency Rule allows the Centers for Medicare & Medicaid Services (CMS) to fine hospitals up to \$2 million for failing to post prices, there is no formal mechanism for CMS to audit or penalize hospitals with erroneous or misleading price data.

"Transparency is critical to changing the trajectory of health care costs in this country," said Mark Cuban, one of the co-authors of the study. "Our paper shows that while some progress has been made in hospital transparency, we still have a ways to go."

More information: Merina Thomas et al, Comparison of Hospital Online Price and Telephone Price for Shoppable Services, *JAMA Internal Medicine* (2023). [DOI: 10.1001/jamainternmed.2023.4753](https://doi.org/10.1001/jamainternmed.2023.4753)

Provided by Rice University

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