## Health Affairs

#### **HEALTH AFFAIRS BLOG**

RELATED TOPICS: ACCESS TO CARE

# What Can The National Weather Service Teach Us About Disseminating Health Care Price Information?

John D. Freedman, Linda R. Green, Ateev Mehrotra

**SEPTEMBER 6, 2019 DOI:** 10.1377/hblog20190828.359236



Price transparency is seen as a cornerstone for market-based health reform. More than half of states have passed price transparency legislation and the Trump administration recently released a new executive order requiring insurers to release price data for providers. Consumer advocates and free marketers believe price transparency will

empower consumers and encourage greater competition, which will in turn drive lower costs and better care.

Unfortunately, to date, these efforts have had little impact.

Much of the effort in improving price transparency has focused on websites that are run by states or health plans that allow patients to compare prices across providers. Disappointingly, few people use these tools. Many patients are unaware that the data are available. Among those who do use the tools, they do not find them consumer-friendly or do not effectively deliver the information that consumers want. Unfortunately, useful data are going unused.

# Data Creation Versus Data Dissemination: Should These Functions Be Separated?

Why? State governments and health plans, those creating the provider price transparency websites, are playing two roles: data creation and data dissemination. It's time to split these roles. Consider the National Oceanic and Atmospheric Administration (NOAA). NOAA runs the National Weather Service, which gathers huge amounts of weather data, provides real-time analytics (such as forecasts), and displays those data on its website.

Although the site is in many ways excellent, relatively few Americans use it. Instead, most get their weather forecasts from a variety of third-party distributors. The Weather Channel, AccuWeather, Weather Underground, and others provide online, televised, and streamed reports; local news stations broadcast via radio, television, and websites; and weather widgets live on millions of smartphones. Thus, although the National Weather Service has "failed" to capture much of its own viewing audience, it has been very successful in getting its data widely disseminated and used.

Can health care successfully follow this National Weather Service model? In our work on price shopping and state price transparency websites, we've seen first-hand the low use of price data. To determine how best to change this, we interviewed numerous experts, representing states and private insurers, involved in health price data collection and dissemination. We sought to learn about the data they had, their successes and failures in disseminating it, and what they saw as the opportunities for and barriers to sharing that data.

We heard widespread interest in the idea of splitting the roles of data creation and data dissemination. Most felt disseminating price data to consumers would be better done by third parties that have greater expertise in marketing, consumer preferences, graphic and

information design, and social media. However, they also were unsure whether third parties would actually use their data and were worried about legislative and logistical barriers to allowing others to use their data.

Health plan and state websites reported similar challenges in getting consumers to use their data. In addition, health plan price sites are usually password-protected, for members only. This added step discourages members from using the site and serves as a barrier to some who otherwise would use it.

Like the states, the health plans control how the information is displayed. Studies have shown that health plan sites are lightly used, may not be reliably available, and are difficult to use. Generally, health plans have been leery of allowing others access to their price data, but some cutting-edge health plans have made their data easily accessible.

### A Data Dissemination Challenge

The idea of splitting the responsibility of data collection and data dissemination is currently just an idea. We believe the best way to demonstrate the potential of this strategy is to provide concrete examples of the myriad ways price data can be creatively disseminated. Therefore, the Commonwealth of Massachusetts, the State of New Hampshire, the Massachusetts eHealth Initiative, the Donaghue Foundation, Harvard Medical School's Department of Health Care Policy, and Freedman Healthcare are partnering to launch a data dissemination challenge.

Contestants are asked to use the publicly available provider price data that the states of Massachusetts and New Hampshire have collected and display that in a manner that is more consumer-friendly: clear, concise, and jargon-free. Our hope is that the resulting entries will illustrate the advantage of having multiple channels disseminate price information. If this succeeds, we hope this will inspire states and health plans to release provider price data on a regular basis, ideally in a similar machine-readable format. To do so, many states will have to address the regulatory barriers that currently limit them from releasing such data. Health plans need to address the cultural and legal barriers in sharing their data in a similar manner. On the user side, we believe contest entrants may be inspired to take their ideas from concept to usable products. If successful, the challenge will help move us to a future where there is a robust "secondary market" of data disseminators who support patients getting the price information they need.