

SPOTLIGHT ON IMPROVEMENT

Spotlight on Improvement tells real stories of health care providers and systems improving the quality of care they deliver. Our goal is to spark ideas that will improve health care quality in Washington state.

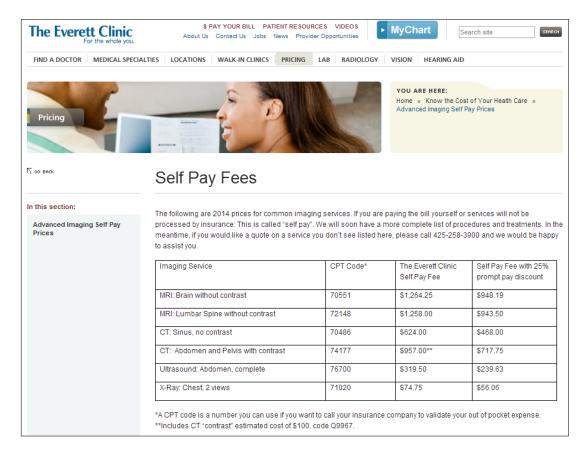


Improving price transparency

The Everett Clinic takes first step toward price transparency

In May 2014, The Everett Clinic made a precedent-setting decision to begin posting self-pay prices on their website, beginning with six common imaging services (figure 1). This action was followed by positive attention from the media, health care professionals, patients and community members across the state. The Alliance is working to improve price transparency because it not only means better informed consumers but it also encourages competitive pricing, lowering health care costs throughout the market.¹

Figure 1. The Everett Clinic website displaying self-pay fees.²







BACKGROUND

The triple aim—better care, better health, and less cost—is a priority for The Everett Clinic. According to Dr. Al Fisk, chief medical officer for The Everett Clinic, "Price and quality transparency is a key driver in reducing the cost of care and improving the quality of care for our patients and the health of the population. We strongly believe in transparency so we asked ourselves, 'why don't we have it?' Health care costs too much—it's bankrupting our country and bankrupting individuals. That's not acceptable. We can do better."

THE PROCESS

After making the decision to publicly post prices about a year ago, the Everett Clinic spent a few months identifying procedures for which they wanted to post prices. They decided to first release prices for imaging studies because they are commonly performed and expensive. They then carefully looked at each procedure to ensure prices were competitive. They lowered most of their self-pay fees by approximately 10 percent.

WHAT'S NEXT?

The Everett Clinic is already working on the next list of procedures and services and intends to quickly move beyond imaging. Their vision is that self-pay prices for all procedures and services will eventually be posted online. According to Dr. Fisk, "it's the direction health care needs to go."

DO LOWER PRICES MEAN LOWER QUALITY?

When asked if lower prices impact quality, Dr. Fisk was quick to respond, "No, because we equally believe in being transparent around quality. Price and quality must go together and transparency of both is essential. The good news is we're getting good at measuring quality, both internally and in public reporting, such as through the Washington Health Alliance's Community Checkup. It would be concerning if we, or any organization, focused on price while negating quality."

Figure 2. The Everett Clinic's publicly reported quality results from the 2013 Community Checkup.³

COMMUNITY CHECKUP QUALITY MEASURE	THE EVERETT CLINIC 2013 ALL PAYER RESULTS COMPARED TO THE PUGET SOUND REGION
Health screenings	
Adolescent well-care visits	Average
Screening for breast cancer - Ages 52–69 yrs	Better than average
Screening for cervical cancer	Average
Screening for chlamydia	Lower than average
Diabetes	
Blood sugar (HbA1c) test	Average
Cholesterol test (LDL-C or bad cholesterol)	Better than average
Eye exam	Average
Kidney disease screening	Average
Asthma	
Use of appropriate medication	Average

"WE HAVE TO MAKE BOTH QUALITY AND PRICE A PRIORITY—AND TRANSPARENCY KEEPS THEM A PRIORITY."

~Dr. Al Fisk, Chief Medical Officer, The Everett Clinic



COMMUNITY CHECKUP QUALITY MEASURE	THE EVERETT CLINIC 2013 ALL PAYER RESULTS COMPARED TO THE PUGET SOUND REGION
Depression	
Antidepressant medication (12 Weeks)	Lower than average
Antidepressant medication (6 Months)	Average
Heart disease	
Cholesterol test (LDL-C or bad cholesterol)	Average
Cholesterol-lowering medication	Average
Generic prescription drugs	
Antacid medication (Proton Pump Inhibitors)	Better than average
Antidepressants	Better than average
Cholesterol-lowering drugs (Statins)	Better than average
Medication for ACE inhibitors or angiotensin II receptor blockers (ARBs) used to treat high blood pressure	Better than average
Medication for attention deficit hyperactivity disorder	Better than average
Appropriate use of care	
Avoidance of antibiotic treatment in adults w/ acute bronchitis	Average
Avoidance of antibiotics for common cold	Average
Avoidance of X-ray, MRI and CT scan for low back pain	Average

BARRIERS TO POSTING PRICES

Communicating health care prices is not an easy task. At this point, The Everett Clinic is only able to post retail prices charged for patients who self-pay for a procedure. But determining the price of a procedure for enrollees in different health plans is more difficult. According to Dr. Fisk, there are likely thousands of different price scenarios depending on your insurance carrier and the type of plan selected. To overcome this challenge, The Everett Clinic encourages patients to call for prices, where staff can identify a procedure's out-of-pocket cost based on the patients' health plan information.

KEYS TO SUCCESS

Change, especially this much change, requires strong, innovative leaders that push the boundaries of how it's always been and drive the organization in an unswerving direction, clearing internal obstacles to make it happen. According to Dr. Fisk, The Everett Clinic is fortunate to have a strong administrative team and board who made transparency a top priority.





IMPACT

The decision to post prices online has earned attention from local media, but The Everett Clinic values the positive feedback from patients the most. There have even been patients from other health systems who have gone out of their way to express appreciation.

Although The Everett Clinic has enjoyed the attention, Dr. Fisk reflects how "it does make you pause and think about how crazy health care is—imagine if Amazon got this much attention for posting prices for their items?"

LOOKING AHEAD

The Everett Clinic sees this as a first step in the direction they need to go. The hope is that other health care organizations who are considering posting prices online will be encouraged to do so as well. As Dr. Fisk says, "We can do better."

FOR MORE INFORMATION, CONTACT:

Dr. Al Fisk, MD, MMMChief Medical Officer,
The Everett Clinic

425-339-4289 afisk@everettclinic.com

RESOURCES

- 1. Washington Health Alliance: Reducing Price: http://wahealthalliance.org/what-we-do/reducing-price/.
- The Everett Clinic. Self Pay Fees. Retrieved June 2, 2014: www.everettclinic.com/health-care-pricing/private-pay-fees.ashx?p=6255.
- Washington Health Alliance Community Check-up: The Everett Clinic. Retrieved June 2, 2014: www.wacommunitycheckup.org/compare-scores/medical-groups/compare-medical-groups.

MEDIA COVERAGE

- Seattle Times: http://seattletimes.com/html/localnews/2023668987_everettclinicpricesxml.html
- The Everett Herald: http://www.heraldnet.com/article/20140523/OPINION01/140529628
- Puget Sound Business Journal: http://www.bizjournals.com/seattle/blog/health-care-inc/2014/05/everett-clinic-posts-prices-online-for-some.html?page=all
- KUOW: http://kuow.org/post/why-it-so-hard-find-price-medical-procedure

ABOUT THE ALLIANCE

The Washington Health Alliance brings together those who give, get and pay for health care to create a high-quality, affordable system for the people of Washington state. The Alliance is a nonprofit, nonpartisan organization that shares the most reliable data on health care quality and value in the state to help providers, patients, employers and union trusts make better decisions about health care. Through innovative strategies and initiatives, we help the entire health care system—from exam room to board room—focus on improving quality and value. We are committed to being the catalyst for change for the health care system in Washington. The Alliance is one of 16 organizations that are part of the Robert Wood Johnson Foundation's Aligning Forces for Quality (AF4Q) initiative.

WANT TO RECOMMEND A PROGRAM FOR AN UPCOMING SPOTLIGHT?

Contact us

Teresa Litton at :litton@wahealthalliance.org