

[Publication] Catalyst for Payment Reform and The Source Release 2020 Report Card on State Price Transparency Laws

[Press Release]

BERKELEY, CA – May 5, 2020 – Around 40% of Americans could not cover an unexpected \$400 expense in 2018, which is less than one-third of the average health insurance deductible for an individual that year. Health care costs and deductibles have since continued to rise, along with the need for American consumers to have access to price information. [Catalyst for Payment Reform](#) (CPR) looked for laws in each state that ensure such transparency and today, the grades are in.

CPR developed the [2020 Report Card on State Price Transparency Laws](#) with [The Source on Healthcare Price and Competition](#) at the University of California Hastings College of Law. Produced for employers and other health care purchasers, consumer advocates, policymakers and other stakeholders, the Report Card assesses state efforts to help consumers readily find meaningful, user-friendly health care price information.

“The costs of the COVID-19 pandemic and a severely troubled economy reemphasize the importance of transparency,” said Suzanne Delbanco, PhD, executive director of CPR. “Access to price information in the private sector is largely in the hands of health plans and providers, so it can be up to the states to ensure that citizens have access to meaningful price information.”

States with passing grades:

A – Maine and New Hampshire

B – Colorado, Connecticut, Maryland and Massachusetts

C – Florida, Minnesota, New Mexico, Oregon and Virginia

D – Arkansas, California, Utah, Vermont and Washington

While there is still much room for improvement, many states have made progress. Sixteen states received passing grades this year, up from only seven when CPR last graded states in [2017](#).

“Price transparency can do more than facilitate consumer shopping,” Delbanco added. “Exposing the variation in prices among health care providers promotes competition, which can also benefit consumers, their employers and other health care purchasers. In our next Report Card, we plan to expand our grading criteria to examine additional policies such as laws governing surprise and balance billing, incentives encouraging consumers to shop, and other ways that state-mandated all payer claims databases can be used.”

To create the 2020 Report Card, CPR leveraged The Database of State Laws Impacting Healthcare Cost and Quality ([SLIHCQ](#)). SLIHCQ catalogs state legislation to contain health care costs and improve quality in a publicly searchable and sortable format. The Database covers laws impacting provider market power, provider payment, provider networks, benefit design, and price transparency. The 2020 Report Card and a description of the methodology can be found [here](#).