



Leadership in Health Policy and Advocacy

CA Hospitals Are Committed to Helping Patients Understand Health Care Costs

The Issue

Consumers should have access to information that helps them assess the overall value of health care services — including accurate out-of-pocket cost estimates and reliable data about quality.

Giving patients access to information about both quality of care and out-of-pocket costs allows them to make better health care decisions. This information must be relevant, user-friendly, and understandable.

California hospitals have committed to helping consumers understand their out-of-pocket costs in a variety of ways, including online tools to inform patients about what they can expect to pay for a common list of “shoppable” services. In addition, state law requires hospitals, upon request, to provide patients with a good faith estimate of their expected out-of-pocket costs.

California’s hospitals also lead the nation in:

- Protecting patients from both “balance billing” (when a health insurer only partially pays a hospital and the hospital bills the patient for the amount due) and “surprise billing” (when patients receive services from an out-of-network physician, despite having received care at an in-network hospital)
- Providing clear, written discount and charity care policies to help low-income patients who are uninsured or underinsured obtain services at discounted prices

What’s Needed

Improving access to easily understood information about health care quality and expected out-of-pocket costs for services must be a shared effort that includes not just hospitals, but also physicians and, most importantly, our health insurance plan partners.

Providers do not always have up-to-date and readily available access to detailed information about patients’ insurance benefits and cost-sharing. Insurers should leverage technology to develop tools that give patients accurate and timely information about their expected out-of-pocket costs, and those tools should be accessible to providers.

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