

# Price Transparency

To improve the [transparency](#) of the local [health system](#), treatment [cost](#) was recently referenced to [disease related groups](#). Treatment quality must be legally documented in a [patient registry](#), in particular for the highly specialized treatments provided by neurosurgery [departments](#).

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[Price transparency](#) is an increasingly popular solution for high [healthcare expenditures](#) in the [United States](#), but little is known about its potential to facilitate patient price shopping.

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A objective was to analyze interhospital and interpayer price variability in spine surgery and spine imaging using newly public payer-specific negotiated charges (PNCs). We selected a subset of billing codes for spine surgery and spine imaging at 12 hospitals within a Saint Louis metropolitan area healthcare system. We then compared PNCs for these procedures and tested for significant differences in interhospital and interinsurer IQR using the Mann-Whitney U Test. We found significantly greater IQRs of PNCs as a factor of the insurance plan than as a factor of the hospital for cervical spinal fusions (interinsurer IQR \$8256; interhospital IQR \$533;  $P < .0001$ ), noncervical spinal fusions (interinsurer IQR \$28 423; interhospital IQR \$5512;  $P < .001$ ), computed tomographies of the lower spine (interinsurer IQR \$595; interhospital IQR \$113;  $P < .0001$ ), and MRIs lower spinal canal (interinsurer IQR \$1010; interhospital IQR \$158;  $P < .0001$ ). There was no significant difference between the interinsurer IQR and the interhospital IQR for lower spine x-rays (interinsurer IQR \$107; interhospital IQR \$67;  $P = .0543$ ). Despite some between-[hospital](#) heterogeneity, Olufawo et al. showed significantly higher [price](#) variability between [insurers](#) than between [hospitals](#). Their single system analysis limits the ability to generalize, but the results suggest that savings depend more on hospital and provider negotiations than patient price shopping, given the difficulty of switching [insurers](#) <sup>1)</sup>.

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Under 10% of websites queried yield geographically relevant price information for non-emergent neurosurgical imaging and operative [procedures](#). Even when this information is publicly available, its usefulness to patients may be limited by various factors, including obscure data sources and methods, as well as sparse information on discounts and bundled price estimates. Inconsistent availability and clarity of price information likely impede patients' ability to discern expected costs of treatment and engage in cost-conscious, value-based neurosurgical decision-making <sup>2)</sup>.

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Yoon S, Mooney MA, Garcia RM, Lawton MT. Price Transparency in Neurosurgery: Key Challenges and Proposed Solutions. World Neurosurg. 2018 Sep 8. pii: S1878-8750(18)32062-X. doi: 10.1016/j.wneu.2018.09.019. [Epub ahead of print] PubMed PMID: 30205226.

<sup>1)</sup>

Olufawo MO, Evans SS, Stecher PT, Youkilis SL, Dibble CF, Greenberg JK, Ray WZ, Hamilton BH, Leuthardt EC. Making Meaningful Use of [Price Transparency](#) Data: Describing Price Variation of Spine Surgery and Imaging in a Single System. Neurosurgery. 2022 Jun 23. doi:

10.1227/neu.00000000000002062. Epub ahead of print. PMID: 35876670.

<sup>2)</sup>

Srivatsa S, Khan HA, Benzel EC, Benzil DL, Mroz TE, Steinmetz MP, Salas-Vega S. Price Transparency in Neurosurgery: Challenges and Opportunities in the Online Publishing of Treatment Prices to Enable Cost-Conscious and Value-Based Practice. World Neurosurg. 2022 Jun;162:e511-e516. doi: 10.1016/j.wneu.2022.03.044. Epub 2022 Mar 17. PMID: 35306196.

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