



COLORADO

Department of Health Care
Policy & Financing

Hospital Price Transparency Tool Write-Up

Introducing the Colorado Hospital Price Transparency Tool

The Department of Health Care Policy & Financing (HCPF) is introducing a new [Hospital Price Transparency Tool](#) for employers, municipalities, other health care payers, consumers, advocates, policymakers and state regulators to illuminate hospital prices and easy comparisons. ***This free tool displays 3 million commercially negotiated prices for over 5,500 procedures provided by 82 Colorado hospitals.*** The tool allows purchasers and consumers to compare multiple hospitals' gross charges, cash discounted prices, Medicare costs and commercially negotiated prices (contracted reimbursement rates) for each insurance carrier's network product or plan.

On Jan. 1, 2021, the Federal Price Transparency Rule went into effect, requiring hospitals to publicly post five standard charges: gross charges, discounted cash prices, de-identified minimum and maximum rates, and payer-specific negotiated rates, for all items and services, in a machine-readable downloadable file.¹ Leveraging this information, this Colorado-specific price comparison tool provides easy-to-access comparison information on the state's hospital prices, to the betterment of health care costs paid by consumers, employers, municipalities, and other purchasing groups.

Uses for the Tool

- The tool will be a valuable resource for employers, municipalities, chambers and other negotiators working to lower health care costs, as it enables extensive price comparisons and productive affordability conversations with community hospitals.
- Self-pay individuals can use the tool to identify hospitals with lower discounted cash prices for a specific procedure. Since this tool will be updated twice a year, self-pay individuals should visit hospital websites for single procedure comparisons to make their final decisions.
- This tool also enables consumers and employers to hold insurance companies more accountable for the prices they negotiate with hospitals and to help inform which carriers and network products (sometimes called plans) that they ultimately choose to purchase.
- Legislators and other policymakers can leverage the tool to frame emerging and impactful affordability policies.
- Lastly, independent researchers and organizations can use this tool to analyze variations in hospital-posted prices.

Colorado is at the forefront of hospital transparency, accountability and analytics. This new [Hospital Price Transparency Tool](#) builds upon [HCPF's previously released reports and tools](#) intended to help lower health care costs and save Coloradans and our employers money on health care.

For more information, contact: hcpf_hospitalpricing@state.co.us

¹ CMS Price Transparency Hospitals Homepage, <https://www.cms.gov/priorities/key-initiatives/hospital-price-transparency/hospitals>



Table 1: Example of Price Data in Tool with Imaginary Hospitals

CPT Code 45378, Diagnostic Examination of Large Bowel Using an Endoscope (Colonoscopy)								
Hospital Name	File Posted Date	Hospital Code Description	Gross Charge	Medicare Rate	Discounted Cash Price	Aetna	Cigna	Etc.
Peach Hospital	8/1/2023	Diagnostic Exam of Large Bowel Using a Flexible Endoscope	\$1,816.95	\$1,816.95	\$1,544.41	\$1,699.20 - Aetna HMO/POS \$1,816.95 - Aetna PPO	\$1,438.93 - BCBS HMO/POS \$1,214.24 - BCBS FEP PPO	Etc.
Blue Bear Hospital	10/6/2023	Exam of Entire Large Intestine Using Colonoscope	\$7,144.93	\$837.37	\$1,786.23	\$3,329.54 - Aetna HMO/PPO/POS	\$7,234.50 - Cigna HMO/PPO/POS	Etc.
Mountaintop Medical Center	1/7/2024	Diagnostic Exam of Large Bowel Using a Flexible Endoscope	\$2,600.00	\$831.04	\$1,586.00	\$2,522.00 - Aetna Cofinity PPO	\$2,522.00 - Cigna All	Etc.

