

The price for a **colonoscopy** at Beaumont Hospital-Royal Oak is ...

\$728

with a Blue Cross plan.

\$999

with a Cigna plan.

\$1,801

with a Humana plan.

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Hospitals and Insurers Didn't Want You to See These Prices. Here's Why.

By Sarah Kliff and Josh Katz

Produced by Rumsey Taylor

Aug. 22, 2021

Do you have a medical bill we should investigate? Share it with us.

This year, the federal government ordered hospitals to begin publishing a prized secret: a complete list of the prices they negotiate with private insurers.

The insurers' trade association had called the rule unconstitutional and said it would "undermine competitive negotiations." Four hospital associations jointly sued the government to block it, and appealed when they lost.

They lost again, and seven months later, many hospitals are simply ignoring the requirement and posting nothing.

But data from the hospitals that have complied hints at why the powerful industries wanted this information to remain hidden.

It shows hospitals are charging patients wildly different amounts for the same basic services: procedures as simple as an X-ray or a pregnancy test.

And it provides numerous examples of major health insurers — some of the world's largest companies, with billions in annual profits — negotiating surprisingly unfavorable rates for their customers. In many cases, insured patients are getting prices that are higher than they would if they pretended to have no coverage at all.

At the University of Mississippi
Medical Center, a **colonoscopy** costs ...

\$1,463

with a Cigna plan.

\$2,144

with an Aetna plan.

\$782

with no insurance at all.

Until now, consumers had no way to know before they got the bill what prices they and their insurers would be paying. Some insurance companies have refused to provide the information when asked by patients and the employers that hired the companies to provide coverage.

This secrecy has allowed hospitals to tell patients that they are getting “steep” discounts, while still charging them many times what a public program like Medicare is willing to pay.

And it has left insurers with little incentive to negotiate well.

The peculiar economics of health insurance also help keep prices high.

HOW TO LOOK UP PRICES AT YOUR HOSPITAL (IF THEY'RE THERE) ›

Customers judge insurance plans based on whether their preferred doctors and hospitals are covered, making it hard for an insurer to walk away from a bad deal. The insurer also may not have a strong motivation to, given that the more that is spent on care, the more an insurance company can earn.

Federal regulations limit insurers' profits to a percentage of the amount they spend on care. And in some plans involving large employers, insurers are not even using their own money. The employers pay the medical bills, and give insurers a cut of the costs in exchange for administering the plan.

A growing number of patients have reason to care when their insurer negotiates a bad deal. More Americans than ever are enrolled in high-deductible plans that leave them responsible for thousands of dollars in costs before coverage kicks in.

Patients often struggle to afford those bills. Sixteen percent of insured families currently have medical debt, with a median amount of \$2,000.

Even when workers reach their deductible, they may have to pay a percentage of the cost. And in the long run, the high prices trickle down in the form of higher premiums, which across the nation are rising every year.

At the Hospital of the University of Pennsylvania, a **pregnancy test** costs ...

\$18

for Blue Cross patients in Pennsylvania.

\$58

for Blue Cross HMO patients
in New Jersey.

\$93

for Blue Cross PPO patients
in New Jersey.

\$10

with no insurance at all.

Insurers and hospitals say that looking at a handful of services doesn't provide a full picture of their negotiations, and that the published data files don't account for important aspects of their contracts, like bonuses for providing high-quality care.

"These rate sheets are not helpful to anyone," said Molly Smith, vice president for public policy at the American Hospital Association. "It's really hard to say that when a lot of hospitals are putting in a lot of effort to comply with the rule, but I would set them aside and avoid them."

The trade association for insurers said it was “an anomaly” that some insured patients got worse prices than those paying cash.

“Insurers want to make sure they are negotiating the best deals they can for their members, to make sure their products have competitive premiums,” said Matt Eyles, chief executive of America’s Health Insurance Plans.

The five largest insurers — Aetna, Cigna, Humana, United and the Blue Cross Blue Shield Association — all declined requests for on-the-record interviews. Cigna, Humana and Blue Cross provided statements that said they support price transparency.

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The requirement to publish prices is a rare bipartisan effort: a Trump-era initiative that the Biden administration supports. But the data has been difficult to draw meaning from, especially for consumers.

The New York Times partnered with two University of Maryland-Baltimore County researchers, Morgan Henderson and Morgane Mouslim, to turn the files into a database that showed how much basic medical care costs at 60 major hospitals.

The data doesn’t yet show any insurer always getting the best or worst prices. Small health plans with seemingly little leverage are sometimes out-negotiating the five insurers that dominate the U.S. market. And a single insurer can have a half-dozen different prices within the same facility, based on which plan was chosen at open enrollment, and whether it was bought as an individual or through work.

But the disclosures already upend the basic math that employers and customers have been using when they try to get a good deal.

People carefully weighing two plans — choosing a higher monthly cost or a larger deductible — have no idea that they may also be picking a much worse price when they later need care.

Even for simple procedures, the difference can be thousands of dollars, enough to erase any potential savings.

At Aurora St. Luke’s in Milwaukee, an **M.R.I.** costs United enrollees ...

\$1,093

if they have United’s HMO plan.

\$4,029

if they have United’s PPO plan.

It's not as if employers can share that information at open enrollment: They generally don't know either.

"It's not just individual patients who are in the dark," said Martin Gaynor, a Carnegie Mellon economist who studies health pricing. "Employers are in the dark. Governments are in the dark. It's just astonishing how deeply ignorant we are about these prices."

A vital drug, a secret price

Take the problem Caroline Eichelberger faced after a stray dog bit her son Nathan at a Utah campsite last July.

Nathan's pediatrician examined the wound and found it wasn't serious. But within a week, Nathan needed a shot to prevent rabies that was available only in emergency rooms.

Ms. Eichelberger took Nathan to Layton Hospital in Layton, Utah, near her house. It hasn't published price data for an emergency rabies vaccine, but the largest hospital in the same health system, Intermountain Medical Center, has.

Nathan, then 7 years old, received a child's dose of two drugs to prevent rabies. The bill also included two drug administration fees and a charge for using the emergency room.

Intermountain owns a regional insurer called SelectHealth. It is currently paying the lowest price for those services: \$1,284.

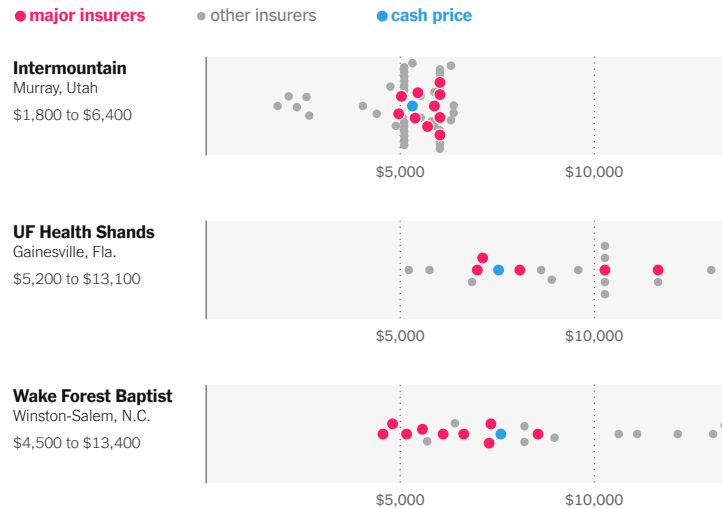
In the same emergency room, Regence BlueCross BlueShield pays \$3,457.

Ms. Eichelberger's insurer, Cigna, pays the most: \$4,198.

For patients who pay cash, the charge is \$3,704. Half of the insurers at Intermountain are paying rates higher than the "cash price" paid by people who either don't have or aren't using insurance.

This pattern occurs at other hospitals, sometimes with more drastic consequences for adults, who require a higher dosage.

Prices for a drug that prevents rabies



Charts include private insurers only. Prices reflect the typical dose for a 160-pound person.

Prices were still secret when Brian Daugherty went to an emergency room near Orlando, Fla., for a rabies shot after a cat bite last summer.

"I tried to get some pricing information, but they made it seem like such a rare thing they couldn't figure out for me," he said.

He went to AdventHealth Orlando because it was close to his house. That was an expensive decision: It has the highest price for rabies shots among 24 hospitals that included the service in their newly released data sets.

The price there for an adult dose of the drug that prevents rabies varies from \$16,953 to \$37,214 — not including the emergency-room fee that typically goes with it.

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Mr. Daugherty's total bill was \$18,357. After his insurer's contribution, he owed \$6,351.

"It was a total shock when I saw they wanted me to pay that much," said Mr. Daugherty, who ultimately negotiated the bill down to \$1,692.

In a statement, AdventHealth said it was working to make "consumer charges more consistent and predictable."

If Mr. Daugherty had driven two hours to the University of Florida's flagship hospital, the total price — between him and his insurer — would have been about half as much.

Similar disparities show up across all sorts of basic care.

One way to look at the costs is to compare them with rates paid by Medicare, the government program that covers older people. In general, Medicare covers 87 percent of the cost of care, according to hospital association estimates.

At multiple hospitals, major health plans pay more than four times the Medicare rate for a routine **colonoscopy**.

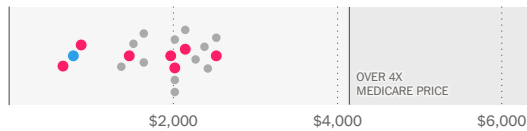
Prices for a colonoscopy

● major insurers

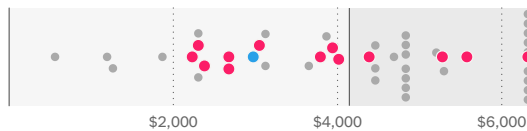
● other insurers

● cash price

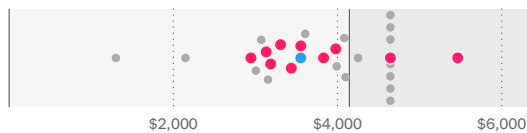
Univ. of Miss. Medical Center
Jackson, Miss.
\$650 to \$2,600



Memorial Regional
Hollywood, Fla.
\$550 to \$6,400



Riverside Methodist
Columbus, Ohio
\$1,300 to \$5,500



Charts include private insurers only.

And for an **M.R.I. scan**, some are paying more than 10 times what the federal government is willing to pay.

Prices for a knee M.R.I.

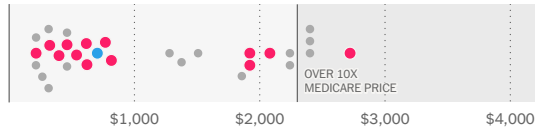
● major insurers

● other insurers

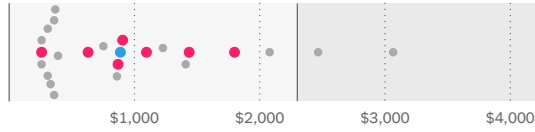
● cash price

Baptist Memorial

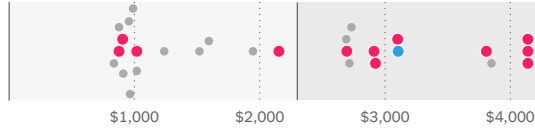
Memphis
\$210 to \$2,800

**Beaumont Hospital**

Royal Oak, Mich.
\$250 to \$3,100

**Mass General**

Boston
\$830 to \$4,200



Charts include private insurers only.

Health economists think of insurers as essentially buying in bulk, using their large membership to get better deals. Some were startled to see numerous instances in which insurers pay more than the cash rate.

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Whether those cash rates are available to insured patients varies from hospital to hospital, and even when they are, those payments wouldn't count toward a patient's deductible. But the fact that insurers are paying more than them raises questions about how well they're negotiating, experts said.

"The worrying thing is that the third party you're paying to negotiate on your behalf isn't doing as well as you would on your own," said Zack Cooper, an economist at Yale who studies health care pricing.

'They don't want their secrets out there'

Employers are the largest purchasers of health insurance and would benefit the most from lower prices. But most select plans without knowing what they and their workers will pay.

To find out what the prices are, they would need to solicit bids for a new plan, which can frustrate employees who don't want to switch providers.

It also requires the employers to hire lawyers and consultants, at a cost of about \$50,000, estimated Nathan Cooper, who manages health benefits for a union chapter that represents Colorado sheet metal and air-conditioning workers.

"If you want the prices, you have to spend to get them," he said.

At hospitals in the Erlanger Health System in Tennessee, administration of a **flu vaccine** costs ...

\$54

with a Cigna plan.

\$104

with a Blue Cross plan.

\$201

with a United plan.

Employers who do sometimes come up empty-handed.

Larimer County, in Colorado, covers 3,500 workers and their families in its health plan. In 2018, county officials asked their insurer to share its negotiated rates. It refused.

“We pushed the issue all the way to the C.E.O. level,” said Jennifer Whitener, the county’s human resources director. “They said it was confidential.”

Ms. Whitener, who previously managed employer insurance contracts for a major health insurer, decided to rebid the contract. She put out a request for new proposals that included a question about insurers’ rates at local hospitals.

A half dozen insurers placed bids on the contract. All but one skipped the question entirely.

“They don’t want their secrets out there,” Ms. Whitener said. “They want to be able to tout that they’ve got the best deal in town, even if they don’t.”

Hospitals and insurers can also hide behind the contracts they’ve signed, which often prohibit them from revealing their rates.

“We had gag orders in all our contracts,” said Richard Stephenson, who worked for the Blue Cross Blue Shield Association from 2006 until 2017 and now runs a medical price transparency start-up, Redu Health. (The association says those clauses have become less common.)

At Memorial Regional Hospital, in Florida, an **M.R.I.** costs ...

\$1,827

with a Cigna plan.

\$2,148

with a Humana plan.

\$2,455

with a Blue Cross plan.

\$262

with a Medicare plan.

Mr. Stephenson oversaw a team that made sure the gag orders were being followed. He said he thought insurers were “scared to death” that if the data came out, angry hospitals or doctors might leave their networks.

Warnings, but no fines



The Eichelberger family at home. Last summer Nathan, second from right, was bitten by a stray dog and needed a rabies shot. The family originally received an estimate that it would cost about \$800 paying cash, but later received a surprise bill for over \$2,000 more. Lindsay D'Addato for The New York Times

Ms. Eichelberger's plan had a \$3,500 deductible, so she worked hard to find the best price for her son's care.

But neither the hospitals she called nor her insurer would give her answers.

She made her decision based on the little information she could get: a hospital, Layton, that said it would charge her \$787 if she paid cash. The price for paying with insurance wouldn't be available for another week or two, she was told.

But even the cash price didn't turn out to be right: A few weeks after the visit, the hospital billed her **an additional \$2,260**.

SERVICES RECEIVED:			
DATE	DESCRIPTION	CPT CODE	AMOUNT
IV THERAPY			
07/16/2020	THERAPEUTIC PROPHYLACTIC/DX INJE	96372	\$91.63
EMERG ROOM			
07/16/2020	ED VISIT LEVEL 3	99283	\$1053.18
DRUGS/DETAIL CODE			
07/16/2020	RABIES IMMUNE GLOBULIN 300 UNITS	90375	\$2959.60
07/16/2020	RABIES VACCINE (RABAVERT) 2.5 UN	90675	\$597.13
VACCINE ADMIN			
07/16/2020	ADMIN 1 VACCINE (NON-MEDICARE) 9	90471	\$77.08
PAYMENTS & ADJUSTMENTS			
07/17/2020	PATIENT PAYMENT - THANK YOU!		-\$787.00
07/23/2020	DISCOUNT ADJUSTMENT		-\$761.79
07/24/2020	DISCOUNT ADJUSTMENT		-\$1269.66
TOTAL CHARGES:	\$5078.62	PAYMENTS & ADJUSTMENTS:	-\$2818.45
		CURRENT BALANCE:	\$2260.17

It turns out that the original estimate left out a drug her son would need.

“It was the most convoluted, useless process,” said Ms. Eichelberger, who was able to get the bill waived after five months of negotiations with the hospital.

Daron Cowley, a spokesman for Layton's health system, Intermountain, said Ms. Eichelberger received the additional bill because “a new employee provided incomplete information with a price estimate that was not accurate.”

The health system declined to comment on prices at its hospitals, saying its contracts with insurers forbid discussing negotiations.

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It's not clear how much better the Eichelbergers would do today.

The new price data is often published in hard-to-use formats designed for data scientists and professional researchers. Many are larger than the full text of the Encyclopaedia Britannica.

And most hospitals haven't posted all of it. The potential penalty from the federal government is minimal, with a maximum of \$109,500 per year. Big hospitals make tens of thousands of times as much as that; N.Y.U. Langone, a system of five inpatient hospitals that have not complied, reported \$5 billion in revenue in 2019, according to its tax forms.

As of July, the Centers for Medicare and Medicaid Services had sent nearly 170 warning letters to noncompliant hospitals but had not yet levied any fines.

Catherine Howden, a spokeswoman for the agency, said it expected “hospitals to comply with these legal requirements, and will enforce these rules.”

She added that hospitals that do not post prices within 90 days of a warning letter “may be sent a second warning letter.”

The agency plans to increase the fines next year to as much as \$2 million annually for large hospitals, it announced in July.

The hospital that treated Ms. Eichelberger’s son has begun posting some information. But it has spread its prices across 269 web pages. To look for rabies, you have to check them all. It isn’t there.

At the Biggest U.S. Hospitals, Few Prices Are Available

Six months after the new rules took effect, The Times reached out to the highest-revenue hospitals that had posted little or no data about their negotiated rates or cash prices. Here’s what they had to say:

“We will not be providing a statement or comment.”

N.Y.U. Langone has not published its negotiated rates or cash prices.

“Services that do not have a fixed payer-specific rate are shown as variable.”

Stanford Health Care has not published its cash prices. Of more than 300,000 possible combinations of insurance and medical treatment in its data file, it includes prices for 479.

“We do not post standard cash rates, which typically will not reflect the price of care for uninsured patients.”

Cedars-Sinai Medical Center, in Los Angeles, has not published its cash prices. The hospital initially posted a 2.5 GB data file composed almost entirely of more than one million lines that contained no data. After The Times inquired about the large file size, the hospital reduced it to a 1.4 MB file.

“We have listed the fixed rates where possible and, where that is not possible, have listed them as ‘variable.’”

U.C.S.F. Medical Center has not published its cash prices. Of more than eight million possible combinations of insurance and medical treatment in its data file, U.C.S.F. includes negotiated rates for 346. (**U.C. Davis**, which is part of the same system and has also not published its cash prices, sent an identical statement.)

“Penn Medicine is committed to transparency about potential costs.”

The Hospital of the University of Pennsylvania added cash prices to its price transparency file after The Times inquired about why that data was missing.

“The resources we provide ensure that our patients know what kind of assistance is available to them and, ultimately, what a procedure will cost them — not us.”

Montefiore Medical Center, in the Bronx, has not published its negotiated rates or cash prices.

“V.U.M.C. offers a toll-free number which consumers can call if they have questions about what they may be charged for services.”

Vanderbilt University Medical Center, in Nashville, has not published its negotiated rates or cash prices.

“Orlando Health has worked hard over the past several years to deliver helpful pricing information to its patients.”

Orlando Health has not published its negotiated rates or cash prices.

“We are continuing to work on the machine-readable file that includes payer-negotiated rates. ... It involves analyzing a daunting number of data points.”

Long Island Jewish Medical Center has not published its negotiated rates or cash prices.

The largest hospitals were chosen based on gross revenue reported to the Centers for Medicare and Medicaid Services in 2018, the most recent year with full data available.

Do you have a medical bill we should investigate? Share it with us.

The New York Times is exploring the wide variation in health care prices that patients face in the United States. Medical bills help us see the prices that hospitals and insurers often keep secret. If you have a medical bill that surprised you — maybe because of a high price, or an unexpected charge — we'd love to review it.

Tell us a bit about what happened — why you ended up needing care, and what you found surprising about your bill. Take as many or as few words as you need. *

0 words

Did this bill cause any financial hardship? Tell us about it.

Do you have a copy of your bill? Please upload it here.

Whatever format works for you is fine with us. Many patients share PDFs of their bills, or take photographs of paper ones. We will not publish the information you submit without contacting you first.

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Only photo and video submissions are permitted.

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We won't publish it unless we contact you first.

Where do you live? *

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What is your email address? *

A reporter may contact you to follow up

What is your phone number?

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Methodology

The Times partnered with Morgan Henderson and Morgane Mouslim, two University of Maryland-Baltimore County researchers, to build a database of hospital prices according to the specific billing codes, called CPT codes, assigned to each drug or medical procedure.

The prices for an X-ray in the emergency room include the X-ray (CPT code **73630**) in addition to a medium-complexity emergency-room fee (**99283**). The prices of the rabies treatments for Nathan Eichelberger and Brian Daugherty reflect the actual procedures for which each was billed: CPT codes **90375** and **90675** for two drugs typically provided, **90471** and **96372** for the administration of those drugs, and **99283** for the emergency room visit.

All other rabies shot prices are for one key drug, rabies immune globulin (**90375**), and the remainder of the medical procedures are each billed under a single CPT code, including pregnancy tests (**81025**), flu vaccine administrations (**90471**) and colonoscopies (**45380**). The prices for knee M.R.I. scans (**73721**) are those for scans of one leg only.

Hospitals were listed as having posted little or no data if they did not publish either cash prices or negotiated rates. Some hospitals argued that they could not publish cash prices because these prices are based on each patient's financial circumstances.

Credits

Sarah Kliff is an investigative reporter for The New York Times. Her reporting focuses on the American health care system and how it works for patients.

Josh Katz is a graphics editor and reporter for The Upshot, where he covers a range of topics involving politics, policy and culture. He joined The Times in 2013.

Rumsey Taylor is an art director at The New York Times. He works across multiple desks as a visual editor, designer and engineer.

Correction: Aug. 23, 2021

An earlier version of this article mistakenly included Methodist Hospital (San Antonio) in a list of hospitals that had posted little or no data about their negotiated rates or cash prices. The hospital has posted some required information. The article also mistakenly said the hospital did not respond to requests for comment; the requests for comment were erroneously sent to another hospital with the same name.