

March 27, 2025

- TO: Senate Committee on Health Care
- FR: Charlie Fisher, State Director, Oregon State Public Interest Research Group (OSPIRG)
- RE: SB 1060

OSPIRG is a statewide public interest group representing thousands of Oregonians.

OSPIRG supports SB 1060.

Knowing the price of a good or service in advance of buying it is a basic consumer right and is essential to any competitive, well-functioning market. In health care, however, price transparency has been the exception rather than the rule. Hospitals have historically failed to share pricing information with the public, making it difficult for people to make informed health care choices.

While transparency by itself certainly is not a silver bullet, price transparency does have multiple benefits. When a consumer knows what a medical service will cost before scheduling it, they can compare prices and take the cost of treatment into account when choosing a health care provider. They can also prepare financially for paying for the cost of the care, reducing the potential for unexpectedly high bills to disrupt their financial health and well-being. And in instances where they are choosing between different insurance plans or companies, knowing how much they can expect to pay for a regular or upcoming procedure can help them make a more informed decision.

In addition to providing benefits to consumers, price transparency gives researchers and policymakers access to data that can be used to determine how prices are set and whether intervention may be appropriate to maintain a competitive marketplace. For insurers and self-insured employers, price transparency may help them negotiate better deals with hospitals, with the savings potentially passed on to consumers.

Earlier this month, OSPIRG released a report analyzing the availability of consumer-friendly pricing information at 59 Oregon hospitals.¹ Among the findings were:

- 20 (34%) hospitals provided useful and usable although imperfect consumer-oriented price transparency tools.
- 36 hospitals (61%) provided tools with serious limitations to accessibility and were therefore limited in usefulness.
- Three hospitals (5%) lacked any usable information whatsoever

High health care costs are affecting Oregonians and they support action to address high hospital prices. A survey conducted last year on behalf of OSPIRG found the following²:

- 75% of Oregonians said that the cost of health care is a concern, an increase from 69% of voters who were concerned about health care costs in 2021

¹ Price Transparency at Oregon Hospitals, OSPIRG, March 11, 2025

² <u>Survey shows Oregonians are concerned about high healthcare costs, support policies to address</u> <u>health care prices</u>, OSPIRG, May 28, 2024

- 32% of Oregonians said they would not be able to pay an unexpected medical bill. Another 44% stated that they would need to borrow from their savings, their family, their friends or a bank.
- 85% supported and only 8% opposed adopting and enforcing state-level hospital price transparency requirements.

SB 1060 is an important step towards reducing health care costs and giving consumers pricing information they need before going to the hospital.