Exploration of Healthcare Price Transparency

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**Introduction**

Exploration of Healthcare Transparency refers to the exploration of the facts and figures that are associated with the analysis of the transparency within the healthcare sector. According to the Institute of Medicine, healthcare transparency is defined as a platform that is designed to make public aware and reliable in the understanding of the healthcare system in terms of efficiency, quality, and consumer experience. There are three major dimensions of price transparency such as the direction and analysis of the physicians, hospitals and other service providers, who are meant to publicize the usual changes that are designed for particular healthcare services, depending on the relationships and contracts with different payers. Price transparency also include the insurers who are directed to explain and inform rates to the subscribers so that these rates can be informed to the hospitals and physicians. Moreover, transparency also includes the analysis of reporting policies that are directed to analyses government agencies who are responsible for evaluating average prices for the provision of common health services. Transparency is more like an evaluation of healthcare system in terms of all decisions, intending to bring reforms.

**Discussion**

It is assumed that the government of United States is spending a lot of money on healthcare facilities, as a result, hospitals in the United States have a prominent focus on the increasing volume, revenue, and growth. On the same platform, hundred and billions of dollars are spent with an aim to deal with inefficiencies of supply and chain, duplication of services, variation and the suboptimal management of labor. It would not be wrong to say that there are two different and evident dimensions that are associated with price issues in terms of healthcare in the United States. On one side, there is inflation and increasing rate of services in healthcare and on the other hand, there is a tug of war between available resources and management of resources with efficiency. According to a medicinal report, the average health insurance of a single-family is near to $20,000. In accordance with one of the estimates, it is expected that the family premier insurance would rise to 100% of the United States median household income by 2033. (Whaley, et, al. 2019). It is more troubling and critical that out of $20,000, one-third of health spending is meant for concerns that are either related to care or they are of no value. Similarly, the efforts to eliminate and define wastes have proved to be elusive. It is asserted that about 18% of the total United States economy is devoted to health care. After all these estimations, it is thought-provoking that the health outcomes of America are worse than the other advanced nation and there is a long history of evidence that is related to inefficiency and waste. Despite all these actions and huge spending, American’s health outcomes are worse as compared to other advanced nation. According to other evidences, the price of healthcare in the United States is out of the balanced framework that is affordable by everyone. (Reed, et, al. 2018). The prices of machinery and services are outlining the spectra in which people pay for medical devices, services, and other pharmaceuticals. This applies to both the global market as well as the products that are made in the United States. This level of spending creates a flux of thoughts for the spending of government and then the spending of the general public for getting medical services. (Reed, et, al. 2018). On the same platform, a strain is created in the analysis of governments, household budgets, and the businesses, taking into account that it diverts resources away from education, social needs, avenues of job and economic progress.

Despite a strong check and balance on the market spending, it is observed that a number of pharmaceutical agencies have earned high profits even in the year 2016 where the world’s largest profit value was observed and secured by the medical agencies in the United States. There was an annual profit margin of 15% to 20% of the total revenue and the stock process of the major health insurance companies has also expanded by three times the actual rate of Standards and Poor’s 500 over the last five years. (Whaley, et, al. 2019). Along with the propositions from health care systems, there is a growing number of low cost and independent community providers who are struggling to maintain their position in the market, the consumer is paying more than their income and the health insurance premium has become unaffordable for lower-middle-class and lower-class Americans. Moreover, it is also evident that healthcare also suffers from market failure that is led by the consolidation of different healthcare products. Similarly, there is a lack of real competition as a result of consolidation where despite the efficiency of healthcare, the benefits are not passed on to the costumers. (Reed, et, al. 2019)

There are three different dimensions that are an association with healthcare spending currently. Firstly, there is great stress on the target regulations, taking into account that it will address excessive pricing. Although there are very few policymakers who have created an appetite for the price regulation that is oriented by a broad base, for instance, the rate-setting system of Maryland hospital where there is more target regulation to address excessive pricing. The role of employees and employers is also significant in the control of health rate spending and pricing framework taking into account that employers and employees have become a large share of the health spending that is guided by the growth of the commercial market. In accordance with rising prices, employer activism is actually dampened by the growth of premier healthcare, resulting in a shift of annual increase to the employees. Taking into account the fact that the labor market was tightened with the strength of the economy, employers’ play a major role in the analysis of containment efforts of the100s, termed as a series in which health spending was slowed considerably. (Lynch, et, al. 2019). The third dimension reflects the change of behavior in the consumers, taking it as a serious tool to control health spending. It also highlights that the consumers want a more affordable healthcare system, accompanied by resistance and restriction in the access to providers and services. In nutshell, it is found that the high-cost gathering has caused consumers to mitigate and reduce the use of services accompanied by an equal reduction in both ineffective and effective care.

**Exploring price transparency**

Price Transparency is one of the major issues of the healthcare department in the United States, taking into account that there are a number of concerns of the general public in terms of availability of effective healthcare facilities. As discussed, it is asserted that there is a dire need of controlling the total sum that is spent on healthcare services, taking into account that it will not only influence the economy but it will also strengthen the public perception towards availability of medical services. It paves the way for another ideology that highlights the significance of attitude of people and the general public towards availing medical services. It is assumed that there are a number of people who have no idea about the process of the medical services and it results in a low rate of spending in medical. As people don’t know about prices so it strengthens and bricks the idea that lack of awareness towards prices is the reason to slowdown the rise of spending. There are various justifications that are given for the critical analysis of the healthcare transparency, taking into account that the ideology of price transparency is taken as an assumption, that is seeking the truth either knowing medical prices known before accepting treatment would result in the reduction of medical cost or not? Moreover, the evaluation of costs and prices also highlight and elaborate the information associated with the availability of physicians. In a nutshell, it is asserted that the cost of treatment should be conveyed before treatment because it creates clear expectations that are guided by a clear understanding of prices and the issues that are faced by both service providers and service consumers. (Antonucci, et, al. 2019).

**Fewer physicians more patients**

According to the Association of American Medical Colleges, In the United States, it is assumed that by 2030, there would be a shortage of physicians up to 120,000 that will obviously impact the nation. The core of the argument highlights that there are fewer doctors who could keep up with the eventual changes in demographics. The need for doctors is an undeniable fact, taking into account that patients face a lot of barriers in accessing healthcare needs because of the lack of doctors. The scale and ratio of barriers range from the patient’s inability to pay bills to lack of transportation or unaffordable transportation facilities in order to reach a doctor. It would not be wrong to say that the shortage of physicians is making it hard for the patient to see a doctor in time. (Ahuja, et, al. 2018).

The background of lack of physicians can be traced back to the analysis made by World Health Organization, according to which, physicians shortage is one of the shortages, referring to provision of less than 80% of the physicians that are required to meet the demands of the provider. It is also acceptable to associate physician’s shortage with any of the third world countries that have limited resources of healthcare. Today, the healthcare industry is facing a shortage of healthcare areas, particularly in three major disciplines, i.e. primary care, dental care, and mental health. In primary care, there is a shortage of about 7000 physicians, confirmed by the Health Resources and Services Administration. In accordance with global information of the company, named as, Life Science Division of HIS Markit, an annual study was conducted that highlighted the timeline of the physician supply and demand on the behalf of AAMC. (Antonucci, et, al. 2019). The study was conducted in accordance with the healthcare and policy scenarios that include delivery reforms and payment methodologies, along with increased use of advanced practices by nurses and the physician’s assistants accompanied by the delays in the retirements of doctors. According to this study, there are four major subcategories of the shortage of physicians such as primary care, surgical specialties, medical senilities, and other specialties. (Christensen, et, al. 2018). By the years 2030, there would be a shortfall between 14,800 and 49, 300 primary care physicians. On the same time, the shortage in the non-primary physicians would be between 33,800 and 72,700 physicians. It is important to note that these findings are parallel to the previous report and directs the use of other health professionals and changes in the delivery of care. In addressing price transparency, it is found that there are a large number of patients and the number of physicians is much less. (Frakt, et, al. 2019).

In accordance with the definition of the Institute of Medicine, it is highlighted that transparency is defined as the initiatives that could promote the availability of information related to health care system in terms of efficiency, availability and customer experience with care along with the provision of pricing and other data that can influence the behavior of patients, providers patients, and other relevant stakeholders. One of the aspects of price transparency in healthcare deals with the high pricing taking into account the fact that there are high prices in medical because of the rare facilities, or the shortage of the facilities either they are related to the availability of the physicians or other determines. It is obvious that there would be a high prices if there would be a lack of resources as well as doctors. According to the information collected from the Commonwealth Fund Survey of American healthcare, it is asserted that about 91% of the physicians believe that the information related to the cost of care is already decided and equally flexible. (Frakt, et, al. 2019). The information from Congressional Budget Office asserts that there are certain outlines that specify price transparency, taking into account the fact that the prices of medicines are already confirmed in negotiation and synchronization with the public agencies and hospitals that are responsible for reporting the actual prices for the common health services. The recent reports from American Medical Association highlight transparency issues taking into account the trend of hospital-based systems in addition to the facility fee for the outpatient appointments that are meant to capture various administrative and regulatory costs without clarifying the information to the patients beforehand of the implication of additional charges. It is asserted that the physician’s fee is directly related to its availability taking into account the interest charges that are added for a typical office visits. (Lynch, et, al. 2019).

**Method of price transparency in healthcare**

Price Transparency is one of the significant issues to discuss in the present time, taking into account the need for "stabilizing supply demand in coherence with the set platform of managing process". In the United States, state governments are trying their best to incorporate efforts that can increase price transparency in hospitals because customers are becoming more responsible for their healthcare costs under the guidance provided by highly deducible health plans. There are organizations that aim at the development of strategies that are meant to inform the consumers about the patient’s financial responsibilities along with an understanding of economic conditions. In accordance with the research conducted by a group of researchers, it is found that about 21% of the hospitals are having the ability to provide a complete hospital price estimate. (Kobayashi, et, al. 2019). From 2012 to the present time, price transparency has been dropped by 48%, accompanied by the fact that hospitals no longer offer any kind of price information. In accordance with the efforts of the government concerned with price transparency, there are a number of methods that can be used by healthcare systems. It is assumed that price transparency is one of the major strategies and initiatives that could enhance and elaborates the healthcare experiences of patients. (Land, et, al. 2019). In accordance with the vice president of revenue cycle at Baylor, Sarah Knodel, it is asserted that price transparency is a highly positive and beneficial thing to do because there are a number of patients who are actually willing to pay when they are clear about the total cost and the services that are included as a complementary to the package. According to the president, the goals of the transparency is to encourage the patients and inform them about what are they going to have in future as well as the set of expectations that are expected from the patients. In accordance with the AMA Exceptive Vice President, “the achievement of meaningful price transparency can help to lower the cost of healthcare decisions”. There are eight significant methods to empower price to transpierce in healthcare. (Reed, et, al. 2019)

**Addressing Patients**

It is asserted that there are a number of issues that are related to the inaccurate and incomplete information that is conveyed to the patients. It is important to address the confusion of patients in terms of poor health facilities and health literacy by the development of resources that can help them understand the complexities of healthcare pricing. It would not be wrong to say that price transparency can be initiated by making arrangement for the conveyance of price and other expenses that are associated with treatment to the patient earlier.

**Readily available instructions**

It is one of the important characteristics and method of price transparency that is used to make the information related to the procedures and health services readily available. It will make the patient and another relevant person to be aware of the common procedures or services. Price transparency can be improved by making healthcare professionals and other responsible determinants liable in case of any mistake. (Reed, et, al. 2019).

**Analysis of the insurance status of the patient**

An analysis of the insurance status of the patient is also one of the major and important methods of improving price transparency because a patient would be able to understand the status of his insurance, that it either a self-pay, a network insured or it is out of the network insured. (Land, et, al. 2019). Usually, patients don’t opt for specific treatment with the fear of charges and there are a number of cases in which an individual is unaware of the available insurance most importantly older generation. In a nutshell, awareness about the available insurances will create easiness for both healthcare authorities as well as the patients who would be able to make their decision accordingly. It will have two impacts, on one hand, there would be an empowerment of the healthcare center and on the other hand either the patients would be directed towards spending or they will refrain from going for a particular medical decision.

**Health plans and their accountability**

Price transparency is one of the critical issues in healthcare because it has the ability to redirect healthcare department to the evaluation of business management. A large number of aspects of healthcare are highly dependent on the health plans, taking into account that the health plans would be able to provide complete information related to planning enrollees or other designees along with a detailed information in terms of benefits of the plan and real-time advantages so that a large number of patients can adopt it. (Whaley, et, al. 2019). Moreover, health plans would be able to infer and provide information related to cost sharing taking into account its significance of in-network and out of network service providers that have the potential to plan and design platform that can affect patient and out of pocket costs. In a simplified form, healthcare plans play a central role in determining price transparency because a patient would be taught and briefed about the actual facts and figures and its impact on the life of the patient as well as decisions in healthcare sectors. (Kobayashi, et, al. 2019).

**Role of healthcare stakeholders**

Price transparency is also directly related to the stakeholders playing both an active and passive role in healthcare. It is important to note that the healthcare planners and other public and private entities should be taught to negotiate with each other and work in groups so that the collective needs could be addressed. Moreover, the stakeholder's group could be directed to facilitate the quality and price transparency for the patients and physicians, taking into account the impact policies and this negotiation can have on the patients. It also impacts the physicians because of the policy farmworkers and determine the impact of the policymakers on the healthcare department and the other relevant determinants. (Land, et, al. 2019).

**Credibility of information**

Information is one of the major tools that have the potential to make the required changes or reform the actual platform of the plan. It would not be wrong to say that price transparency can only be implanted and brought into practice only if the information is credible in its nature. Usually, there is a communication gap or ambiguous or tampered information is provided that distorts and distracts the communication goal. (Frakt, et, al. 2019). In a simplified form, one of the methods of price transparency is directly associated to the credibility of information because credible information would have a direct and positive impact on the implication of conveyed information, securing positive goals and outcome. If the information would be correct, there would be positivity in terms of future goals and clear expectation could be associated that could ensure the achievement of desired goals.

**Electronic Health Records**

Electronic Health Records and the vendors of electronic health records also play a major role in maintaining and determining price transparency, taking into account the fact that vendors can incorporate and include those features that can help to elaborate and explain price transparency system for the patients and physicians. In a simplified form, EHR vendors should play their role because they can facilitate price transparency for both patients as well as physicians. (Christensen, et, al. 2018).

**Consumer Demand**

Analysis of consumer demand also plays a major role in determining price transparency, taking into account the fact that consumers are themselves interested in knowing the prices and other information. There is a lot of venture capital funding that is poured unto healthcare transparency companies, illustrating that demand. In accordance with the analysis of Castlight, a company founded in 2007 that is known to be one of the first healthcare transparency companies has diverted prime attention to the benefits of employee engagement and other wellness programs. (Christensen, et, al. 2018).

One of the descriptions of the company illustrates, “Transparency is important but it’s not enough to catch the healthcare system”, asserting that there are several other initiatives that are required to achieve transparency. However, evaluating and understanding customer demand is one of the prime objectives. It is so because a lot of patients are highly dependent on the advice that is given by the doctors and the information shared by the doctors is high dollar services along with reference that derives and formulates one of the biggest shares of the healthcare costs. It is believed and asserted that transparency creates transparency and transparency in healthcare is highly dependent on the customers because of the huge revenue that is collected form the patients.

**Lower Price and Other Benefits**

An analysis of the facts and figures that are associated with fact that knowing medical process before accepting any kind of treatment will lower the medical cost, implies that it will automatically reduce the cost. It is a common understanding that there are a number of platforms that are dealing with black money or black marketing where there is no record of the actual framework of spending. (Land, et, al. 2019).

If prices would be told initially, there would be a significant decrease in the prices because there would be no platform or space of tampering that could affect or impact the actual economic paradigms. It is also one of the major methods of bringing and incorporating price transparency in the healthcare because there would be a better understanding of the treatment for the patients and stakeholders when vendors would be aware of the actual price and cost. It is important to note that lowering the prices of the products and prices will direct general public to be very clear about their spending and it will give them the freedom to make their choices with complete freedom and accountability. (Whaley, et, al. 2019).

It is also important to note that lowering the prices of the services and fusing of transparency efforts would allow the healthcare department to be equally stoppable taking into account significant events such as prescription of drugs or the diagnostic imaging. The analysis and prediction of future in terms of business understanding is also of prime significance because stakeholders would be more clear and efficient in their services and the products that are then used by the patients. (Kobayashi, et, al. 2019).

Moreover, it is also accompanied by the episodes of procedures, the annual cost of care and the episodes of care that could be adopted and used by the patients wisely. Another aspect of lowering prices highlights that obeying information before treatment will reconcile and combine the data on both quality of the healthcare services and the healthcare outcomes because every department or section of the healthcare would be well learned about the facts and figures that they are empowering. It will also provide more centralized and convenient location that is actually similar to the Medicare Plan Finder Tool that allows and directs the declaration of beneficiaries to compare the estimated annual out of the pocket cost that is associated with Medicare Advantage and Part D plans that are available to the patients as well as the stakeholders. (Whaley, et, al. 2019).

It is important to note that the complete set of healthcare initiatives is directly dependent on the decision-making power of the patients and the counseling that is given by the doctors. In case of any misguidance, the patient would not be able to avail the required and available opportunities of treatment, and the doctors would not be able to direct the patients about what is beneficial or productive for the patients. (Christensen, et, al. 2018). Knowing the price should allow the patients and doctors to think on the same platform of critical thinking where the ultimate goal is the achievement of the health of the patient. It includes all types of information, either it is related to the technological information or to the care navigators along with other councilors that would weigh, share the cost and measure the convenience of the service for the patient or the consumers. Moreover, it is also important to note that sharing prices is not a big deal because pricing and verification of prices are done at almost all the platforms of healthcare, where the same scale can be maintained while treating the patient or the evaluation of the services that are recommended by the doctors to the patient. (Kobayashi, et, al. 2019).There is another paradigm that is associated with information of process before medical treatment, highlighting that the providers and the facilities providers of the physician’s trade are nowadays considering the use of price estimators as one of the leading generators for the other members of the healthcare organization. In accordance with the information that is conveyed by the American Society of Plastic Surgeon, “Find a Surgeon”, it is inferred that this directory can help the physicians make long term discussions regarding guidance of patients and empower the decision-making power of patients as well. (Antonucci, et, al. 2019).

**Conclusion**

An exegetical analysis reveals that transparency of prices will empower the analysis of the distribution of cost in the healthcare system, taking into account the role of clear actions. It would not be wrong to say that knowing medical prices before treatment will help to decrease the medical costs and create a clear understanding of the expensive services. According to the literature review that is formulated by the evaluation of different resources and the collection of results from different surveys, it can be highlighted and concluded that the exploration and conveyance of prices before treatment would help the patient overcome a lot of complications. Sometimes, there are a number of patients who are actually willing to utilize a service but they are failed to do so because there are a number of the coming costs and the total expenditure. There are a number of patients who have critical and tragic stories accompanied by the lack of information about the insurances that patients can utilize services whereas, lack of information directed them to devastation. Moreover, if costs would be known to the patients before, there would be a low rate of ignorance and manipulation that is made while sharing the details of the services and taxes along with additional amount that is associated with the service when a customer is made to get in touch with the required treatment. There are a number of manipulations that are associated with the framework of supply and demand chain, taking into account healthcare is a centralized department but the mismanagement of resources and services have contributed to compartmentalization that has made many of the stakeholders unaware of the actual costs. It also defines the reality of central costs that are demanded by the physicians, because there are fewer physicians and more patients. In order to address the needs of patients, more physicians are required and the inability to provide a required number of physicians has played a significant role in defining the high cost of medical services.

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