



Research Brief

How Floridians Use Health Care Price Information

A research brief
from Public Agenda
by David Schleifer,
Rebecca Silliman
and Chloe Rinehart

APRIL 2017

This brief explores how Floridians are trying to find and use health care price information, their attitudes about prices, and how their attitudes and behaviors compare to those of Americans overall. Important findings include:

- 56 percent of Florida residents have tried to find information about health care prices before getting care, including 24 percent who have tried to compare prices across multiple providers.
- Of Florida residents who have tried to compare prices, 62 percent report saving money.
- 73 percent of Florida residents say higher prices are not typically a sign of better quality medical care.
- 51 percent of Floridians are not aware that doctors' prices vary, and 52 percent are not aware that hospitals' prices vary.
- 84 percent of Florida residents think it is important for their state government to provide people with comparative price information.



Florida

Support for this report was provided by the Robert Wood Johnson Foundation. The views expressed here do not necessarily reflect the views of the Robert Wood Johnson Foundation.

Floridians, like many Americans, bear a significant share of their health care costs in the form of high deductibles and insurance premiums, as well as copayments and, sometimes, coinsurance.¹ Health care systems in the United States have historically not made it easy for people to find out how much their care will cost them. In 2016, Florida was one of 43 states that received a grade of “F” from Catalyst for Payment Reform for their price transparency laws.² But Florida passed price transparency legislation in 2016.³ In 2017, the state selected a vendor to create a more robust online price information tool and began implementing an all-payer claims database—a crucial building block of price transparency efforts.⁴ In this changing landscape of price transparency, this research explores Floridians’ behaviors, attitudes and perspectives related to health care price information.

Findings are based on a representative survey of 819 adults in Florida and a nationally representative survey of 2,062 U.S. adults, conducted from July through September 2016 by telephone, including cell phones, and online.⁵ For more details about the methodology, see page 18 of this research brief.

The research was conducted by Public Agenda and funded by the Robert Wood Johnson Foundation. A report on findings from the national survey and briefs on findings from surveys in New York State, Texas and New Hampshire, as well as topline findings, full methodology, question wordings and sample characteristics, are available at <http://www.publicagenda.org/pages/still-searching>.



MAIN FINDINGS



Over half of Floridians have tried to find price information before getting care.

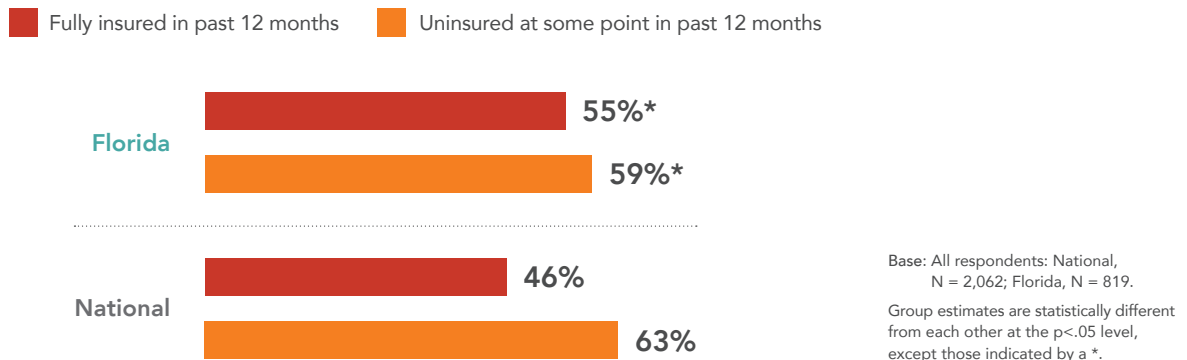
Fifty-six percent of Florida residents have tried to find out before getting care how much they would have to pay out of pocket—not including copays—and/or how much their insurers would pay. Our research found a smaller proportion of Americans overall—50 percent—have tried to find price information before getting care.⁶

Insured Florida residents with deductibles are more likely to have tried to find price information before getting care than those without deductibles. Among insured Floridians with deductibles, 65 percent have tried to find price information before getting care. In contrast, 47 percent of insured residents without deductibles have done so. Nationally, 57 percent of insured Americans with deductibles and 40 percent of insured Americans without deductibles have tried to find price information before getting care.

Floridians who were uninsured at some point in the past year are just as likely to have tried to find price information as those who were fully insured over the past year. Fifty-nine percent of Florida residents who were uninsured at some point in the past 12 months have tried to find price information before getting care. A similar percentage—55 percent—of those who were fully insured in the past 12 months have done so. This differs from our national survey findings, in which Americans who have been uninsured in the past year are more likely to have tried to find price information than those who were fully insured; see figure 1.

Florida residents who were uninsured at some point in the past year are just as likely to have tried to find price information.

Figure 1. Percent who say they have tried to find price information before getting care, by insurance status:



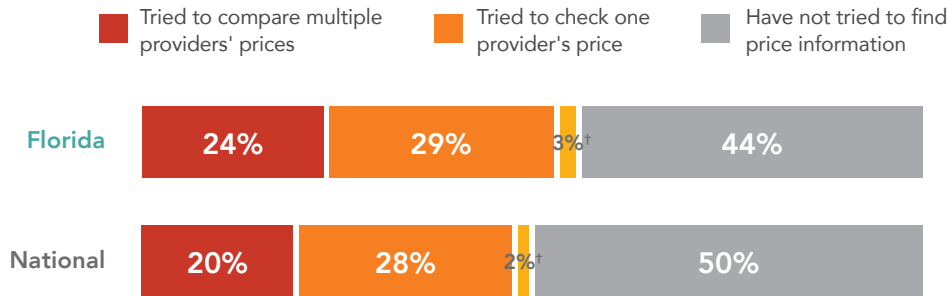
About a quarter of Floridians have tried to compare prices. Of those who have tried to compare prices, more than half say they saved money.

One promise of health care price transparency is that people will use price information to “shop around”—that is, they will compare two or more providers’ prices and consider price in their health care decision-making.

Twenty-four percent of Florida residents have tried to compare prices across multiple providers before getting care. Nationally, fewer Americans—20 percent—have tried to compare prices; see figure 2.

About 1 in 4 Floridians have tried to compare prices across multiple providers before getting care.

Figure 2. Percent who say they have done one of the following before getting care:



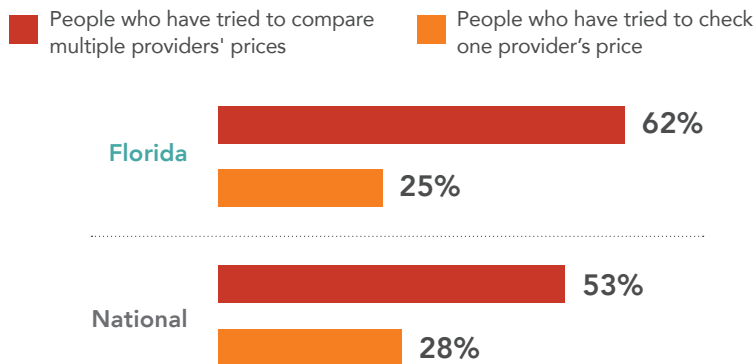
Base: All respondents: National, N = 2,062; Florida, N = 819.

† Indicates people who report having tried to find price information before getting care but answer "don't know" or refuse to answer when asked whether they have tried to compare prices across multiple providers or not.

Of Florida residents who have tried to compare prices, more than half report saving money. Sixty-two percent of Floridians who have tried to compare multiple providers' prices before getting care report saving money, while only 25 percent of those who have tried to check one provider's price report saving money; see figure 3.

Floridians who have tried to compare prices report saving money.

Figure 3. Percent who say they saved money when they have tried to find price information before getting care:



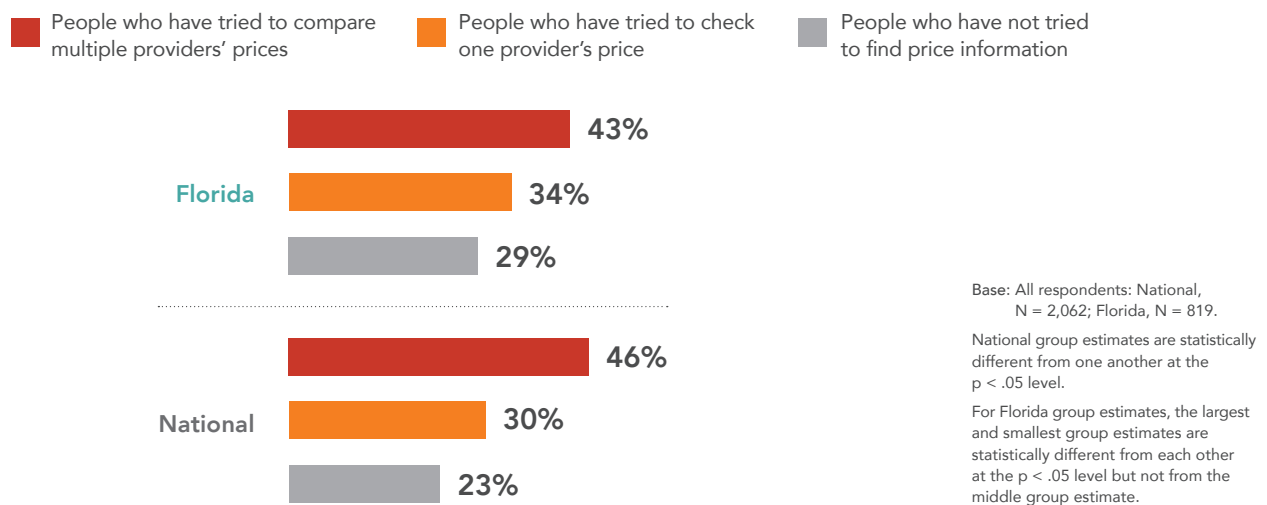
Base: Have tried to find out price information at least once before getting care: National, n = 1,019; Florida, n = 462.

Group estimates are statistically different from each other at the p < .05 level.

Florida residents who have tried to compare prices are more likely to make health care decisions for another adult family member. We found that 43 percent of Floridians who have tried to compare prices make health care decisions for another adult family member. But only 29 percent of those who have not ever tried to find price information do so. Similarly, among Americans overall, those who have tried to compare prices are more likely to make health care decisions for another adult family member; see figure 4.

Floridians who have tried to compare prices are more likely to make health care decisions for another adult family member.

Figure 4. Percent who say they make health care decisions for another adult family member:





Most Floridians do not think prices are a sign of quality in health care. Of those who have tried to compare prices, most have chosen less expensive care.

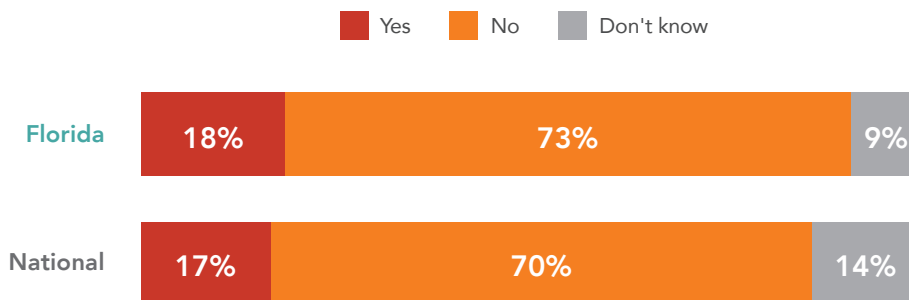
Before the publication of our 2015 report, some health care experts expressed the concern that making price information transparent could actually lead people to choose higher-priced care.⁷ This concern was based on the assumption that people think price is a sign of quality in health care. But this research indicates most Floridians do not believe price and quality are associated in health care. Findings from our national survey and from our 2015 research similarly indicate that most Americans do not believe that price and quality are associated.⁸

Most Floridians do not think higher-priced care is better quality. Seventy-three percent say higher prices are not typically a sign of better quality medical care. Similarly, 70 percent of Americans overall say the same; see figure 5.

Most Floridians do not think higher prices are typically a sign of better quality care.

Figure 5. Percent who say yes, no or don't know to the following question:

Would you say higher prices are typically a sign of better quality medical care, or not?



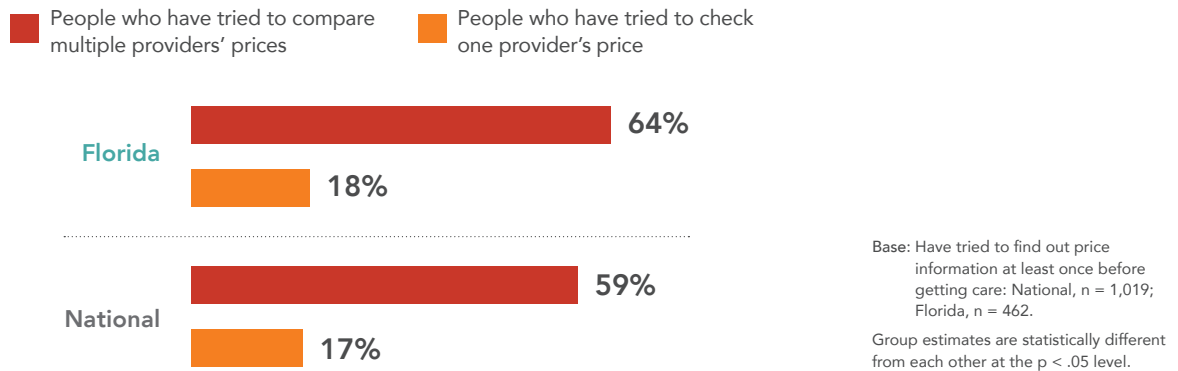
Base: Random quarter: National, n = 529; Florida, n = 190.

Numbers may not add up to 100 percent due to rounding and the less than one percent of respondents who refused the question and are not represented in the chart.

Of Floridians who have tried to compare prices, many say they chose less expensive care. Sixty-four percent of Florida residents who have tried to compare prices say they chose a less expensive doctor, hospital, medical test or treatment, as compared to 18 percent of Floridians have tried to check a single provider's price. Nationally, of Americans who have tried to compare prices, 59 percent say they chose less expensive care. Only 17 percent of Americans who have tried to check a single provider's price say they did so; see figure 6.

Floridians who have tried to compare prices chose less expensive care.

Figure 6. Percent who say they have used price information to choose a less expensive doctor, hospital, medical test or treatment:



Among Floridians who have tried to check a single provider's price before getting care, 61 percent indicate that if they compared prices, they would be inclined to choose less expensive doctors. However, 32 percent of them would not be inclined to do so, and 7 percent don't know.

Among Floridians who have not ever tried to find price information before getting care, 42 percent indicate they would be inclined to choose less expensive doctors if they knew prices in advance. However, 47 percent of them would not be inclined to do so, and 11 percent don't know.



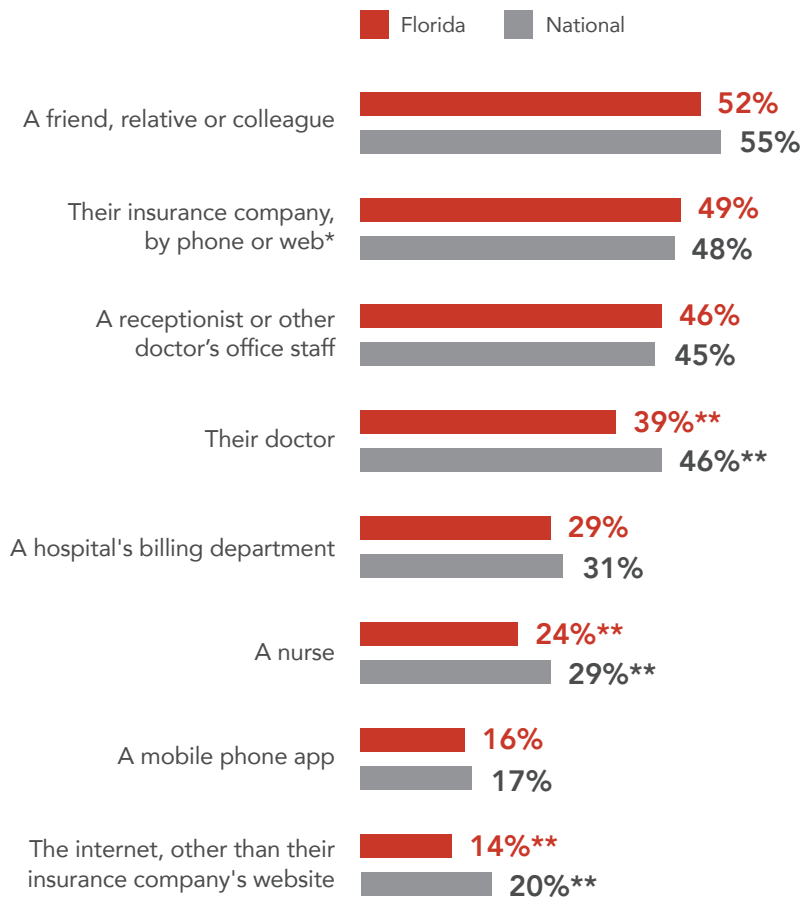
Floridians turn to friends, relatives and colleagues; insurance companies; doctors; and receptionists when they try to find price information.

Researchers have found that few people use online price information tools when those tools are offered to them by their insurers or employers.⁹ This has led some experts to assume people are not interested in price information and do not care how much their health care costs.¹⁰ However, as our survey found, online tools are only one among many sources people use to try to find price information.

The sources that Americans most commonly use to try to find price information include friends, relatives and colleagues; insurance companies; doctors; and receptionists. Few people report using websites other than their insurers' for price information; see figure 7.

Floridians turn to the following sources for price information:

Figure 7. Percent who say they have tried to find price information before getting care, from the following sources:



Base: Have tried to find out prices for medical care in advance at least once: National, n = 1,019; Florida, n = 462.

*Base: Have tried to find out prices for medical care in advance at least once and currently or ever insured: National, n = 997; Florida, n = 447.

While most group estimates are not statistically different, ** indicates those that are statistically different at the p < .05 level.

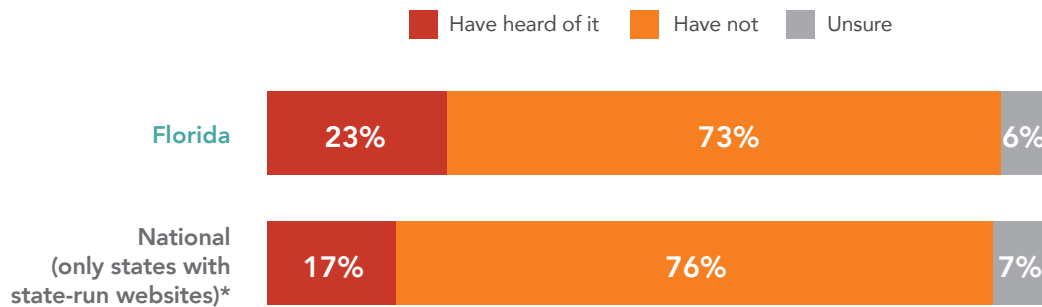
Floridians who have not ever tried to find price information before getting care say they would be likely to use sources similar to those used by people who have tried to find price information. We asked Florida residents who have not ever tried to find price information which sources they would be likely to use if they wanted to find out prices before getting medical care. The sources they indicate they are likely to use include calling their insurance company or looking at their insurers' websites (57 percent) and asking their doctors (42 percent).

Among Floridians who *have* already tried to find price information, 14 percent used websites other than their insurers' and 16 percent used a mobile phone app. But higher percentages of Floridians who have *not* ever tried to find price information indicate they would be likely to use those sources if they wanted to find out prices before getting medical care: 42 percent indicate they would use websites other than their insurers' and 31 percent indicate they would use a mobile phone app.

Few Florida residents have heard of their state's price information website. Only 23 percent of Floridians say they have heard of Florida Health Finder, the health care price information website administered by the state of Florida. In our national survey, 17 percent of residents of states with state-administered price information websites indicate they have heard of the names of their states' websites; see figure 8.¹¹

Few people have heard of their states' price information websites.

Figure 8. Percent who say they have heard of their states' price information websites, they have not heard of them, or they are not sure:



Base: All respondents: Florida, N = 819.

*Base: Live in one of the 21 states with state-run websites: National, n = 967.

Numbers may not add up to 100 percent due to rounding and the less than one percent of respondents who refused the question and are not represented in the chart.

Doctors and insurers are trusted sources of price information. Fewer people would trust their employers for price information. We found most Floridians—74 percent—would trust their doctors a great deal or some when it comes to finding out about the price of medical care; see figure 9.

Health care providers and insurance companies are trusted sources of price information.

Figure 9. Percent who say they do or would trust each of the following a great deal or some as a source of information about the price of medical care:



Base: All respondents: National, N = 2,062; Florida, N = 819.

* Base: Currently insured: National, n = 1,853; Florida, n = 691.

† Base: Currently employed and not self-employed: National, n = 952, Florida, n = 344.

While most group estimates are not statistically different, ** indicates those that are statistically different at the p < .05 level.

Most Floridians—72 percent—think insurance companies are mostly interested in making money. Fewer think that of doctors or hospitals. Only 20 percent think insurers have patients’ best interests in mind, and 8 percent do not know. When asked the same question about hospitals and doctors, 49 percent of Florida residents say they think hospitals are mostly interested in making money, and 29 percent think doctors are; see figure 10.

Most Floridians think insurance companies are mostly interested in making money. Fewer think that of doctors or hospitals.

Figure 10. Percent who say that they think each of the following is mostly interested in making money or mostly has patients’ best interests in mind, or that they don’t know:



Base: All respondents: National, N = 2,062; Florida, N = 819.

Numbers may not add up to 100 percent due to rounding and the less than one percent of respondents who refused the question and are not represented in the chart.



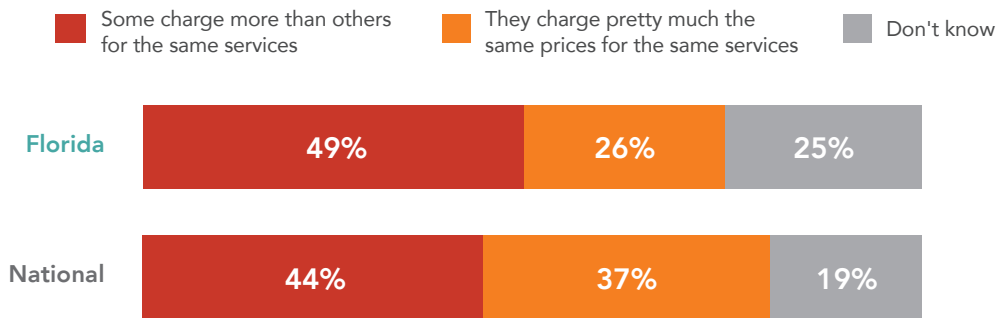
Potential barriers to increasing the use of price information by Floridians include limited awareness of price variation and uncertainty about how to find price information.

Awareness of price variation among Floridians is limited. When it comes to doctors, 49 percent of Floridians say some charge more than others for the same services. But over half—51 percent—either believe doctors charge pretty much the same prices for the same services (26 percent) or they don't know (25 percent); see figure 11a.

When it comes to hospitals, 47 percent of Floridians say some charge more than others for the same services. But over half—52 percent—either believe hospitals charge pretty much the same prices for the same services (32 percent) or they don't know (20 percent); see figure 11b.

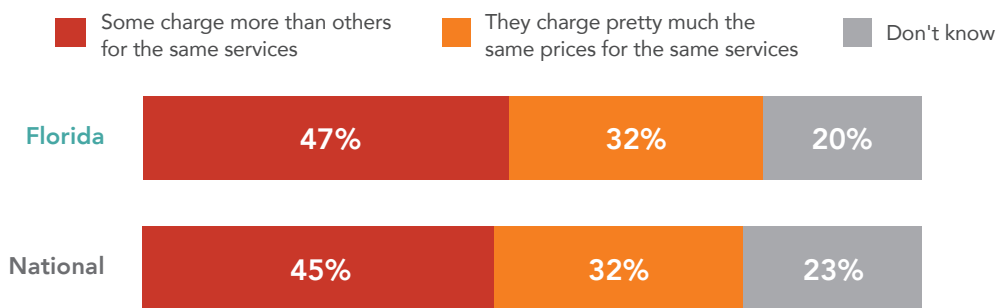
Awareness of price variation is limited.

Figure 11a. Percent who say they think the following about *doctors* in their insurance networks or in their areas:



Base: Random half: National, n = 1,025; Florida, n = 394.

Figure 11b. Percent who say they think the following about *hospitals* in their insurance networks or in their areas:



Base: Random half: National, n = 1,025; Florida, n = 395.

Numbers may not add up to 100 percent due to rounding and the less than one percent of respondents who refused the question and are not represented in the charts.

Of Floridians who have not tried to find price information, about half indicate they are not sure how to do so. Fifty-seven percent of Florida residents who have not tried to find price information before getting care indicate they would like to know the prices of medical services in advance. However, 49 percent of them indicate they are not sure how to do so.

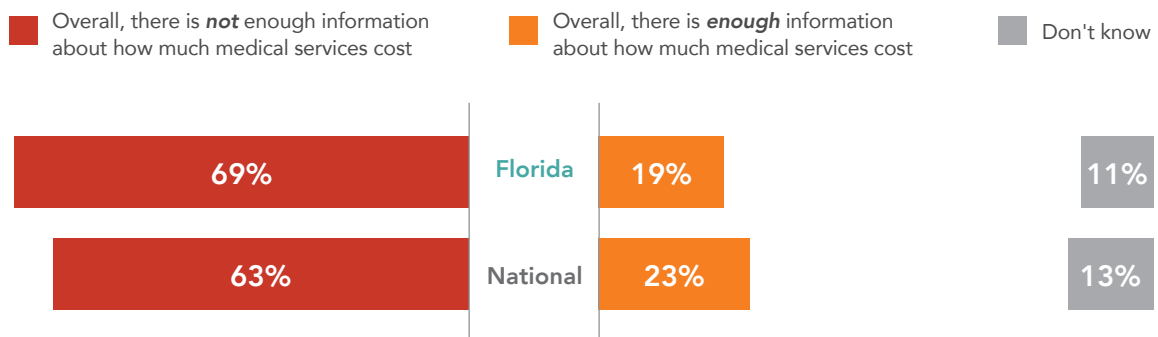


Floridians want to know more about health care prices.

Most Floridians say there is not enough health care price information. Sixty-nine percent of Florida residents and a slightly smaller percentage of Americans overall—63 percent—say there is not enough information about how much medical services cost; see figure 12.

Seven in ten Floridians say there is not enough health care price information.

Figure 12. Percent who say one of the following statements comes closest to their view:



Base: All respondents: National, N = 2,062; Florida, n= 819.

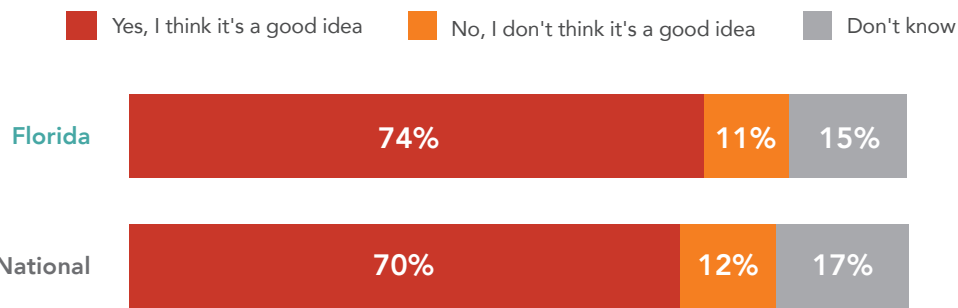
Numbers may not add up to 100 percent due to rounding and the less than one percent of respondents who refused the question and are not represented in the chart.

Most Florida residents think it is important for their state government to provide price information. Eighty-four percent of Florida residents and a slightly smaller percentage of Americans overall—80 percent—think it is important for their state governments to provide people with information that allows them to compare prices before getting care. Because our survey did not ask how important it is for other entities—such as insurers or employers—to provide comparative price information, this finding may say as much about people’s desire for more information about health care prices as it does about their desire for information specifically from their state government.

Most people in Florida favor doctors and their staffs discussing prices with patients. However, fewer say that a doctor or their staff has brought up price in conversation with them. Seventy-four percent of Florida residents and 70 percent of Americans overall think it is a good idea for doctors and their staffs to discuss prices with patients before ordering or doing tests or procedures or referring them to specialists; see figure 13a. However, only 30 percent of Floridians and 28 percent of Americans overall say that a doctor or their staff has brought up price in conversation with them; see figure 13b.

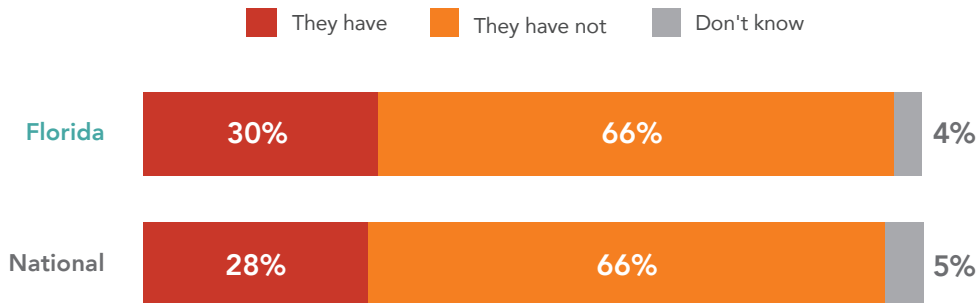
Most Floridians favor doctors and their staffs discussing prices with patients. Fewer report that a doctor or their staff has brought up price in conversation with them.

Figure 13a. Percent who say it is or is not a good idea for doctors and their staffs to discuss prices with patients before ordering or doing tests, procedures or referrals, or that they do not know:



Base: All respondents: National, N = 2,062; Florida, N = 819.

Figure 13b. Percent who say a doctor or their staff has or has not brought up in conversation with them the price of a test, procedure or referral, or that they do not know:



Base: All respondents: National, N = 2,062; Florida, N = 819.

Numbers may not add up to 100 percent due to rounding and the less than one percent of respondents who refused the question and are not represented in the charts.



IMPLICATIONS

Based on these findings, this brief concludes with implications and questions for policymakers, insurers, employers and providers, as well as for-profit and nonprofit price information providers, so efforts to make prices more transparent will be informed by and responsive to the perspectives and needs of Floridians and Americans overall.

- **Help people compare prices to help them save money.** This research found that trying to compare prices across multiple providers is less common than trying to check one provider's price. Yet Floridians who have tried to compare prices are more likely to report saving money. This suggests that just making the price information available is not enough to help people save money. Insurers, employers and policymakers should also adopt strategies to encourage people to compare prices. These might include creating financial incentives to compare prices, building awareness of price variation, experimenting with reference pricing or other creative benefit designs, or building information systems that make multiple prices available for comparison.
- **Direct price transparency efforts toward people who face high out-of-pocket costs and toward those whose insurance coverage is unstable.** This research found Floridians who have been uninsured at some point in the past 12 months are more likely to have tried to find price information before getting care than those who were fully insured. It also found that Floridians with deductibles are more likely to have tried to find price information before getting care. Insurers, providers, employers, policymakers and price information providers should, therefore, pay particular attention to the information needs of these people, who appear to be particularly interested in finding out about their out-of-pocket costs.

-
- **Recognize the diversity of sources people use to try to find price information.** Besides friends, relatives and colleagues, the sources that Americans most commonly use to try to find price information include calling insurers and using insurers' websites, as well as asking doctors or receptionists. While online price information tools are proliferating, few Floridians have heard of their state's price information website or have used sites besides their insurers'. Policymakers, employers and others interested in helping people find price information should consider in-person or phone sources—like receptionists or insurers' customer service representatives—as part of the price information infrastructure and should consider how to ensure those sources are meeting people's needs efficiently. Past research has used insurance claims data to study whether people save money by using online price information tools provided by employers and insurers. But future research should also consider the impacts of in-person and phone sources of price information.
 - **Equip medical professionals and their staffs to discuss prices with patients or to refer patients to reliable sources of price information.** Doctors and their staffs emerged as trusted sources of price information for most Floridians in this research, and most Floridians favor doctors and their staff talking to patients about price. How can doctors and their staffs—including receptionists and nurses—be equipped to handle these conversations? These professionals may not need to be able to tell people exactly what certain medical services will cost them, but they could discuss costs and coverage more generally and guide people toward more specific price information if necessary.
 - **Employers should find ways to build trust with more of their employees.** Some employers have already invested in price information tools for their employees. Yet the percentage of Floridians who would trust their employers as potential sources of price information is lower than the percentages who would trust other potential sources. Employers and employees could both benefit from lower health care spending. Therefore, it would be in employers' interests to become trusted sources of or trusted guides to price information for more of their employees.
 - **Florida should consider a range of ways to make price information more transparent.** Despite finding that fewer people would trust local, state and federal governments as sources of price information than would trust other potential sources and that few people in Florida have heard of their state's price information website so far, this research also found most Floridians think it is important for their state government to provide comparative price information. What can states like Florida reasonably do to fulfill people's interest in price information? Besides providing information themselves, how can states encourage insurers and providers to be more transparent about prices and help state residents understand the extent of price variation?

METHODOLOGY IN BRIEF

This brief summarizes findings from a nationally representative survey of 2,062 U.S. adults ages 18 and older and a representative survey of 819 adults in Florida. Interviews were conducted from July through September 2016. These surveys were conducted in conjunction with representative surveys in three additional states: a survey of 802 adults in New York, one of 808 adults in Texas and one of 826 adults in New Hampshire.

Respondents could choose to complete the survey in English or Spanish. Data for both surveys were collected through 40 percent phone interviews, including cell phones, and 60 percent online surveys. The phone response rate for the national survey was 12.8 percent and for the Florida survey was 12.1 percent, using the American Association for Public Opinion Research's Response Rate Three (RR3) formula. Response rates did not differ between landline and cell phone interviews.

For both surveys, the phone sample was weighted to correct for variance in the likelihood of selection for a given case. Phone and online samples were combined using propensity score matching and were weighted to general population demographics.

The weight-adjusted margin of error is ± 2.6 percentage points for the national survey and ± 4.2 percentage points for the Florida survey. Differences reported between subgroups are statistically significant at the $p < .05$ level unless otherwise stated. The surveys were designed by Public Agenda and fielded by Social Science Research Solutions, Inc.

Public Agenda conducted this research with support from the Robert Wood Johnson Foundation. For research briefs on the other three states and for the full national research report, including topline findings, full question wordings and sample characteristics, please go to <http://www.publicagenda.org/pages/still-searching>.

ENDNOTES

- ¹ Agency for Healthcare Research and Quality, “Table II.F.1, Table II.F.2, Table II.F.3, Table II.F.4, Table II.F.5 and Table II.F.6” Medical Expenditure Panel Survey Insurance Component Tables, 1996–2015, generated using MEPSnet/IC on January 31, 2017, https://meps.ahrq.gov/mepsweb/data_stats/MEPSnetIC/startup.
- ² Catalyst for Payment Reform and Health Care Incentives Improvement Institute, “Report Card on State Price Transparency Laws” (Oakland CA: Catalyst for Payment Reform, 2016), <http://www.hci3.org/wp-content/uploads/2016/07/reportcard2016.pdf>.
- ³ Harris Meyer, “New Price-Transparency Law Puts Florida in the Consumer Vanguard,” Modern Health Care *Vital Signs* blog, April 19, 2016, <http://www.modernhealthcare.com/article/20160419/BLOG/160419918>.
- ⁴ Health and Human Services Committee Health Care Appropriations Subcommittee, “Transparency in Health Care,” [bill] in *CS/CS/HB 1175*, Florida Senate, 2016, <https://www.flsenate.gov/Committees/BillSummaries/2016/html/1385>; Agency for Health Care Administration Communications Office, “Secretary Senior Announces Contract Awarded to HCCI for Health Care Transparency Initiative,” press release, January 24, 2017, http://ahca.myflorida.com/Executive/Communications/Press_Releases/pdf/HCCIPressRelease.pdf; All-Payer Claims Database (APCD) Council and National Association of Health Data Organizations (NAHDO), “Interactive State Report Map” (Durham, NH: APCD Council, 2017), <https://www.apcdcouncil.org/state/map>.
- ⁵ Telephone and online samples were combined using propensity score matching techniques and weighted to the general U.S. population. See the methodology at the end of this report for a detailed description of how this research was conducted.
- ⁶ This percentage includes those who say they have ever tried to find out how much they would have to pay out of pocket, not including a copay, in any one or more of the following four situations: before visiting a primary care doctor, before visiting a specialist doctor, before a hospital stay or before getting a medical test. It also includes those who say they have ever tried to find out before getting care what a doctor or medical facility would charge their insurance companies.
- ⁷ Ateev Mehrotra, Peter S. Hussey, Arnold Milstein and Judith H. Hibbard, “Consumers’ and Providers’ Responses to Public Cost Reports, and How to Raise the Likelihood of Achieving Desired Results,” *Health Affairs* 31, no. 4 (2012): 843–51; Anna D. Sinaiko and Meredith B. Rosenthal, “Increased Price Transparency in Health Care—Challenges and Potential Effects,” *New England Journal of Medicine* 364, no. 10 (2011): 891–94.
- ⁸ Kathryn A. Phillips, David Schleifer and Carolin Hagelskamp, “Most Americans Do Not Believe that There Is an Association Between Health Care Prices and Quality of Care,” *Health Affairs* 35, no. 4 (2016): 647–53; David Schleifer, Rebecca Silliman and Chloe Rinehart, “Still Searching: How People Use Health Care Price Information in the United States, New York State, Florida, Texas and New Hampshire” (Brooklyn, NY: Public Agenda, 2017), <http://www.publicagenda.org/pages/still-searching>.
- ⁹ Sunita Desai, Laura A. Hatfield, Andrew L. Hicks, Michael E. Chernew and Ateev Mehrotra, “Association Between Availability of a Price Transparency Tool and Outpatient Spending,” *JAMA* 315, no. 17 (2016): 1874–81; Anna D. Sinaiko, Karen E. Joynt and Meredith B. Rosenthal, “Association Between Viewing Health Care Price Information and Choice of Health Care Facility,” *JAMA Internal Medicine* 176, no. 12 (2016): 1868–70; Aparna Higgins, Nicole Brainard and German Veselovskiy, “Characterizing Health Plan Price Estimator Tools: Findings from a National Survey,” *American Journal of Managed Care* 22, no. 2 (2016): 126–31.
- ¹⁰ Austin Frakt, “Price Transparency Is Nice. Just Don’t Expect It to Cut Health Costs,” *New York Times*, December 19, 2016, https://www.nytimes.com/2016/12/19/upshot/price-transparency-is-nice-just-dont-expect-it-to-cut-health-costs.html?_r=0.
- ¹¹ This includes residents of Arkansas, California, Colorado, Florida, Illinois, Iowa, Kentucky, Louisiana, Maine, Massachusetts, Minnesota, Nevada, New Hampshire, North Carolina, Ohio, Oregon, South Dakota, Utah, Vermont, Virginia and Wisconsin.



PUBLIC AGENDA

About Public Agenda

Public Agenda helps build a democracy that works for everyone. By elevating a diversity of voices, forging common ground and improving dialogue and collaboration among leaders and communities, Public Agenda fuels progress on critical issues, including education, health care and community engagement. Founded in 1975, Public Agenda is a nonpartisan, nonprofit organization based in New York City.

Find Public Agenda online at PublicAgenda.org, on Facebook at facebook.com/PublicAgenda and on Twitter at [@PublicAgenda](https://twitter.com/PublicAgenda).



Robert Wood Johnson Foundation

About the Robert Wood Johnson Foundation

For more than 40 years the Robert Wood Johnson Foundation (RWJF) has worked to improve health and health care. RWJF is working with others to build a national Culture of Health enabling everyone in America to live longer, healthier lives.

For more information, visit www.rwjf.org. Follow the Foundation on Twitter at [www.rwjf.org/twitter](https://twitter.com/rwjf) or on Facebook at www.rwjf.org/facebook.

For more information about this study, visit: <http://www.publicagenda.org/pages/still-searching>
Or contact research@publicagenda.org, tel: 212.686.6610.