



Q2 2011
healthcare
transparency
index

Data Set

National Price Variances

The Healthcare Transparency Index (HCTI) for the second quarter of 2011 focuses on national and regional variances for imaging services. Data incorporated into this index came from the Southwest, Northeast, Midwest and Southeastern United States.

All imaging services took place within a 20-mile radius of an outpatient facility, freestanding imaging center or medical office. The total imaging claims set was reduced to a subset of services based on frequency and price variability. The review and analysis of cost and savings on more than 5,000 unique service occurrences were utilized to create this index.

The following table provides national pricing variances for the most frequent imaging services by comparing high and low pricing for comparable regional imaging services.

MRI services, the second highest cost imaging service compared to PET scans, have the greatest variances with Southwest coming in at the low end and Southeast services at the high end.

To be included in the analysis, claims selected had to meet three key criteria:

1. Actionable - Could a patient have received the service in a different location? For example, patients who are admitted to a hospital and receive imaging as part of acute treatment would not be included.

2. Frequency - Was there enough volume to determine accurate pricing and opportunity?

3. Variance - Were the price differences between locations substantial enough to generate a meaningful level of savings?

Service categories included:

- MRI (Magnetic Resonance imaging)
- CT Scan (Computerized Axial Tomography)
- Ultrasound
- PET Scan (Positron Emission Tomography)
- Mammography

National Imaging Price Variances

Service	Region	High	Low	Variance	
				\$	%
MRI of Brain	Southeast	\$3,600	\$825	\$2,775	336%
MRI of Brain	Northeast	\$3,500	\$1,540	\$1,960	127%
MRI of Lumbar Spine	Southeast	\$2,500	\$560	\$1,940	346%
MRI of Brain	Southwest	\$2,200	\$425	\$1,775	418%
PET Scan of Base of Skull to Thigh	Southwest	\$3,000	\$1,240	\$1,760	142%
MRI of Lower Extremity	Southeast	\$2,400	\$800	\$1,600	200%
CT Scan of Pelvis with Contrast	Southwest	\$1,800	\$230	\$1,570	683%
MRI of Lower Extremity	Northeast	\$2,200	\$710	\$1,490	210%
CT Scan of Abdomen with Contrast	Southwest	\$1,800	\$320	\$1,480	463%
MRI of Lumbar Spine	Northeast	\$2,250	\$790	\$1,460	185%

Source: change:healthcare customer database (12 months of medical, dental and Rx claims for 82,000 employees representing 152,00 lives in all 50 states)

Greatest Regional Variances by Service Type

Service	Region	High	Region	Low	Variance	
					\$	%
MRI Lower Extremity	SE	\$2,400	SW	\$375	\$2,025	540%
MRI Brain	SE	\$3,600	SW	\$425	\$3,175	747%
MRI Lumbar Spine	SE	\$2,500	SW	\$300	\$2,200	733%
CT Scan of Abdomen with & without Contrast	SE	\$2,100	SW	\$375	\$1,725	460%
CT Scan of Abdomen with Contrast	SE	\$1,820	SW	\$300	\$1,520	507%
CT Scan of Pelvis with Contrast	SE, SW	\$1,800	SW	\$230	\$1,570	683%
Breast Ultrasound	NE	\$460	SW	\$70	\$390	557%
Abdominal Ultrasound	NE	\$740	SW	\$120	\$620	517%
Transvaginal Ultrasound	NE	\$580	SW	\$1,240	\$480	480%
PET Scan of Skull to Thigh	NE	\$4,800	SW	\$1,240	\$3,560	287%
Digital Screening Mammogram	SE, SW	\$400	SE, SW	\$140	\$260	186%
Digital Diagnostic Mammogram	SE	\$550	SW	\$150	\$400	267%

Source: change:healthcare customer database (12 months of medical, dental and Rx claims for 82,000 employees representing 152,00 lives in all 50 states)

MRI Summary

The top three services based on frequency of occurrence in the MRI category are lower extremity joint, brain and lumbar spine. MRI of the brain has the greatest average variance with the Southeast posting the greatest discrepancy,

MRI of Lower Extremity

Region	High	Low	Variance	
			\$	%
Southwest	\$1,500	\$375	\$1,125	300%
Northeast	\$2,200	\$710	\$1,490	210%
Midwest	\$1,050	\$450	\$600	133%
Southeast	\$2,400	\$800	\$1,600	200%
Average			\$1,204	211%

MRI of Lower Extremity

Region	High	Low	Variance	
			\$	%
Southwest	\$2,200	\$425	\$1,775	418%
Northeast	\$3,500	\$1,540	\$1,960	127%
Midwest	\$1,380	\$640	\$740	116%
Southeast	\$3,600	\$825	\$2,775	336%
Average			\$1,813	249%

MRI of Lower Extremity

Region	High	Low	Variance	
			\$	%
Southwest	\$1,400	\$300	\$1,100	367%
Northeast	\$2,250	\$790	\$1,460	185%
Midwest	\$620	\$400	\$220	55%
Southeast	\$2,500	\$560	\$1,940	346%
Average			\$1,180	238%

CT Scans Summary

The top three services based on frequency of occurrence in the CT scan category are pelvis with contrast, abdomen with contrast and abdomen with/without contrast. CT scan of the abdomen with/without contrast offers the highest price point but a CT scan of the pelvis has the greatest variance of \$1,570.

CT Scan of Pelvis with Contrast

Region	High	Low	Variance	
			\$	%
Southwest	\$1,800	\$230	\$1,570	683%
Northeast	\$1,550	\$475	\$1,075	226%
Midwest	\$530	\$240	\$290	121%
Southeast	\$1,800	\$350	\$1,450	414%
Average			\$1,096	361%

CT Scan of Abdomen with Contrast

Region	High	Low	Variance	
			\$	%
Southwest	\$1,800	\$320	\$1,480	463%
Northeast	\$1,460	\$480	\$980	204%
Midwest	\$540	\$300	\$240	80%
Southeast	\$1,820	\$400	\$1,420	355%
Average			\$1,030	275%

CT Scan of Abdomen with/without Contrast

Region	High	Low	Variance	
			\$	%
Southwest	\$1,700	\$375	\$1,325	353%
Northeast	\$2,020	\$1,220	\$800	66%
Midwest	\$500	\$380	\$120	32%
Southeast	\$2,100	\$650	\$1,450	223%
Average			\$924	168%

Source: change:healthcare customer database (12 months of medical, dental and Rx claims for 82,000 employees representing 152,00 lives in all 50 states)

Ultrasound Summary

The top three services based on frequency of occurrence in the ultrasound category are breast, abdominal and transvaginal ultrasounds. Ultrasound services have relatively consistent variances and pricing. High costs reach \$740 for an abdominal ultrasound and also post the greatest variances.

Breast Ultrasound

Region	High	Low	Variance	
			\$	%
Southwest	\$400	\$70	\$330	471%
Northeast	\$460	\$100	\$360	360%
Midwest	\$130	\$90	\$40	44%
Southeast	\$375	\$110	\$265	241%
Average			\$249	279%

Abdominal Ultrasound

Region	High	Low	Variance	
			\$	%
Southwest	\$700	\$120	\$580	483%
Northeast	\$740	\$172	\$568	330%
Midwest	\$247	\$160	\$87	54%
Southeast	\$595	\$160	\$435	272%
Average			\$418	285%

Transvaginal Ultrasound

Region	High	Low	Variance	
			\$	%
Southwest	\$400	\$100	\$300	300%
Northeast	\$580	\$140	\$440	314%
Midwest	\$328	\$150	\$178	119%
Southeast	\$550	\$150	\$400	267%
Average			\$330	250%

PET Scan Summary

The most frequently occurring service in the PET Scan category is scan from the base of the skull to mid-thigh. PET scans most commonly used to detect cancer and heart problems, are the highest cost imaging services in the index, but post the lowest overall variances on a percentage basis, maxing out at 142%.

PET Scan of Base of Skull to Thigh

Region	High	Low	Variance	
			\$	%
Southwest	\$3,000	\$1,240	\$1,760	142%
Northeast	\$4,800	\$3,500	\$1,300	37%
Midwest	\$2,500	\$1,400	\$1,100	79%
Southeast	\$3,500	\$2,500	\$1,000	40%
		Average	\$1,290	74%

Mammography Summary

The top two services based on frequency of occurrence in the mammography category are digital screening mammogram and digital diagnostic mammogram. Mammography is the lowest cost imaging service with the lowest variance in terms of dollars and percent, with a high of \$550 for a digital diagnostic mammogram in the Southeast. Services vary and by just less than \$200 on average.

Digital Screening Mammogram

Region	High	Low	Variance	
			\$	%
Southwest	\$275	\$140	\$135	96%
Northeast	\$400	\$200	\$200	100%
Midwest	\$255	\$140	\$115	82%
Southeast	\$400	\$180	\$220	122%
Average			\$168	100%

Digital Diagnostic Mammogram

Region	High	Low	Variance	
			\$	%
Southwest	\$260	\$150	\$110	73%
Northeast	\$330	\$190	\$140	74%
Midwest	\$270	\$160	\$110	69%
Southeast	\$550	\$180	\$370	206%
Average			\$183	105%

Methodology

About Healthcare Transparency Index Methodology

The data analyzed for the quarterly Healthcare Transparency Index is sourced from change:healthcare's proprietary, HIPAA-compliant database generated from client activity. The pricing and behavioral content contained in this report is derived from the change:healthcare Transparency Messenger product that includes demographic detail, dental, medical and pharmacy claims for the period May 2010 through May 2011.

The Healthcare Transparency Index is drawn from the current change:healthcare database comprised of 12 months of claims information for 82,000 employees representing 152,000 lives. This data is continuously refreshed as the result of existing client relationships with self-insured employers, as well as ASO and TPA relationships that collectively provide cost transparency access to more than 200 companies. Focus markets were selected to provide in-market comparisons for imaging price variance.

For more information about the change:healthcare Transparency Messenger and the Healthcare Transparency Index, please call 800-655-0732.

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