



ON MANUFACTURING, HEALTH BY RICH KIRCHEN

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PRICE POINT

Employer health costs high: Study

Three major state business groups threw their support behind new data from RAND Corp. that found prices paid by privately-insured employer health plans in Wisconsin are among the highest in the nation.

Wisconsin prices ranked third-highest for professional fees while hospital facility fees were slightly above the national average, RAND said. Overall, Wisconsin ranks among the 10 most-expensive states for hospital prices, based on an analysis of actual prices negotiated by employers and health plans, according to RAND.

Wisconsin employers can use the data for "an honest discussion" with health care systems about the fact that "health care costs are simply too high,"

said Chris Reader of Wisconsin Manufacturers & Commerce, Madison.

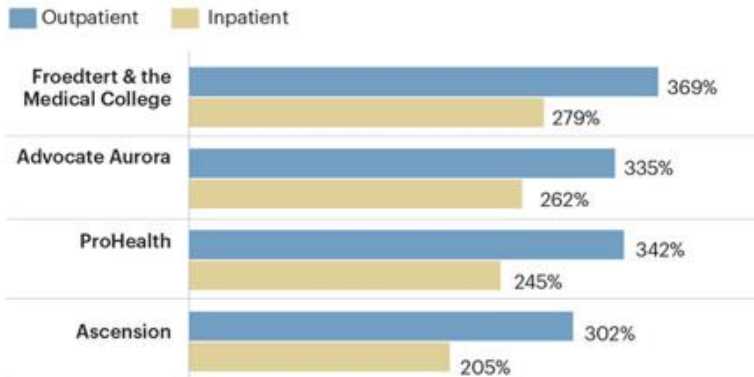
The Business Health Care Group in Waukesha plans to reward high-quality, low-cost health care systems by driving employees to those systems, said executive director Jeff Kluever.

The data was from 2018 and compared prices paid to hospitals by privately insured patients with what Medicare would have paid for care in the same facilities. Also backing the RAND study was The Alliance, a cooperative of Wisconsin employers with self-funded health benefits plans.

The Wisconsin Hospital Association said the report's Medicare benchmark is flawed because payments vary by state and in Wisconsin they're too low.

HIGH COSTS

RAND's breakout for Wisconsin health systems comparing their prices for services relative to what the government pays for people insured through Medicare.



SOURCE: RAND Corp.