

Falls City Hospital Reducing Drug Costs for Patients

(KTNC)--Health care is expensive in the United States. Even with insurance, unexpected medical bills can devastate a family's finances. To respond to the needs of area families and individuals, the Administration and Board of Community Medical Center in Falls City has announced the first steps in a plan it says will help keep healthcare affordable. Among these steps hospital officials say is a 20-percent average reduction in the price charged for medications at CMC versus the same point last year. The hospital also did not raise prices to patients for any services with its new budget year and is exploring additional ways to find savings that can be passed on to patients.

According to CEO Ryan Larsen, "The Board and administration have been increasingly concerned about the high cost of health care. Even though our costs increase each year, we want to do our part. For that reason, the board-approved budget, effective August 1, included no annual price increases and, in fact, included significant reductions in patient pharmacy charges."

Larsen says they focused on pharmacy charges for several reasons. "First, last year, the city partnered with us to make 340B discounts available on drugs for outpatient treatments. As we looked for ways to pass these savings on to our patients, we decided we had an even greater opportunity, and the price cuts we came up with ended up being over 10 times the value of the discounts we will receive through 340B," he said. "Our analysis identified various opportunities and our price cuts ranged from 3% to 48%, depending on the medication."

Larsen cited the work of CFO, Scott Sawyer and Pharmacist, Sue Rolfe for their contributions in putting the price reduction plan together, along with members of the local ministerial association that had helped bring this issue to the forefront. He also touted the commitment of the Board to consider the needs of the community.

Larsen said that CMC was already in the 79th percentile of hospitals nationally for low patient charges, meaning 79 of 100 hospitals have higher prices, but they wanted to stay in touch with local needs and expectations. He says the hospital's strategic plan includes further efforts to identify savings opportunities to help keep medical care affordable.

Many Signals Communications