Colonoscopy Reimbursement Variation across Payers and Settings of Care in New York

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Background

- Price transparency has been increasingly recognized as a necessity in American health care. Until recently, patients had little insight into the cost of their medical services.
- Recent policies like the 2019 Hospital Price Transparency Rule and 2020 Transparency in Coverage Rule have mandated hospitals and insurers to publish their negotiated rates, availing previously unknown costs for services.
- Ambulatory Surgical Centers (ASCs) have become more prevalent as an alternative setting of care to common hospital outpatient procedures. In 2023, the number of procedures per fee-for-service (FFS) beneficiary jumped to 5.7% - significantly above the 0.6% average rate from 2018 to 2022[1].
- Differences in reimbursement rates between hospital outpatient departments (HOPDs) and ASCs have been well-established[2-3] but less is known about the variation of rates across commercial payers and other settings of care.

Purpose

- We aim to characterize price variation in colonoscopy reimbursement across four broad networks from Aetna, Anthem, Cigna, and UnitedHealthcare. Price variation across different settings of care – HOPD, ASC, and physician office – will also be evaluated for each payer.
- We also examine ASC price variation by geography. Although ASCs continue to grow in number and procedure volume, 94% of ASCs remain concentrated in urban areas[1]. Certain urban areas may also have more ASCs than others, which may also impact price negotiations. This unequal distribution of ASCs may have implications for patient costs by exacerbating the disparities in access to care between urban and rural patients.
- Our goal is to illuminate such price variation across payers and care settings to give patients access to information that has historically been unavailable, enabling more informed decision-making.

Materials & Methods

Payer-reported negotiated rates for August 2025, compiled by Turquoise Health, were used in this analysis. We analyzed rates data for colonoscopy procedures in New York across four broad EPO and PPO networks from four major commercial payers: Aetna, Anthem, Cigna, and UnitedHealthcare (UHC). The plans included in the analysis are: **Aetna** – NY Group EPO, **Anthem** – NY EPO, **Cigna** – National PPO, and **UHC** - Rates were analyzed for the three most commonly billed colonoscopy Current Procedural Terminology (CPT) codes performed at ASCs (listed below):

CPT	Description
45378	Colonoscopy, flexible; diagnostic, including collection of specimen(s) by brushing or washing, when performed
45380	Colonoscopy, flexible; with biopsy, single or multiple
45385	Colonoscopy, flexible; with removal of tumor(s), polyp(s), or other lesion(s) by snare technique

Rates were categorized by setting of care based on the specified CMS Place of Service Code. Three settings of care were analyzed: Hospital Outpatient Department (HOPD), Ambulatory Surgical Center (ASC), and Physician Office. Data was also categorized by geography using the core-based statistical area (CBSA) of each provider. For geography-based comparisons, rates were normalized using CMS wage index.

Median negotiated rates and interquartile ranges were calculated and payer-level differences were compared using Kruskal-Wallis or Mann-Whitney U tests, depending on sample size, in R version 4.3.3. The study used publicly available data and was therefore exempt from institutional review board approval under 45 CFR §46.102.

Results

A total of 49,964 price listings were identified across 3,124 ASCs, 797 HOPDs, and 2,469 physician offices. For CPT 45378 (diagnostic colonoscopy), the median rate was $2,599 (IQR 3,440) in HOPDs, $301 (IQR 180) in ASCs, and $437 (IQR 177) in physician offices. Similar patterns were observed for CPT codes 45380 and 45385 (Figure 1). Across all procedure codes and settings, payer-level differences were statistically significant (*p<0.01*).

Payer Level Differences by Setting of Care:

- Within HOPDs, Cigna reimbursed colonoscopies at the lowest median rates for all three CPT codes, while UnitedHealthcare reimbursed at the highest (p<0.01).
- HOPD rates had significant variance, ranging from $1300 (Cigna) to $3612 (UHC) for CPT 45378.
- Compared to HOPDs, ASC prices were more similar across payers, ranging from $227 to $554. However, Anthem consistently had the lowest rates - almost half of Aetna's rates.
- Physician office rates were much more consistent across payers than the other two settings of care, but the difference between payers remained statistically significant (p<0.01 for all comparisons).
- The relative pricing hierarchy among payers differed between settings of care; for example, Anthem had relatively high median rates at HOPDs but the lowest rates at ASCs. Cigna's HOPD rates were the lowest of all four payers while Cigna's physician office rates were the highest.

Figure 2a: Median Negotiated Rate by Payer and Setting – 45378 (Colonoscopy, flexible; diagnostic)

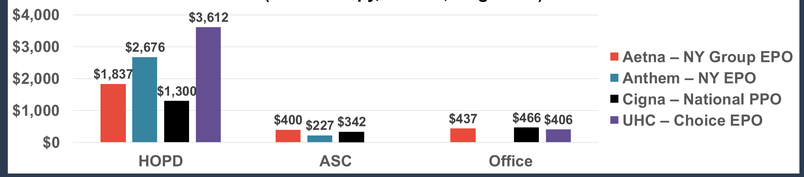

Figure 2b: Median Negotiated Rate by Payer and Setting – CPT 45378, 45380, 45385, *Median (IQR), $*

	Aetna (NY Group EPO)	Anthem (NY EPO)	Cigna (National PPO)	UHC (Choice EPO)	*p-value*
45378					
HOPD	1837 (3570)	2676 (2195)	1300 (851)	3612 (3664)	<0.01
ASC	400 (306)	227 (228)	342 (196)		<0.01
Office	437 (158)		466 (382)	406 (254)	<0.01
45380					
HOPD	1837 (4023)	3200 (2915)	1466 (773)	3612 (3740)	<0.01
ASC	434 (418)	230 (322)	368 (259)		<0.01
Office	534 (202)		590 (413)	523 (273)	<0.01
45385					
HOPD	2366 (4319)	3200 (2915)	1363 (829)	3612 (3740)	<0.01
ASC	554 (445)	312 (302)	463 (287)		<0.01
Office	566 (189)		625 (511)	547 (340)	<0.01

Geographic Level Differences by Setting of Care:
Comparing median rates across CBSA demonstrated significant geographical reimbursement (Figure 4). Similar to the variation observed across payers, relative differences between different geographies also varied across different care settings. HOPDs in the New York City and Albany CBSAs had the highest rates, but ASCs in these CBSAs had the lowest rates. One notable outlier was HOPD rates in the Buffalo CBSA. HOPD rates in Buffalo were similar to the professional rates at ASCs or physician offices, a finding unique to only this geography. 45 hospitals reported rates in Buffalo, so this is not attributable to a lack of sample size. Once again, physician office rates demonstrated the least variance.

Figure 3: Wage Index-Adjusted Negotiated Rate by CBSA and Setting, *Median (IQR), $*

	Albany-Schenectady-Troy, NY	Buffalo-Cheektowaga, NY	New York-Newark-Jersey City, NY-NJ	Rochester, NY	*p-value*
HOPD					
45378	2265 (2555)	469 (573)	2336 (2612)	1711 (979)	<0.01
45380	2431 (2752)	498 (517)	2415 (2934)	1823 (979)	<0.01
45385	2431 (2752)	465 (630)	2454 (3096)	1823 (979)	<0.01
ASC					
45378	225 (169)	328 (162)	222 (150)	328 (225)	<0.01
45380	289 (186)	384 (220)	265 (164)	379 (320)	<0.01
45385	300 (238)	465 (205)	297 (214)	465 (353)	<0.01
Office					
45378	372 (204)	359 (130)	319 (132)	359 (210)	<0.01
45380	432 (188)	385 (158)	394 (169)	430 (208)	<0.01
45385	499 (243)	465 (159)	417 (158)	465 (258)	<0.01

Discussion

- Across all three colonoscopy types analyzed, substantial variation in commercial reimbursements exists between payers and across different care settings. Additionally, comparisons between payers were not the same across the different care settings. For example, Anthem's rates were amongst the highest in HOPDs, but the lowest at ASCs. This may suggest differences in each payer's negotiation strategy and network composition in New York, resulting in differences in where they drive their members' care.
- ASC rates for UHC – Choice EPO and office rates for Anthem – NY EPO were not found in the Turquoise dataset, potentially reflecting a lack in utilization for these payers in these settings. While this may be attributed to data missingness, Turquoise reports processing all available payer-reported data each month.
- Significant geographical variation was also observed for all three colonoscopy codes (Figure 3). Like payer comparisons, relative differences between different geographies also varied across different care settings. HOPDs in the New York City and Albany CBSAs had the highest rates compared to other geographies while their ASCs had the lowest rates. Notably, Buffalo HOPDs had rates that were magnitudes below other CBSAs.
- Our findings demonstrate that even within a single state, payer-level and regional variation remains a major source of cost heterogeneity. Increased access to price transparency data and further investigation into the significant variation in reimbursement can provide an opportunity for patients, clinicians, and payers to make more informed decisions regarding sites of care.

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