

HCS HB 2269 -- HEALTH CARE TRANSPARENCY

SPONSOR: Frederick

COMMITTEE ACTION: Voted "Do Pass with Amendments" by the Standing Committee on Health and Mental Health Policy by a vote of 12 to 0. Voted "Do Pass with HCS" by the Select Committee on Social Services by vote of 10 to 0.

This bill establishes the "Health Care Cost Reduction and Transparency Act." Beginning January 1, 2018, each ambulatory surgical center and imaging center must provide an estimate of the most current direct payment price information for the 25 most common surgical procedures or 20 most common imaging procedures, as appropriate.

Upon written request of a patient for the direct payment cost of a particular health care service or procedure, imaging procedure, or surgery procedure, a health care provider or specified facility must provide the information to the patient in writing, either electronically, by mail, or in person, within three business days after receiving the request. Providing a patient the specific link to such estimated prices and posting such estimated prices on the health care provider's or facility's website must constitute compliance with these provisions.

The bill prohibits a health care provider from being required to report information under this provision if reporting such information reasonably could lead to the identification of a person receiving health care services in violation of the Health Insurance Portability and Accountability Act of 1996 or other federal law. These provisions must not apply to emergency departments that are required to comply with the Emergency Medical Treatment and Active Labor Act.

The bill requires it to be a condition of participation in the MO HealthNet program for a health care provider located in certain Kansas border counties to comply with these provisions.

This bill creates the "Predetermination of Health Care Benefits Act" that requires health benefit plans that receive electronic health care predetermination requests from health care providers to provide the requesting health care provider information on the amounts of expected benefits coverage on the procedures specified in the request. The bill also requires health care providers and health benefit plans to comply with defined administrative simplification procedures when submitting and replying to health care predetermination requests. The bill requires a health benefit plan's response to be returned in the same manner as the request

was received and prohibits collection of any payment prior to or as a condition of receiving the health benefit services that are the subject of a health care predetermination request unless the practice is not prohibited by the provider agreement with the health benefit plan.

PROPOSERS: Supporters say that the current trend is that many Americans have insurance policies with very high deductibles. Now that consumers are on the hook for the high deductible via cash or a health savings account, they want to know what their costs will be and it is very difficult for them to get an actual figure. For consumers, health care price transparency is a vital shopping tool. When consumers have the information they need to make well informed health care decisions they become better consumers. Price can vary greatly by provider and knowing what procedures cost at different places can be a tremendous advantage to consumers.

Testifying for the bill were Representative Frederick; St. Louis Area Business Health Coalition; and the Missouri Association of Physicians And Surgeons.

OPPOSERS: Those who oppose the bill say that they are against the legislation but do support the idea of transparency. Opponents are concerned about the legislation leading to higher costs. Opponents do not want providers to be able to see what everyone pays for certain things because this could drive up costs. There are a lot of variables that are not included in estimates, so estimates could be misleading.

Testifying against the bill was the Missouri Insurance Coalition.

OTHERS: Others testifying on the bill say that they have recently unveiled a transparency initiative. The initiative is voluntary and they have 81% of their members participating. The \$5 million fiscal note when fully implemented, is due to a lag in cost reports that show today's costs in reports four years later.

Testifying on the bill was the Missouri Hospital Association.