



May 18, 2020

The Honorable Scott Oelslager
The Honorable Jamie Callender
Co-Chairs, House Finance Committee
Ohio House of Representatives
77 S. High St.
Columbus, OH 43215

Dear Chairmen Oelslager & Callender,

I am writing today as a follow-up to testimony I presented to your committee last week on House Bill 388, legislation to protect patients from the burden of costly, surprise medical bills. As you know, my testimony focused on the Ohio Chamber's fear that a solution to surprise billing could increase the cost of health insurance if it doesn't take steps to limit further cost-shifting by health care providers to private sector payers.

I have subsequently received a draft of a new substitute version of this bill (I_133_1962-15) that represents, as I understand it, a compromise approach agreed to by both the provider community and the health insurers. On behalf of the nearly 8,000 members of the Ohio Chamber of Commerce, I would like to express our support for this sub-bill, as well.

Throughout the debate over HB 388, avoiding the use of arbitration as the primary dispute resolution mechanism has been the Ohio Chamber's primary objective, as arbitration would only add a new layer of bureaucracy and administrative cost to our health care system.

While the new sub-bill does utilize arbitration, it is fashioned in a unique way that the Ohio Chamber is optimistic will not lead to significant cost escalation. We believe it encourages negotiation, thus limiting the frequency of cases that may go to arbitration in the first place, and also gives both the providers and health plans a disincentive to arbitration by requiring both to share in paying the cost of arbitration, no matter which side prevails. In addition – and most importantly – it instructs the arbitrator to consider exclusively market-based factors in determining which final offer to accept and requires the arbitrator to decide in favor of whichever offer best reflects these factors.

Given this, the -15 version of HB 388 not only protects patients, but it also ensures providers are fairly compensated without creating a process that would lead to unnecessary health insurance premium increases for employers. The Ohio Chamber urges support for this version of the bill. Thank you.

Sincerely,

A handwritten signature in black ink that reads "Keith Lake". The signature is written in a cursive style with a large, stylized "K" and "L".

Keith Lake
Vice President, Government Affairs

cc: Rep. Adam Holmes