



November 25, 2020

Senator Bob D. Hackett
Chair, Senate Insurance and Financial Institutions Committee
Senate Building
1 Capitol Square, 1st Floor
Columbus, OH 43215

Senator Jay Hottinger
Vice-Chair, Senate Insurance and Financial Institutions Committee
Senator Jay Hottinger
Senate Building
1 Capitol Square, 1st Floor
Columbus, OH 43215

Senator Hearcel Craig
Ranking Minority Member, Senate Insurance and Financial Institutions Committee
Senate Building
1 Capitol Square, Ground Floor
Columbus, OH 43215

Re: HB 388, Surprise Billing

Dear Chairman Hackett, Vice-Chair Hottinger, and Ranking Minority Member Craig:

I write today on behalf of America's Health Insurance Plans¹ to support House Bill 388, which will protect patients from surprise medical bills and reign in out-of-control health care costs. We support the bill because it contains principles we believe are necessary to protect patients from surprise medical bills.

HB 388 will take meaningful steps to protect consumers by:

- Prohibiting doctors from sending a surprise medical bill to patients in cases of emergency, involuntary care, or instances where the patient had no choice in their provider.
- Requiring non-participating providers to inform patients of their network status and to provide patients a disclaimer that the covered person is not required to obtain the health care service at that location or from that individual provider.
- Providing for a reimbursement level that is fair and market based and will not increase premiums or impact access for consumers by basing amounts on a benchmark that uses the "greatest of three" payment methodology.
- Avoiding the use of complex, costly, and opaque dispute processes that can keep consumers in the middle and lead to higher premiums.

¹ America's Health Insurance Plans (AHIP) is the national association whose members provide insurance coverage for health care and related services. Through these offerings, we improve and protect the health and financial security of consumers, families, businesses, communities and the nation. We are committed to market-based solutions and public-private partnerships that improve affordability, value, access and well-being for consumers.

November 25, 2020
Page 2

As the cost of health care continues to rise, we are committed to finding solutions to protect the financial stability of Ohio consumers and patients. A significant driver of high costs is exorbitant bills that millions of patients with comprehensive insurance coverage receive every year, demanding arbitrary fees for treatment by certain specialty medical doctors they did not seek out for care and, often, never even knew treated them.

In fact, at least one in five Americans receives a surprise medical bill every year. Not only do these expenses affect patients who need care, they drive up premiums, making health care less affordable and accessible for everyone.

In many cases, the charges bear no relation to the actual cost of care or market rates. For example, out-of-network anesthesiologists bill, on average, 580 percent of the Medicare reimbursement rate. For emergency medicine physicians, the charges can be even higher, with one study finding the average bill to be 798 percent of what Medicare would pay. These excessive bills distort health care markets, create tremendous financial hardship on families, and drive up premiums for everyone enrolled in commercial coverage.

AHIP supports a dispute process that is simple and looks only at the accuracy or inaccuracy of the payment based on the "greatest of the three" amounts. We do not support a process that evaluates the amount apart from the greatest of three because of the financial impact it will have on health care costs.

For these reasons, AHIP supports House Bill 388. We appreciate you taking our views into consideration and look forward to working with you to advance common-sense solutions to this problem. Please do not hesitate to contact me at mhaffenbredl@ahip.org (202-413-9817) should you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "Mary Haffenbredl".

Mary Haffenbredl
Regional Director, State Affairs, AHIP