



## **IWV Supports Ohio House Bill 49**

Dear Chairman Lampton and members of the House Insurance Committee,

On behalf of Independent Women's Voice, an organization that fights for women and their loved ones by advocating for policy solutions that enhance freedom, opportunities, and well-being, I urge you to pass HB 49, the healthcare price transparency legislation.

Healthcare price transparency is common sense. We would never agree to buy anything without knowing how much it is going to cost. Prices in health care should work the same way. Patients should be able to plan ahead for how to pay and shop among providers. We should know what our out-of-pocket costs will be, as well as the costs, markups, discounts, and payments others make on our behalf.

Making price transparency a reality in Ohio is a key step toward a better healthcare system. When patients can make informed, value-driven decisions about our care, there will also be incentives for healthcare providers to offer the best quality care at the best possible price. This is the way nearly every other industry works, and the pressures of market competition serve as a check on costs and encourage better quality service. Clearly, this is missing from our present healthcare system.

Healthcare price transparency would offer patients in Ohio important consumer protection. The upfront price offered should match the amount that patients are ultimately billed. If this isn't the case, patients would have a remedy through HB 49 that they lack today.

Sometimes, in an urgent situation, patients will not think about cost because their life or health is at risk; they will go to the closest emergency department or seek care in the most timely or convenient way. However, most healthcare services are "shoppable," meaning patients have time to look around and plan for how and where to spend their dollars.

States—and the federal government—should act to establish requirements for system-wide, net price transparency, meaning a full picture of costs, markups, discounts, and payments. Simply put, keeping price information from patients

should be illegal. Only systemic, full net price transparency will bring systemic change.

While it's true that our current healthcare payment structure includes many middlemen, it still matters to patients what services cost. Consider uninsured or cash patients—this issue especially matters to them. Even patients with insurance often have high deductibles and must pay the costs for their healthcare services until they spend a certain amount. The copay or cost-sharing that patients are responsible for is often a function of the total bill, meaning the sticker price does matter because it affects how much patients pay. In fact, healthcare costs continue to be a top concern for many Americans as consumers, employers, and voters.

Gallup has reported that Americans borrow more than \$88 billion annually to pay for healthcare bills, and sadly one in four people skip a healthcare treatment, service, or screening because of costs. Price transparency is not just a financial issue, but it will lead to better health and well-being as patients can shop for the most affordable options, put downward pressure on all prices, and access the healthcare services they need without fear of exorbitant, hidden fees.

Price transparency is within reach. Hospitals are merging and purchasing doctors' practices all the time. We know net pricing information is shared in these negotiations. Why can't it be shared with the public? We also know that much pricing information is typically disclosed to patients *after* their treatment in their explanation of benefits. It is critical that patients have easy access to pricing information *before* their treatment, when they are able to carefully weigh the costs.

Importantly, there are many policy recommendations to achieve price transparency. These include simple requirements that hospitals post average prices, address surprise billing (out-of-network bills), or, at minimum, provide good-faith price "estimates." But these proposals may not provide helpful or actionable information for patients. To achieve real, system-wide price transparency, patients need to have access to net prices—that is, the full picture of markups, discounts, and payments made on their behalf, not just their out-of-pocket costs. Only system-wide, net price transparency will bring systemic change to the way we pay for health care.

We encourage you to pass HB 49 and then take continued steps to ensure that all Ohio residents understand how to access the price information that is rightfully theirs and that incentives are best aligned to reward patients for acting on this information in a way that saves them money and drives overall healthcare costs down.

Thank you.

Respectfully,

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Independent Women's Voice