

Chris E. Deacon Testimony in Support of the Ohio Hospital Price Transparency Bill (HB 49)  
9/25/23

As a healthcare policy expert with a deep and comprehensive background in healthcare administration, I write to express my wholehearted support for the Ohio Hospital Price Transparency Bill, also known as HB 49. With a career that includes serving as the former director of the State Health Benefits and School Employee Health Benefits Program for the State of New Jersey, the second largest public sector health plan in the country, covering over 800,000 lives in New Jersey, I am acutely aware of the complexities and challenges that healthcare poses. I have had the privilege of working closely with public sector employers and have witnessed firsthand the pressing need for greater transparency in healthcare pricing. It is my professional opinion that transparency is not merely a desirable feature; it is a paramount necessity, especially for public sector employers in Ohio, as it is the cornerstone for controlling costs and ensuring the welfare of the employees they serve.

Healthcare pricing transparency is not a subject confined to policy circles but is a pressing concern for every employer, especially those in the public sector. As someone who has held a pivotal role in overseeing the healthcare benefits of hundreds of thousands of individuals, I can attest to the fact that transparency is not a matter of mere preference; it is an absolute requirement. To ensure cost control and financial responsibility, it is imperative for employers to have access to accurate and meaningful price information.

The Centers for Medicare & Medicaid Services (CMS) took a laudable step by instituting the Hospital Price Transparency rule, which mandated that hospitals disclose their standard charges. However, more than two years since its implementation, it is disconcerting to observe that many hospitals remain either non-compliant or employ tactics to obfuscate the information. The consequences of this opacity are significant, particularly for public sector employers who shoulder the responsibility of providing healthcare benefits to a substantial workforce.

Achieving comprehensive price transparency is not an option; it is an ethical obligation that ensures the welfare of employees and their families. With accurate and accessible price information, employers, including public sector entities, can make informed decisions that prioritize both cost-efficiency and the quality of care. It is a vital tool in driving value into our healthcare system and enabling employers to offer the best possible care to their employees, thus attracting and retaining a talented and dedicated workforce.

I urge you to consider strengthening the Hospital Price Transparency rule further, which would include implementing standardized reporting formats to make price information genuinely accessible and comprehensible to all stakeholders, including employers. This not only ensures compliance but also empowers employers to make data-driven decisions that benefit their workforce and the organizations they serve.

Price discrepancies for healthcare services within Ohio are stark and unjustifiable. This glaring variation in costs based on location highlights the urgency of price transparency in our healthcare system. Public sector employers, in particular, bear the responsibility of ensuring that their employees receive not only quality care but also affordable care. The ability to save substantial sums by selecting healthcare providers judiciously is not only in the best interests of employees but also essential for employers striving to offer cost-effective healthcare benefits.

The policies outlined in HB 49, sponsored by Representatives Ron Ferguson and Tim Barhorst, align perfectly with the growing demand for increased transparency and accountability. This bill not only codifies and strengthens federal price transparency list requirements but also empowers the Director of Health to monitor hospital compliance and take corrective action when necessary. Furthermore, it introduces critical consumer protection measures that prohibit non-compliant hospitals from pursuing debt collection against patients. If a hospital is found to be non-compliant with price transparency requirements, it must, upon the directive of the Director of Health, halt debt collection activities, remove the debt from the patient's credit report, and pay the patient a penalty equal to twice the amount of the debt. These measures collectively ensure that public sector employers can confidently offer healthcare benefits that empower employees to make informed decisions about their healthcare and their financial well-being.

One of the noteworthy aspects of the Ohio Hospital Price Transparency Bill is that it enjoys broad public support. Hospital price transparency is not only an essential policy goal but also a popular one, supported by a majority of citizens. This is evident in the example of Texas, where the SB 1137 law, which promotes hospital price transparency, was passed unanimously in both chambers in 2021. Similarly, Colorado's HB 1285 passed the Senate unanimously in 2022, further underscoring the bipartisan nature of this issue and the widespread recognition of the importance of transparency.

The relevance and urgency of hospital price transparency are particularly significant in Ohio, where it is reported that approximately one in three individuals with private health insurance received a surprising and often unpleasant medical bill within the past year. The current lack of affordability in healthcare has dire consequences, not just for employees but for the employers who are dedicated to their well-being. It is essential to understand that without truly affordable healthcare, employees will not seek preventive care or necessary treatment, both of which are vital to maintaining a healthy workforce. The affordability issue significantly contributes to Ohio's relatively unhealthy status and poor health value compared to other states. Addressing this problem is not merely a policy issue; it is a moral and ethical imperative, one that calls upon us to act with urgency and resolve.

In closing, I urge you to lend your unwavering support to the Ohio Hospital Price Transparency Bill (HB 49) and to champion the cause of healthcare transparency in our state. It is a cause that stands for fairness, accountability, and the well-being of the people of Ohio. By taking proactive steps to ensure transparency and compliance, we can empower public sector employers to offer

the best possible healthcare benefits to their employees, attract and retain a talented workforce, and contribute to the betterment of our state's health and financial welfare.

Thank you for your unwavering dedication to serving the interests of the people of Ohio, and for your attention to this critical matter.

Sincerely,

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