Kevin Morra, a Founder of Power to the Patients Testimony for Ohio HB 49

My name is Kevin Morra. I am one of the Founders of Power to the Patients, a non-profit advocacy group that fights for a more affordable, equitable, and honest healthcare system across the country. Our focused efforts include raising awareness that prices are now a patient's right, while also supporting legislation in cities and states around the country as well as at the federal level, where, over the last two plus years, we have had a number of meaningful meetings at the White House and with Members of Congress. As an organization, we also remind the federal government of their duty to enforce their own price transparency laws, which they have, very unfortunately, done a shameful job of enforcing as of this moment. At the federal level, of the roughly 4,000 hospitals that are still not complying with the federal Hospital Price Transparency Rule, they have fined only 13 and none of the biggest offenders. And this rule has been in existence for almost three years years. By any standard, this is a grossly muted performance by both HHS and CMS. Perhaps at the federal level, regulators are overburdened, inadequately prepared, or outright compromised by healthcare lobbyists, but the absolute reality of their failure to enforce this rule fully supports the unequivocal need for accountability at the state level as well. Without it, I can assure you, Ohioans facing health adversities and all those needing hospital services... will continue to be left vulnerable to the ugliest corporate greed... that which looks to profit from the pain and struggle of others.

Over the last two years, Power to the Patients has worked alongside patients, unions, other advocacy groups, and various publications to fight for transparency in healthcare. We have created several PSAs and high-level speaking opportunities with well-known individuals who

wholeheartedly believe in this mission to create transparency in healthcare. This now includes an unprecedented movement from Hip Hop music and culture, which includes rappers Fat Joe, Method Man from the Wutang Clan, Busta Rhymes, and Chuck D from Public Enemy. In addition, actress Susan Sarandon, famed Photographer Martin Schoeller, Grammy-nominated singer Valerie June, and Academy Award nominated Cynthia Erivo have all joined forces. We also work with world-famous street artist Shepard Fairey whose art can be seen in museums, galleries, and communities around the world, including the mural he created for Power to the Patients which has now been painted in public spaces around the country.

When hospitals avoid price transparency, they perpetuate a rigged system that eliminates consumerism and competition for patients and their families and stifles fair planning and negotiations for unions, employers and even local, state and federal governments. A healthcare system in Ohio that shuns transparency is a system that is inflated, dishonest, distrusted, and works against the best interest of all the people in the state that rely on its services and procedures for health and survival. Fundamentally, this is a total betrayal of Ohio residents and everyone who works or visits here.

In a free market economy, such as ours in the United States, competition is essential for that market to be healthy. Products and services must compete on a consumer choice based on price and/or quality. These factors must exist or the market doesn't work. By hiding prices, hospitals have created a market that simply cannot work. To the contrary, by hiding prices, hospitals have created a market that is rigged. The tools that hospitals and insurers use to hide

their prices include "estimates," "average prices," "median prices," and "percentages of prices." Let's not be indistinct about it... all of those gimmicks are NOT actual prices. Those are tools of obfuscation and show a total disregard for transparency. Hospitals and Insurers will continue to push the idea that they should only be required to provide estimates or averages of prices. That is their game. It's a shameful tactic.

Generally speaking, many hospital services are considered to be non-discretionary... which is to say that they are necessary. For instance, if you are giving birth or you need a hysterectomy or a knee replacement, maybe you've fallen and may have broken your wrist... or you have been diagnosed with Cancer... all of these health situations present a situation where patients face a non-discretionary decision to get treatment because their health depends on it.

And, of course, the hospital profiteers LOVE this... because when people don't have a choice but to get the treatment... whether the hospital shows us prices or not, people get in line. Why? Because their health, and maybe their lives depend on receiving these services.

But this is where the lack of price transparency gets really ugly. Because, without transparency, and without competition, prices are exceedingly unaffordable and sometimes, purely out of the fear of a medical bill that they cannot anticipate, people are actually making the decision to defer these non-discretionary procedures. And therein lies the evil. Hospitals have rigged this system so badly by concealing prices, that people are treating non-discretionary decisions as discretionary ones. People are choosing to risk their health and their lives by opting out of

hospital care because they simply do not have any idea what that procedure may cost... or the real-life repercussions from that impending bill, which will almost always be higher than it would be in a competitive market with prices. Rightfully so, they fear it can wipe them out. So they just don't go in for the procedure that they have been told that they need to receive. This also holds true for preventative measures, such as mammograms and colonoscopies. People often skip these procedures because they are in the dark on how much it might cost out of pocket and they know the impending bill can do as much damage to their families as a problematic diagnosis.

Without prices and without transparency, Hospitals in Ohio, right now, are forcing people to make the decision to opt-out of necessary services and procedures that they need.

Insurers benefit from hidden hospital prices because they benefit from the fear of the unknown. When people are not able to see how much it might cost to be a patient in a system without competition, and hence, no ability to price shop, of course, they will pay up for the insurance. But, as the NY Times pointed out, there are huge price variations, even at the same hospitals for the same services, depending on who your insurer is... and that, of course, figures into your deductible.

I will leave you with these last statements:

- Without hospital prices up front, every bill is a surprise bill.
- Estimates are not real prices and is not real transparency. Percentages of prices are not real prices and is not real transparency. Averages prices are not real prices and is not real transparency. Do not let them game you.
- Lastly... Hospitals may not have ethics when it comes to profits, but they do have deep pockets, influence, and an agenda for making money. They will try mightily to water this bill down. To the elected officials of Ohio, please do not be compromised on this issue. Do not be fooled. Do not be bribed. Do not be cute. Ohio needs hospital prices, transparency, and accountability in healthcare.

We fully support HB No. 49 for the people of Ohio. Thank you!