



Senator Matt Huffman – 12th District
Senate Insurance and Financial Institutions Committee
December 12, 2017
Senate Bill 227 – Sponsor Testimony

Chairman Hottinger, Vice Chair Hackett, Ranking Member Brown, and members of the Senate Insurance and Financial Institutions Committee, thank you for the opportunity to provide sponsor testimony on Senate Bill 227, which will allow small businesses and group policyholders that provide health insurance plans to access certain claims information. This legislation will help small businesses shop among insurance providers to lower their costs.

Small employers typically use insurance contracts from group health insurance providers. These insurance carriers currently do not provide claims utilization data to small employers, making it difficult for employers to choose the best plan to fit their needs. This claims data is needed by employers to promote high quality health insurance, yet insurance carriers often refuse to provide such information.

Although insurers cite privacy issues, HIPAA categorizes claims data information as “de-identified” information, meaning it neither identifies nor provides a reasonable basis to identify an individual. HIPAA also specifically permits the disclosure of protected health information for healthcare operations purposes. Therefore, the U.S. Department of Health and Human Services has determined that employee health information does not need to be restricted from employers who provide health insurance.

Several other states have already passed similar legislation to release claims data to employers. This bill would allow small businesses and employers to make informed, fiscally responsible decisions. Simply put, small employers need access to their own data in order to determine the most cost effective way to provide health plan benefits to their employees.

Members of the Committee, I am grateful for your consideration of Senate Bill 227 and would be happy to answer questions at this time.