

**Senate Bill 198
Testimony of Dr. L. Anthony Cirillo, MD, FACEP
November 6, 2019**

Chairman Hackett, Vice Chairman Hottinger, Ranking Member Craig and members of the Senate Insurance and Financial Institutions Committee, thank you for providing me the opportunity to testify today in support of Senate Bill 198.

My name is Dr. Tony Cirillo and I am here today on behalf of US Acute Care Solutions, a company based here in Ohio. Founded in 1992, and still headquartered in Canton, US Acute Care Solutions is the nation's leading physician-owned provider of integrated acute care, with a focus on providing emergency medicine professional services. Here in Ohio, we provide care in 23 sites in Cleveland, Akron, Columbus, Dayton and Cincinnati, and the group employs 815 people in Ohio with an annual payroll exceeding \$100 million. Nationwide, our group is comprised of more than 3,000 physicians, nurse practitioners, and physician assistants who provide emergency, hospitalist and observation medicine services in 21 states, at over 220 hospitals, caring for approximately six million people annually.

In addition to still actively practicing emergency medicine which I have done for 25 years, I serve as the Director of Government Affairs for US Acute Care Solutions. In my role, I have been involved in the development and drafting of legislation to ban balance billing in many states and at the federal level over the past five years. As we all know, every state is unique in terms of its political, socioeconomic, and demographic makeup. However, despite these inherent differences, we have seen good legislation, that represents a fair compromise amongst all stakeholders, pass in a number of states. In 2018 alone, legislation has been enacted into law in the blue, red, and purple states of Washington State, Nevada, Colorado, and Texas. The legislation signed into law in each of those states, as well as in New York State, which has become the "gold standard" for fair compromise legislation, most importantly protects patients from any balance or surprise bills for emergency medical care. In all those states, the laws are based upon the identical framework of an initial payment for services provided, with the availability of a simple, online, expedited backstop arbitration process called Independent Dispute Resolution or IDR.

New York State implemented this IDR process with “baseball style arbitration” in 2013 and has the longest history and most comprehensive data set to evaluate. An analysis of the data from New York in 2018, as reported by Zack Cooper, Associate Professor of Public Health & Economics at Yale University, demonstrated a 34% reduction in out-of-network billing and a 9% reduction in the level of in-network ED physician payments in the state. Cooper states in his report, *“Ultimately this policy disadvantages providers that bill for unreasonably high charges and punishes insurers that offer unreasonably low initial payments. The law also encourages physicians and payers to negotiate independently and avoid arbitration.”* In September of this year the Superintendent of the New York State Department of Financial Services, which oversees the IDR process, issued a comprehensive report on the IDR Process for the Out-of-Network Protection Law. The report documents that the law has saved consumers over \$400,000,000 since its implementation in March of 2015 and is described by the Superintendent as *“a true success in bringing stakeholders together to solve the problem of excessive charges for emergency services and surprise bills”*.

Today, on behalf of US Acute Care Solutions, I want to again thank you for the opportunity to testify in support of Senate Bill 198 which will protect patients from balance surprise medical bills. SB 198 incorporates many of the key provisions of the New York law including the use of the Independent Dispute Resolution Process, requirement for an independent and transparent database to be used by the arbitrators, as well as a reasonable claim threshold and bundling of claims to minimize the administrative costs of the IDR program. SB 198 is a solution that protects patients from balance surprise medical bills but does so in a manner that strikes a fair compromise between providers and insurers. This bill will allow our company to continue to keep and attract more physicians in Ohio and continue to provide quality emergency care throughout the state. We look forward to working with the Committee on this important issue to ensure that ALL Ohioans are protected from balance surprise medical bills through this comprehensive and fair legislation.