



To: Senate Health & Welfare Committee
From: Jessa Barnard, Vermont Medical Society
Date: February 8, 2019
RE: S.31 – Providing Financial Information

On behalf of the 2,000 physician and physician assistant members of the Vermont Medical Society (VMS) thank you for considering our comments on S. 31.

As with patients and policy makers, physicians are deeply concerned about the impact that health care costs have on patients' decisions to access medical care and comply with medical recommendations. Health care costs are complex and confusing for patients and can often be just as opaque to the health care professionals involved in providing care - physicians and other providers are limited in their ability to help patients avoid unanticipated costs because they, too, may not know in advance who will be involved in an episode of care, let alone other providers' contract status with all the insurance plans in their communities. Further, as the burden of payment has shifted from payers back to patients with an increase in high deductible plans, physicians and other providers are put in the position of attempting to collect these bills from patients, interfering in the patient-physician relationship.

Vermont has already taken many steps in the right direction to address both in-network and out-of-network price transparency and the VMS supports these actions and other efforts to address price transparency. We agree with the American Medical Association Policy D-155.987 (attached) that, among other things, states:

- physicians should communicate information about the cost of their professional services to individual patients, taking into consideration the insurance status of the patients;
- health plans should provide enrollees with complete information regarding plan benefits and real time cost-sharing information associated with both in-network and out-of-network provider services; and
- electronic health records vendors should include features that facilitate price transparency for physicians and patients – so that this information is available at the point of care as referral decision are being made.

VMS supports existing steps such as 18 VSA § 9413 requiring insurers to post prices for services and the estimate that a patient would have to pay; and DFR Rule 2009-03 standards for network adequacy, providing provider directories (Section 6.4) and addressing coverage for out of network emergency services (Section 2.2 & 2.4). These efforts address several of the concerns behind S. 31.

VMS is further very supportive of the model being considered in Colorado to make insurance plans responsible for collecting any cost sharing amounts owed under the plan. Under this approach, patients would receive one bill from their insurer indicating any deductible or copay amounts owed for a period of time rather than the current potential to receive multiple bills and Evidence of Benefits forms from health care professionals, hospitals, labs and insurers for the same procedure. This approach would make huge strides to address complexity in health care billing, transparency of costs and patient and health provider paperwork burdens.

VMS does have concern with some of the specific language proposed in S. 31, especially given that individual physicians are being held responsible for compliance with providing price information under (b)(1).

Section 1(a) (19) states that patients must be given a price list for elective procedures – yet it is not clear if this only applies if the patient is seeking elective procedures, what elements of the price (all services? just the physicians’ services?) must be provided, or how a physician would have access to information regarding less expensive options provided at other locations. VMS is also unclear how individual physicians would have routine access to information regarding facility fees under 1(a) (21). At the physician level, VMS supports instead that physicians provide information about their own professional services charges. VMS also supports further promotion of the information available to patients via their insurance plan price comparison tools and other publically-available data such as the FAIR Health Consumer database, which is likely to be more robust and useful to patients than price lists as it is based on the patient’s actual insurance status.

Thank you for considering our comments and I am happy to answer any questions you may have.

\