





February 10, 2023

Rep. Zack Stephenson 449 State Office Building 100 Rev. Dr. Martin King Jr. Blvd. St. Paul, MN 55155

RE: House File 293 (Requirement that current standard charges be made available to public)

Dear Chair Stephenson,

We are writing today to let you know our organizations have concerns with the price transparency approach taken in HF 293. Our organizations understand the intent of this legislation is to provide consumers with more price information on the medical items and services they purchase. However, we do not believe that this approach or requiring providers to produce a list of current standard *charges* of every item or service they provide ("Chargemasters List") would be the most effective or helpful to assist patients in truly understanding their healthcare costs. Given the incredibly wide variety of benefits provided by each health insurance contract and the impact on patient out-of-pocket expense, publishing "Charges" is misleading and won't be helpful.

Further, the approach taken in HF 293 has significant problems including but not limited to the following:

- This is not uniform in its application to all medical services or providers.
- Arbitrary threshold draws the line at \$50,000,000 for medical practices (How does the consumer benefit in comparison when a specialty practice at \$45,000,000 is left out?)
- The \$50,000,000 threshold of "revenue" is not defined. Is it gross revenue or net revenue?
- Inequitable treatment among medical providers, only some selected services are included in the disclosure and comparison.
- The Chargemaster (current standard charges) is not the best tool for accurate comparison of what a patient would actually pay.

Current statute allows a patient to get a "Good Faith Price Estimate" from a medical provider (M.S. 62J.81). This estimate would be specific to their individual situation as well as implications on

applicable insurance coverage and be a more accurate determination of actual cost and out of pocket impact to the patient. The Good Faith Estimate statute would be a more helpful place to look for reform that would benefit consumers.

While we support greater price transparency on healthcare services, we want to make sure the additional disclosures or information is helpful to the consumer in truly understanding the costs a patient will be required to pay. We believe there are better ways to achieve this goal.

We look forward to working with Rep. Elkins on finding ways to provide helpful and specific pricing on healthcare services.

Sincerely,

Tracy Mills MNASCA Mike Foley MMGMA Dr. Andrew Will, M.D.

MSIPP

CC

Rep. Steve Elkins