

## TESTIMONY OF CONNECTICUT HOSPITAL ASSOCIATION SUBMITTED TO THE PUBLIC HEALTH COMMITTEE Wednesday, March 11, 2015

## SB 687, An Act Concerning Notice To Patients Of Costs For Routine Health Services

The Connecticut Hospital Association (CHA) appreciates this opportunity to submit testimony concerning **SB 687**, **An Act Concerning Notice To Patients Of Costs For Routine Health Services**. CHA supports the concept of the bill, but has concerns about the bill as written.

Before commenting on the bill, it's important to point out that Connecticut hospitals treat everyone who comes through their doors 24 hours a day, regardless of ability to pay.

This is a time of unprecedented change in healthcare, and Connecticut hospitals are leading the charge to transform the way care is provided. They are focused on providing safe, accessible, equitable, affordable, patient-centered care for all, and they are finding innovative solutions to integrate and coordinate care to better serve their patients and communities.

SB 687 seeks to have healthcare providers give all patients information "concerning standard costs for routine services" including "office visits, diagnostic tests and common medical procedures." Providers can calculate the average charges for routine care. But the consumer's insurance company is the entity that has the necessary information to calculate the patient's cost-sharing responsibilities.

The required medical billing and coding system used by providers across the country includes more than 8,800 primary current procedural terminology codes, with thousands of other coding modifiers and levels and, starting October 1, 2015, will have more than 140,000 (up from 80,000) classification codes. The system is designed to create consistency in how medical procedures are billed, as well as allow for comparison of treatment and claims data in the long term. Each provider can produce, and make available to patients, lists of average charges for their most frequent procedures based on their use of these codes. If that is a step that will assist consumers in understanding their medical costs, CHA would support it. But we caution that, without participation from insurance carriers, this level of information will be generally unilluminating for most patients, because it does not provide the patient's cost-sharing obligations.

We need to find a way to provide patients with as much transparency as the necessary systems can support. CHA is committed to working with this Committee to find ways of providing patients with truly useful, comparable information.

Thank you for your consideration of our position. For additional information, contact CHA Government Relations at (203) 294-7310.