

Testimony of the Maine Medical Association

in support of

***L.D. 1642, An Act to Clarify the Law Governing Public Disclosure of Health
Care Prices***

Joint Standing Committee on Health & Human Services

Room 209, Cross State Office Building

Wednesday, February 12, 2014

Good afternoon Senator Craven, Representative Farnsworth, and Members of the Health & Human Services Committee. I am Andrew MacLean, Deputy Executive Vice President of the Maine Medical Association and it is my pleasure today to be able to support L.D. 1642 sponsored by Senator Woodbury. As you know, the Maine Medical Association is a professional association representing more than 4200 physicians, residents, and medical students in Maine whose mission is to support Maine physicians, advance the quality of medicine in Maine, and promote the health of all Maine citizens.

This bill makes some important clarifications and amendments to P.L. 2013, Chapter 332 that was introduced by Senator Woodbury and enacted last session. These changes do not detract from the intent of last year's legislation - to promote the transparency of pricing of health care services, whether provided in a private office setting, a health center, or a hospital.

What the bill does do is provide some flexibility in how a health care professional, referred to as a health care entity in the bill, reports the prices. Under the proposed language, developed collaboratively by Senator Woodbury, the Maine Hospital Association, and the Maine Medical Association, the entity may choose to report the prices by health care practitioner, by a group of practitioners, or by a health care facility. The bill also clarifies the information to be included with the price, by referencing, not diagnosis codes, but Current Procedural Terminology

(CPT) codes. Finally, the bill eliminates the current requirement that health care entities make available copies of the price list upon request.

Health care entities still will be required to inform patients of the availability of a price list and also will have to make available written information on health claims data that may be obtained through the MHDO website.

The underlying rationale for these types of laws is the belief that we can not begin to moderate the increase in health care costs without educating both patients and health professionals about the price of health care services. In many cases, the medical practice may wish to discount the price based upon financial hardship but it is important for the patient to know the price charged, regardless of the discount. We applaud Senator Woodbury for his commitment to this principle and for his diligent effort over several years to find a workable solution to price disclosure.

This law was originally enacted as part of the Dirigo Health Program legislation more than ten years ago. That law referenced insurance reimbursement rather than the price charged when there is no insurance coverage. The intent last year was to change the law to what is now in Section 1718-A. The law took effect on January 1st of this year and we have been educating physicians about their responsibility to put together the price list. L.D. 1642 will improve the legislation enacted last session and we hope you will give the bill an “ought to pass” report.

Thank you for considering the views of the MMA on L.D. 1642 and I would be happy to answer any questions you may have.