



Minnesota Society of
Interventional Pain Physicians



MINNESOTA
MEDICAL
ASSOCIATION



Minnesota Hospital Association



MINNESOTA ACADEMY
of OPHTHALMOLOGY

MNASCA

April 9, 2021

Rep. Steve Elkins
111 State Office Building
100 Rev. Dr. Martin King Jr. Blvd.
St. Paul, MN 55155

Sen. Rich Draheim
3227 Minnesota Senate Building
95 University Ave West
St. Paul, MN 55155

RE: Senate File 2110/House File 2311

Dear Sen. Draheim and Rep. Elkins:

We are writing today to let you know our organizations have numerous concerns regarding SF2110/HF2311, and the portion of the bill that is included in the Senate HHS Omnibus bill which mandates additional information and transparency requirements on providers and health systems.

Our organizations understand your intent is to provide consumers more price transparency however, we do not believe that your bill would advance that goal beyond the many price transparency laws already in statute. Also, this bill creates substantial administrative burdens on providers and creates a confusing comparison to Medicare rates that we do not believe is helpful to consumers.

We are trying to understand the value of providing a percentage of the Medicare allowable payment rate that a health care provider accepts as payment in full. How does this help a patient understand what his or her costs will be when what each patient will pay is different depending on their insurance carrier, the type of insurance product they have, and how much of their deductible remains? There are numerous provisions already in state and federal law to ensure that patients know what their out-of-pocket costs will be. Current law already requires a provider to provide a good-faith estimate on what the cost of a procedure will be. In addition, the Patient Protection Act that was updated in 2019 by adding a transparency provision that requires hospitals and other providers to disclose their charges, not what they are reimbursed, but rather what they charge.

Also, the new federal CMS rule for price transparency went into effect on January 1 and requires numerous types of "standard charges" that must be displayed. The rule also contains a requirement to publicly display a list of 300 shoppable services.

In trying to better understand the background of this bill, representatives of our organizations recently met with Tim Wilkin who represents the MN Association of Health Underwriters. Mr. Wilkin said that advocates are looking for a paradigm shift in how healthcare costs and information are provided to consumers. While that may be a worthy goal, we do not believe moving a bill of this

magnitude without major discussion is appropriate especially in this quick timeframe.

We believe consumers should be in control of their healthcare, however, what a consumer wants to know is what will his or her out-of-pocket costs be for a procedure? That information is best received from their insurer. This bill shifts responsibility and administrative work from the insurer who has the needed information to the provider, who does not.

In closing, we believe current law provides consumers with information needed to compare their costs for needed procedures and that adding a comparison to Medicare allowable rates doesn't help consumers but does harm providers. We are asking for you to reconsider this legislation and are requesting that you convene a meeting between the advocates and our organizations. We look forward to hearing from you. Please reach out to Tom Poul at TPoul@MesserliKramer.com.

Sincerely,

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Cc:
Sen. Michelle Benson
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