



MARYLAND HEALTH CARE COMMISSION

4160 PATTERSON AVENUE – BALTIMORE, MARYLAND 21215
TELEPHONE: 410-764-3460 FAX: 410-358-1236

March 5, 2020

The Honorable Delores G. Kelley
Chair, Finance Committee
3 East, Miller Senate Office Building
Annapolis, MD 21401

RE: SB 632 – Health Facilities - Hospitals - Disclosure of Outpatient Facility Fees (Facility Fee Right-to-Know Act) - INFORMATION

Dear Chair Kelley:

The Maryland Health Care Commission (the “Commission”) would like to provide the Senate Finance Committee with information related to Senate Bill 632. As stated in the Commission’s mission statement, the Commission is committed to ensuring that consumers have access to the information they need about the cost and quality of health care so that they can make appropriate decisions for themselves and their families.

The concept of providing notice to patients of an outpatient facility fee at the time that an appointment is made is a concept that the Commission supports. The Commission is dedicated to price transparency, as shown through our [WeartheCost](#) Project, which provides cost information on shoppable procedures (such as hip and knee replacements) at hospitals, and our [Hospital Price Transparency](#) data, which provides public access to price data by hospital and payer. The Commission’s strategic plan for 2019-2022 includes increasing use of price and quality data throughout the health care system as a key priority.

The Commission wants to ensure that information gets to patients at the right time and place, in a manner that is understandable and relevant to the patients. This bill provides a valuable step forward in making sure that patients are aware of facility fees (and their options to see providers in settings without facility fees). However, not all patients understand how their insurance products work, and may be confused, after this notice, about their cost sharing responsibilities with respect to the facilities fee. The Commission does not want patients who are insured to decide to cancel necessary appointments because of this notice leads patients to believe they have higher financial responsibility because insurance payments are not figured into the fees

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included in the notice. However, the Commission recognizes that including insurance information specific to the patient would significantly increase administrative burden to hospitals, which is not a desired outcome. To the extent that the problem of unexpected facility fees could be solved through an adjustment to the fees themselves, rather than through patient notices, that would be a more direct solution.

I hope you find this information useful. Please feel free to contact me at (410) 764-3566 or Ben.Steffen@maryland.gov, or Megan Renfrew, Government Affairs and Special Projects, at (410) 764-3483 or Megan.Renfrew@maryland.gov if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Ben Steffen". The signature is written in a cursive, slightly slanted style.

Ben Steffen

Executive Director

Maryland Health Care Commission

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