



MARYLAND CITIZENS' HEALTH INITIATIVE

TESTIMONY IN SUPPORT OF SENATE BILL 632
BEFORE THE SENATE FINANCE COMMITTEE

Catherine Kirk Robins, Deputy Director of the Maryland Citizens' Health Initiative, Inc.
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Madam Chair and Members of the Committee, thank you for the opportunity to testify in support of Senate Bill 632. As you know, transparency in health care billing is critical to ensuring that patients are able to swiftly access and navigate the health care system in an informed manner. Unfortunately, the reality is that many people still struggle to anticipate their health care costs. Polling shows that 67% of the country worries about unexpected medical bills, while 39% have found themselves responsible for a bill they thought would be covered or significantly less¹. One factor that routinely causes patients surprise is the facility fee, a charge that is applicable any time a service is performed in a hospital-owned setting. While many patients may anticipate this additional fee following an in-patient stay or surgery, most are wholly surprised to find it on their bill after visits to freestanding emergency rooms or hospital-affiliated specialists. The legislation before you today would help remove one twist in the complicated maze of medical billing by requiring the disclosure of facility fees at the time an appointment is made.

In our work with consumers across the state, we have found that many patients do not know about the possibility of a facility fee until they are charged one. These fees often apply to patients' deductibles, meaning the anticipated price of an appointment can quickly become a burdensome out-of-pocket cost. Even for those who are aware of the practice, hospital affiliation may not be obviously discernable, or it may be disclosed too late. That was the case for one Baltimore City woman who scheduled an appointment with an allergist for her young son. After waiting the better part of a year to see the specialist, she learned of the practice's hospital affiliation at the time of the appointment. Faced with the prospect of waiting another year for her son to see a doctor, she felt obligated to keep the appointment and pay the facility fee. Alerting patients to hospital affiliations and anticipated charges is a common-sense way to increase health care transparency and prevent the surprise billing that can deter people from seeking the necessary care.

We sincerely thank Chair Kelley for introducing this important legislation. Patients have the right, whenever possible, to make informed decisions about their care. Requiring providers to disclose facility fees is a critical step in ensuring greater transparency in health care, and ultimately a step towards ensuring quality, affordable health care for all Marylanders. We ask for a favorable report on SB 632. Thank you.

¹ <https://www.kff.org/health-reform/poll-finding/kaiser-health-tracking-poll-late-summer-2018-the-election-pre-existing-conditions-and-surprises-on-medical-bills/>