

MAINE ASSOCIATION
OF
HEALTH PLANS

Testimony of Dan Demeritt 3/19/24
Joint Standing Committee on Health Coverage, Insurance, and Financial Services

In Support of LD 2271

*An Act to Implement the Recommendations of the Task Force to
Evaluate the Impact on Facility Fees on Patients to Improve Facility Fee
Transparency and Notification and to Prohibit Facility fees for Certain Services.*

Senator Bailey, Representative Perry, and Members of the Joint Standing Committee on Health Coverage, Insurance, and Financial Services:

My name is Dan Demeritt, the Executive Director of the Maine Association of Health Plans (MeAHP). Our plans include Anthem Blue Cross and Blue Shield, Cigna, CVS / Aetna, Community Health Options, Harvard Pilgrim Health Care, and United Health Care. Our private and non-profit insurance carriers provide or administer health insurance coverage to about 600,000 Maine people. Our mission as an association is to improve the health of Maine people by promoting affordable, safe, and coordinated healthcare.

Facilities fees increase the cost of care, inefficiently shift costs among sites and methods of care, and create confusion for consumers. The Maine Association of Health Plans appreciates the work the Committee and stakeholders have done to understand these issues and the chance we have had to contribute to the discussions.

Our members support LD 2271 for the positive steps it takes to address the practice of charging facility fees for telehealth services. We also support the required health care entity notifications and the requirement that the Maine Health Data Organization post information on its website to educate the public about facility fees and when they may be charged.

MHDO is expected to publish its first annual report on facilities fees this week.

The Legislature has demonstrated its strong appetite for strengthening patient protections and increasing health care price transparency with enactment of LD 1533¹ and ongoing consideration of LD 1740² this session. This facility fee bill could make a much stronger contribution to consumer protection with the inclusion of additional recommendations from the Facility Fee Task Force Report:

- Prior Notice of a Facility Fee: Require health care providers to notify patients prior to a scheduled service if they will be charged a facility fee, *Task Force Vote: 6-2*.

¹ LD 1533: An Act to Provide for Consistent Billing Practices by Health Care Providers, PL Chapter 521, 3/6/24

² LD 1740: An Act to Protect a Patient's Access to Affordable Health Care with Timely Access to Health Care Prices

- Outpatient Evaluation and Management Protections: Prohibit facility fees for outpatient evaluation and management services regardless of where services are provided, *Task Force Vote: 5-3*.
- Report on State Limitations: Direct the Office of Affordable Health Care to review state law limitations or prohibitions on facility fees and determine if similar provisions in Maine law could reduce the cost of care for consumers with a report back to the Legislature on its findings, *Unanimous Task Force Recommendation*.

The immediate prohibition on facility fees for outpatient evaluation and management services combined with an OAHC review of limitations in other states provide important new protections while preparing the 132nd Legislature for future action.

Thank you for your consideration of how LD 2271 can be strengthened to provide additional protections for consumers.