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Testimony of Kristine M. Ossenfort In Support of L.D. 2271, "An Act to Implement the Recommendations of the Task Force to

Evaluate the Impact of Facility Fees on Patients to Improve Facility Fee Transparency and Notification and to Prohibit Facility Fees for Certain Services"

Good afternoon Senator Bailey, Representative Perry, and Members of the Joint Standing Committee on Health Coverage, Insurance and Financial Services. My name is Kristine Ossenfort, and I am the Senior Government Relations Director for Anthem Blue Cross and Blue Shield in South Portland, Maine. Anthem is a domestic health insurance company located in South Portland and it is the largest provider of health insurance benefits in Maine, serving the individual, small group (50 or fewer employees), and large group (51+) markets.

I appear before you this afternoon to testify in support of L.D. 2271, "An Act to Implement the Recommendations of the Task Force to Evaluate the Impact of Facility Fees on Patients to Improve Facility Fee Transparency and Notification and to Prohibit Facility Fees for Certain Services."

I served as a member of the Task Force and am pleased to support its recommendations. L.D. 2271 will prohibit facility fees from being charged for telehealth services when the patient is not physically present at a facility and provide for disclosure and increased transparency around facility fees. We are supportive of both of these provisions. Joint Standing Committee on Health Coverage, Insurance and Financial Services March 19, 2024 Page 2 of 2

While the Insurance Code contains certain provisions to protect individuals covered under fully insured plans, most Mainers are not protected by those laws. While L.D. 227 will not prohibit the imposition of facility fees in those instances, it will help to ensure that consumers of health care services are informed when such fees will be imposed. We would also suggest that the committee consider adding the provisions currently found in Title 24-A regarding the use of standardized claim form to Title 22 to (1) expand these protections to members covered under self-funded plans and (2) allow for enforcement if necessary. As was noted in the discussion of L.D. 1533, there are no enforcement provisions in place today to ensure compliance.

We believe that L.D. 2271 represents an important step in addressing the issue of facility fees. However, there were a number of recommendations by the task force that are not included in L.D. 2271, such as limiting facility fees based on the location and type of service, the establishment of a complaint mechanism for patients experiencing billing issues with health care providers, and prohibiting the charging of facility fees in certain instances. We realize that, at this point in the legislative session, there is probably not sufficient time to address these issues, but we would suggest that the Committee continue the conversation through the establishment of another task force or stakeholder group for further consideration of these issues. We would also suggest additional issues for consideration, either by a task force or the Office of Affordable Health Care, including why there is significant mark-up on drugs and supplies, ostensibly to cover overhead, when facility fees are intended to do so.

Thank you for the opportunity to share our comments on this legislation. We urge you to vote "ought to pass" on L.D. 2271, and I would be happy to answer any questions you may have.