



Karen Saylor, MD, President | Jeffrey S. Barkin, MD, President-Elect | Erik N. Steele, DO, FAAFP, Chair, Board of Directors
Andrew B. MacLean, JD, CEO | Dan Morin, Director of Communications & Government Affairs

TO: The Honorable Heather Sanborn, Chair
The Honorable Denise Tepler, Chair
Members, Joint Standing Committee Health Coverage, Insurance and Financial Services

FM: Dan Morin, Director of Communications and Government Affairs

DATE: April 20, 2021

RE: **Support**
LD 530, An Act To Consolidate Patient Bills by Directing Health Insurers To Collect Copayments and Deductibles

The Maine Medical Association is the state's largest professional physician organization representing more than 4300 physicians, residents, and medical students across all clinical specialties, organizations, and practice settings.

The MMA supports LD 530, An Act To Consolidate Patient Bills by Directing Health Insurers To Collect Copayments and Deductibles. The bill requires carriers to collect any cost-sharing amounts owed by a covered person through one consolidated bill.

The concept is simple. Insurance companies usually send out an Explanation of Benefits (EOB) before you receive a bill from the provider. LD 530 would direct insurance carriers to instead send one consolidated bill outlining cost-sharing owed by the enrollee.

It is difficult enough for patients to accurately go through these important documents carefully to ensure they understand what their estimated out-of-pocket costs are. Many patients do not understand the reason that one patient visit can be split into multiple bills. Higher than expected charges, unclear statements, and bills arriving months late create confusion and frustration, not to mention the recent rise in health plans with considerable patient cost-sharing at the point of service (for example, high deductibles, copayments, or coinsurance).

We think LD 530 is a unique and helpful method to simplify the process of dealing with the health care system for Maine patients by having one point of contact, and payment for dealing with medical bills and coverage. Billing consolidation contained in the bill would cut down on down bureaucratic inefficiencies.

The amount clinical practices can collect for patients with high deductible plans is generally unknown. They must first bill the insurance carrier and wait for an explanation of benefits before billing the patient. It is an extremely complex and costly process. The challenge of collecting patient obligations is worse for specialists, who have higher pre-visit costs. Finally, Maine legislators have been pushing for greater pricing transparency for years. Having carriers as the one-stop shop for pricing inquires and billing will make the process easier for patients so they are aware of their obligations, are prepared to pay, or can prepare to pay.

Thank you for the opportunity to comment. We urge a vote of Ought to Pass on this innovative solution to the complexity of health care billing.