



The Hospital + Healthsystem
Association of Pennsylvania

Leading for Better Health

June 11, 2024

The Honorable Dan Frankel
Chair, House Health Committee
Pennsylvania House of Representatives
P. O. Box 202023
Harrisburg, PA 17120-2023

The Honorable Kathy Rapp
Republican Chair, House Health Committee
Pennsylvania House of Representatives
P. O. Box 202065
Harrisburg, PA 17120-2065

Dear Chairman Frankel and Chairwoman Rapp:

On behalf of more than 235 hospital and health system members statewide, The Hospital and Healthsystem Association of Pennsylvania (HAP) opposes House Bill 2339, sponsored by Representative Tarik Khan. The measure not only duplicates but also adds new and different requirements and penalties to existing federal price transparency mandates *at exactly the same* time as hospitals are working to comply with a July deadline.

Beginning July 1, hospitals must publish multiple new data elements in a specific template mandated by the Centers for Medicare & Medicaid Services (CMS), with even more data elements already slated for compliance on January 1, 2025.

The hospital community supports and is actively engaged in multiple efforts to help patients access clear, accurate cost estimates as they prepare for care. The Hospital Price Transparency Rule, the Health Insurer Transparency in Coverage Rule, and the No Surprises Act each mandate methods for providing patients with useful and understandable price-related information prior to treatment. Additionally, the No Surprises Act has additional hospital compliance requirements and also protects patients from balance billing.

Among the myriad of hospital price transparency vehicles are: hospitals' online patient cost estimator tools; hospitals' machine-readable files; health insurers' online cost estimators; health plans' advanced explanations of benefits; health insurers' machine-readable files; and provider-created Good Faith Estimates. Unfortunately, these resources may all be calculated in different ways and generate different responses. Additional, uncoordinated mandates have the potential to exacerbate patients' confusion and increase providers' administrative burden without generating any meaningful benefit.

Since 2021, Pennsylvania hospitals have been making steady progress toward full compliance with CMS' new hospital-based transparency mandates. The work has been challenging for many reasons, including but not limited to, the original timing that intersected with the January 2021 peak of pandemic hospitalizations, the data and

technological complexity of the task, the timing disconnect between hospital and insurer compliance deadlines, and the evolving guidance from CMS.

Hospitals and health systems have invested heavily in the skills and systems needed to create and deploy new transparency tools. This is not simple work. Scores of insurers with hundreds of plans negotiate exclusive terms across thousands of individual and grouped treatment codes—the necessity, efficacy, and combination of which can be fundamentally different for any specific situation and in any human body.

Virtually every Pennsylvania hospital already has an easily accessible and understandable online application to generate tailored, out-of-pocket cost estimates for patients. And they all have admissions or financial staff that can speak with patients and families about potential costs for specific care.

Regarding machine-readable files, CMS has previously clarified that there are legitimate and appropriate reasons for which some fields may be left blank and that there are some data elements that are optional. Hospitals are currently working hard to expand or adjust their machine-readable files to comply with the new CMS template, data specifications, and data dictionary, effective July 1. It is our understanding that, in doing so, it will be easier to more accurately interpret, compare, and assess compliance.

Now is simply not the time to impose new and different requirements.

Sincerely,

Heather Tyler
Vice President, State Legislative Advocacy

c: The Honorable Tarik Khan; Honorable Members of the House Health Committee