Approved: March 07, 2016

MINUTES OF THE SENATE PUBLIC HEALTH AND WELFARE COMMITTEE

The meeting was called to order by Chairperson Mary Pilcher-Cook at 1:34pm on Tuesday, February 02, 2016, 118-N of the Capitol.

All members were present

Committee staff present:

Randi Walters, Kansas Legislative Committee Assistant Scott Abbott, Office of Revisor of Statutes Iraida Orr, Legislative Research Department Whitney Howard, Legislative Research Department Kyle Hamilton, Office of the Revisor of Statutes

Conferees appearing before the Committee:

Elizabeth Rowe, PhD, MBA, Executive Director, Kansas Independent Physicians, Inc. (KIP) Dana Winegarner, DO, Rowe Neurology Institute (RNI)
Tish Hollingsworth, Vice President of Reimbursement, Kansas Hospital Association (KHA)

Others in attendance:

See Attached List

Possible bill introductions

Chairperson Pilcher-Cook introduced two bills. The first bill is in regard to the Safe Families Act. The second bill is in regard to Domestic Violence. Without objection, the bills were introduced.

Hearing on: SB122 — Hospital facility fees.

Chairperson Pilcher-Cook opened the hearing on <u>SB122</u>. Kyle Hamilton, staff revisor, presented a briefing on the bill.

Dr. Elizabeth Rowe, KIP, testified in support of <u>SB122</u>. Dr. Rowe stated that this facility fee notification bill is essential to providing Kansas citizens with the cost transparency that will allow them to choose wisely when visiting a doctor in Kansas. Dr. Rowe indicated that the shift of outpatient care to hospital centered care incentivized by Obamacare is hurting Kansas patients and driving up overall healthcare costs. Dr. Rowe stated that transparency about these higher costs is the first stop in dealing with this trend. Dr. Rowe concluded by stating that the bottom line is that when you have two providers of identical services and one costs twice as much as the other, consumers need to be informed. (Attachment 1)

Dr. Dana Winegarner, RNI, testified in support of <u>SB122</u>. Dr. Winegarner stated that if a patient has a procedure done at a hospital it will usually cost them much more than if they had it done at a private facility which raises overall healthcare costs. Dr. Winegarner indicated that private practices are paid

CONTINUATION SHEET

MINUTES of the Committee on Public Health and Welfare at 1:34pm on Tuesday, February 02, 2016 in Room 118-N of the Capitol.

less by insurance companies, because they don't have the financial clout to direct the insurance companies. Dr. Winegarner's testimony stated that if patients were made aware of the costs of procedures they were about to have, they might choose a lower cost; lowering healthcare costs in America. Dr. Winegarner gave several examples of procedure charges and average reimbursements. (Attachment 2)

Tish Hollingsworth, KHA, testified in opposition of <u>SB122</u>. Ms. Hollingsworth indicated that <u>SB122</u> is concerning because it extends the requirement to supply estimates to all patients, including those individuals being treated in the emergency department. Ms. Hollingsworth's testimony stated that this is extremely challenging due to the inherent unknowns of the condition of the patient and appropriate treatment, and would also divert critical hospital staff time and expertise needed to provide emergency treatment to patients. Ms. Hollingsworth stated that since <u>SB122</u> was introduced last year, KHA has provided additional education to their member hospitals through communications, through education, and they will be working this next year coming up with information to help their members with the new transparency bill. Ms. Hollingsworth stated that adding state regulation on top of federal regulation only adds to the burden and the overhead costs of hospitals. (Attachment 3)

Written testimony in support of <u>SB122</u> was submitted by: Marie A. Delcambre, MD, FACP, President, Kansas City Internal Medicine (Attachment 4)

After questions from the Committee were answered, Chairperson Pilcher-Cook closed the hearing on **SB122**.

The meeting was adjourned at 2:15 p.m.

The next meeting is scheduled for February 3, 2016.