

TO:

Kansas House Committee on Insurance Representative William Sutton, Chair Representative Patrick Penn, Vice Chair

FROM:

Kevin Strecker, CEO and Ministry Market Executive, Ascension Via Christi

SUBJECT:

Testimony on House Bill 2825

DATE:

March 18, 2024

Thank you for the opportunity to provide written testimony on House Bill 2825 (HB2825). We share the Chairman's commitment to providing clear, patient-friendly information about the cost of healthcare services. Unfortunately, HB2825 is not the right solution to achieve the goal of making the system more user-friendly for consumers and enabling them to be better informed on out-of-pocket costs for health care services. The Committee should reject HB2825 for the following reasons: it will not increase information patients can access; it will create duplicative regulation; increase government bureaucracy; duplicate and complicate enforcement authority unnecessarily; and add burdensome, unfunded compliance costs for hospitals across Kansas, which will only increase costs for Kansans at a time when providers are already weathering significant financial challenges.

Ascension Via Christi is one of the largest healthcare systems in Kansas. We have more than 6,200 employees, and eleven hospitals, as well as many physician clinics and outpatient ancillary and home-based services. We provide over \$422 million in wages and salaries to our associates, resulting in \$16.3 million in state taxes withheld. In FY 2023, we provided \$65 million in community benefit, which includes \$21 million in uncompensated care and \$19 million in unpaid costs of Medicaid services. Our commitment to patient care and the community is unwavering, and we believe that House Bill 2825 would hinder our ability to fulfill this commitment.

We support price transparency that actually benefits consumers. Our hospitals have put in countless hours and made significant investments to not only comply with current federal requirements but to go above and beyond to provide meaningful information for patients. Price transparency requirements are already being effectively enforced by the Centers for Medicare and Medicaid Services (CMS). In fact, CMS recently announced that it will be increasing enforcement on non-compliant hospitals. Anyone with concerns about compliance may file a complaint. HB2825 would create an additional enforcement action through the Attorney General which would be duplicative and an inefficient use of state tax dollars.

Via Christi is committed to helping patients and families obtain the information needed to make informed choices on care, and we comply with the federal Price Transparency rule to help make patients' lives easier. Our price estimator tool is easily accessible from the front page of our website. This tool provides prices for more than 1,000 shoppable services in a patient-accessible manner. Healthcare is inherently unique to each patient, and price estimates rely in part on individualized, patient-provided insurance information that providers generally do not have access to, such as the patient's coverage and any portion of a deductible or out-of-pocket maximum they have reached. Via Christi also publicly posts machine-readable files that include gross charges, discounted cash prices, payer-negotiated rates, and minimum and maximum payer-negotiated rates; all of our hospitals have posted the required files to a public website.

This legislation creates redundant, state-level regulations that will create confusion with federal regulations that already exist while not achieving its goal of making the system more transparent and user-friendly for consumers.