March 3, 2017

The Honorable Sean Scanlon
Chairman
Connecticut State Joint Insurance and Real Estate Committee
Legislative Office Building
300 Capitol Avenue
Hartford, Connecticut 06106

Dear Chairman Scanlon:

The American Osteopathic Association (AOA) and the Connecticut Osteopathic Medical Society (COMS) are writing regarding SB 876. This bill relates to payment of out-of-network health care providers. While we appreciate the bill's goal of protecting patients from unexpected medical bills, we are concerned that some aspects of the bill may lead to diminished access to quality, timely health care for patients.

The AOA represents nearly 130,000 osteopathic physicians (DOs) and osteopathic medical students, promotes public health, encourages scientific research, serves as the primary certifying body for DOs and is the accrediting agency for osteopathic medical schools. More information on DOs/osteopathic medicine can be found at www.osteopathic.org. COMS is a professional medical organization that represents over 700 osteopathic physicians in Connecticut.

This bill protects patients from bills in excess of applicable in-network cost-sharing amounts for:

- Health care services covered under a health care plan;
- Emergency health care services rendered by an out-of-network provider at an in-network facility; and
- Unforeseen services rendered by an out-of-network provider at an in-network facility.

The AOA and COMS appreciate the bill's deletion of the requirement that insurers pay an out-of-network health care provider at an in-network facility, in-network rates for their services. We also support use of the "usual and customary" standard in determining insurer payment for these services.

We are concerned, however, with:

- Billing restrictions that limit physicians' ability to receive appropriate payment for services delivered to patients that could lead to decreased access to care.
- Prohibiting in-network providers from requesting payment from enrollees in the event of insurer nonpayment or insolvency, and requiring such providers to continue to provide uncompensated care.
- The bill's ambiguity regarding payment for health care services rendered by an out-of-network provider at an out-of-network facility.

We believe that:

- The inability of providers to establish or agree to contracted rates for services and receive payment in those amounts places an undue burden on physicians providing care to patients in need.
- Insurers should pay the 'usual and customary' rate for all emergency health care services delivered by out-of-network providers, regardless of whether the facility is in- or out-of-network.
- It is the responsibility of the insurer to provide accurate information to enrollees regarding which providers and facilities are in-network with regard to the enrollee's particular health plan, as providers are not parties to the health plan contract and may be terminated from a plan through no action of their own.
- If a patient schedules a service with an out-of-network provider at an out-of-network facility, such provider and/or facility should be allowed to request payment from the patient, even if the service is a "service (otherwise) covered under a health care plan".
- Out-of-network providers should be allowed to submit a request for payment to a patient, along with the Payment Responsibility Notice below (in the same or substantially similar language), and accept payment if the patient elects to pay the balance:

> "The service[s] outlined below was [were] performed by a facility-based provider who is out-of-network with your health care plan. At this time, you are responsible for paying your applicable cost-sharing obligation – copayment, coinsurance or deductible amount – just as you would be if the provider is within your plan's network. With regard to the remaining balance of this out-of-network bill, you have three choices: 1) you may choose to pay the balance of the bill; OR 2) you may send the bill to your health care plan for processing pursuant to the health carrier's out-of-network facility-based provider remittances process; OR 3) you may rely on other rights and remedies that may be available in your state."

The AOA and COMS appreciate your efforts to protect access to necessary and timely health services for Connecticut patients and thank you for your consideration of our concerns regarding SB 876. Should you need any additional information, please feel free to contact Nick Schilligo, AOA's Associate Vice President for State Government Affairs, at nschilligo@osteopathic.org or (312) 202-8185.

Sincerely,

Boyd R. Buser, DO
President, AOA

Gregory Czarnecki, DO
President, COMS

CC: Mark A. Baker, DO, AOA President-elect
William J. Burke, DO, Chair, AOA Department of Governmental Affairs
Richard Thacker, DO, Chair, AOA Bureau of State Government Affairs
Adrienne White-Faines, MPA, AOA Chief Executive Officer
Laura Wooster, MPH, Senior Vice President, AOA Public Policy
Nicholas Schilligo, MS, Associate Vice President, AOA State Government Affairs
Samyuktha Gumidyala, MPH, Affiliate Executive, COMS