



May 12, 2017

The Honorable Aaron Michlewitz
House Chairman
Joint Committee on Financial Services
Room 254
Senate House
Boston, MA 02133

Dear Chairman Michlewitz:

The American Osteopathic Association (AOA) and the Massachusetts Osteopathic Society (MOS) are writing to you regarding HB 2947/SB 528, HB 2164, and SB 526. These bills address concerns regarding network transparency, network adequacy, and balance or surprise billing. The AOA and MOS support efforts to enhance transparency that help patients make more informed decisions about their health care coverage. We also support efforts to require carriers to make network information and directories easily accessible to patients. While we appreciate your leadership on this issue, we are concerned that some aspects of this bill may lead to diminished access to quality, timely health care for patients. We would like to take this opportunity to recommend several amendments to these bills.

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. MOS is a professional medical organization that represents the over 1,000 DOs providing patient care in Massachusetts.

The AOA and MOS appreciate the provider directory requirements that HB 2947 creates. We strongly believe that health benefit plans have a responsibility to provide accurate and up-to-date information to their contracted beneficiaries. Patients, particularly those in rural and underserved areas, continue to experience issues with access to physicians and care. The requirements laid out in HB 2947 will help overcome these issues. However, we do request that if an enrollee informs the insurer of a possible inaccuracy in the provider directory, the insurer should investigate and take corrective action within 15 days.

We are concerned with balance billing restrictions that limit physicians' ability to receive appropriate payment for services delivered to patients. We believe that this could lead to decreased access to care in Massachusetts, an unfortunate unintended consequence. We believe that the starting point for reimbursement for a non-participating provider should not be 110% of the Medicare reimbursement rate

The Honorable Aaron Michlewitz

May 12, 2017

Page 2

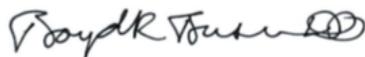
or a reasonable approximation thereof, neither of which the provider agreed to accept in return for providing services. In many cases, providers do not participate in health care plans because they cannot come to terms with an insurer and this language would essentially establish a default contract rate for all services provided to beneficiaries despite the absence of a contract between a provider and insurer. To this end, we request that the language in HB 2164 be changed to the “usual and customary rate” for similar services in the same geographic area. We also request that this payment rate language in HB 2947 is clarified. Furthermore, and for the same reasons, we request that the non-participating provider rate language in SB 526 be amended from the insurer’s contracted rate or Medicare reimbursement, to the “usual and customary rate” language for similar services in the same geographic area referenced above.

Finally, 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):

“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 the provider mediation process required by Section 29. C. OR 3) you may rely on other rights and remedies that may be available in your state.”

The AOA and MOS appreciate your efforts to protect access to necessary and timely health services for Massachusetts patients and thank you for your consideration of our recommendations for amendments to HB 2947/SB 528, HB 2164, and SB 526. Should you need any additional information, please feel free to contact Nick Schilligo, MS, Associate Vice President, State Government Affairs at nschilligo@osteopathic.org or (800) 621-1773, ext. 8185.

Sincerely,



Boyd R. Buser, DO
President, AOA



William Foley, DO, MSc
President, MOS

CC: Mark A. Baker, DO, AOA President-elect
Joseph A. Giaimo, DO, Chair, AOA Department of Governmental Affairs
Michael K. Murphy, 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, MOS