May 30, 2023

The Honorable Jason Smith
Chairman
House Committee on Ways & Means
1139 Longworth House Office Building
Washington, D.C. 20515

The Honorable Richard Neal
Ranking Member
House Committee on Ways & Means
1139 Longworth House Office Building
Washington, D.C. 20515

Re: MGMA Testimony — "Health Care Price Transparency: A Patient's Right to Know"

Dear Chairman Smith and Ranking Member Neal:

On behalf of our member medical group practices, the Medical Group Management Association (MGMA) would like to thank the Committee for holding this important hearing on "Health Care Price Transparency: A Patient's Right to Know" and appreciate the opportunity to provide feedback on this important topic.

With a membership of more than 60,000 medical practice administrators, executives, and leaders, MGMA represents more than 15,000 group medical practices ranging from small private medical practices to large national health systems representing more than 350,000 physicians. MGMA's diverse membership uniquely situates us to offer the following policy recommendations as the Committee and lawmakers consider healthcare price transparency solutions.

The No Surprises Act established critical patient protections against balance billing and created new cost transparency tools to help empower patients to be better informed while making healthcare decisions. On Jan. 1, 2022, several provisions of the No Surprises Act took effect, including the uninsured and self-pay good faith estimate (GFE) requirements. Although MGMA supports the spirit of the law, we have concerns about the way certain provisions will be implemented due to the limitations of the current healthcare environment and available infrastructure.

Advanced Explanation of Benefits (AEOB)

MGMA is supportive of the goals underpinning the transparency provisions within the No Surprises Act — we believe patients should have accurate and timely access to the costs of items and services. However, we are concerned that the law and subsequent regulations implementing these provisions could lead to increased administrative burden on the part of the practice without increased transparency, if executed improperly.

Under the No Surprises Act, an AEOB must be issued to a patient within a certain timeframe. Medical groups are responsible for transmitting a GFE to the health plan. The goal of this policy is to provide patients with the necessary tools to understand the cost of their care. The AEOB requirement is currently delayed, pending rulemaking.

To date, there lacks a uniform and automated standard for group practices to transmit information to insurers. Without that standard, practices will have to manually transmit this information in a short timeframe to dozens of different health plans — through fax and following up on the phone. This is an unworkable "solution." Medical groups are short-staffed — administrative staff time is devoted to processing the increasing number of prior authorizations, tracking down ever-changing requirements for commercial and Medicare Advantage plans, submitting claims, speaking with patients, and setting up appointments. Fifty-eight percent of medical practices reported staffing as their biggest challenge heading into 2023. A multi-specialty practice in Massachusetts hired eight full-time equivalents (FTEs) this year to solely work on the GFE requirements. They cite that eight FTEs is not sufficient, but they cannot find additional personnel to hire and cannot afford to redistribute roles of current staff.

The convening/co-provider requirement further complicates matters. Also delayed pending rulemaking, this requirement puts the onus on one provider to collect all related GFEs for a patient. There currently isn't a standard to transmit this information efficiently between providers. There must be a sustainable, automated standard available before the AEOB requirement goes into effect.

The Departments of Health and Human Services, Treasury, and Labor point to the Health Level 7 (HL7) Fast Healthcare Interoperability Resources (FHIR) standard as a potential solution. Though FHIR certainly holds promising potential, it is not currently mature enough to be an appropriate option. Whichever standard the Departments support should take into consideration medical practices of all sizes and regions, as well as those who are under-resourced. Large health systems and academic medical centers operate differently than small or rural medical practices. A workable solution would be one that is applicable to all practice types. Standards must be developed, tested, and readily available to medical groups before the AEOB requirements are implemented and enforced. Pilot tests should take into consideration all stakeholders — from vendors to providers to insurers — and must identify obstacles for all types of practices.

Finally, it is imperative that the Departments continue to solicit input and work with stakeholders, such as medical groups, to implement workable policies that empower patients, but not at the expense of delivering care. This should happen both through the rulemaking process and any testing that takes place. MGMA members can provide a "boots on the ground" perspective that is critical when developing these administrative policies.

Conclusion

We thank the Committee for its leadership on this critical issue. We look forward to working with you and your congressional colleagues to craft sustainable policies that will allow medical group practices to continue providing high-quality patient care. If you have any questions, please contact Claire Ernst, Director of Government Affairs, at cernst@mgma.org or 202-293-3450.
Regards,

/s/

Anders Gilberg, MGA
Senior Vice President, Government Affairs