



Testimony Re: SB539

Chair Patterson, Vice Chair Hayden, and Members of the Committee:

I am submitting this testimony on behalf of the National Association of Benefits and Insurance Professionals (Oregon Chapter). NABIP members work with businesses of all sizes and with individuals in both designing (for larger employers) and selecting health benefit plans to fit their needs.

Thank you for bringing SB539 forward and the committee's prior hearings on this issue. We are "neutral" on SB539. At the bill stands, NABIP is neither in unqualified support (although we like the pro-consumer direction) nor in opposition.

Facility fees increasingly are a pain point for health plan enrollees, and NABIP members hear more and more complaints about these fees. We believe the increased use of facility fees, especially for outpatient services, is driven by both hospital system consolidation and by chronic underpayment for medical services by Medicaid that results in cost-shifting.

As written, from NABIP's perspective there are some very good pro-consumer elements that should be easy for hospitals to do, such as pro-active, upfront disclosure of facility fees for planned procedures. I personally encountered this situation just before Session, when a routine outpatient test generated a very large facility fee.

On the other hand, we can understand that predicting costs for patients already admitted to the hospital for a complex condition could be very challenging, although costs should be disclosed and discussed when feasible.

We would suggest that the Committee consider amending the bill to narrow it to the easiest elements to implement: Notice to consumers about planned procedures, as well as the reporting elements of the bill to get a complete picture. And then continue working on this issue through the Interim for possible follow-up legislation.

Thank you for your consideration.

Tom Holt  
NABIP-Oregon lobbyist