

Submitter: Charlotte Flood
On Behalf Of: Northwest Primary Care
Committee: Joint Committee On Information Management and Technology
Measure, Appointment or Topic: HB4054

Co-Chairs Pham, Nathanson and Members of the Joint Information Management and Technology Committee, my name is Charlotte Flood and I am writing on behalf of Northwest Primary Care to urge your support of HB 4054.

This bill adds much needed transparency to the emerging issue of downcoding. Downcoding happens when a clinic or provider treats a patient and submits a claim for reimbursement, and the health insurer reimburses them at a lower-level code. This lower-level coding is without any reference to the provider's documentation or care plan. It is simply a ploy to reduce reimbursement to providers. When we address this issue directly with carriers we are told that we can receive payment for the higher-level code upon appeal in which we can submit the documentation for review. This, in return, requires the clinic to hire additional staff, creates administrative burden and raises the overall cost of healthcare.

Recently, some insurers have started to downcode large batches of claims using artificial intelligence technology. The lack of transparency around this process and technology makes it difficult for clinics to track when claims have been downcoded. This means that clinics have to spend significant staff time to track downcoded claims and appeal them.

I respectfully urge your support of HB 4054. This bill does not ban the use of AI, it simply adds much needed transparency to this emerging technology.

Respectfully,
Charlotte Flood