



Quality is Our Bottom Line

Insurance & Real Estate Committee
Public Hearing

6530

Tuesday, February 24, 2009

Connecticut Association of Health Plans

Testimony in Opposition to

HB6530 AAC the Accessibility and Effectiveness of Consumer Report Cards and Transparency in Health Insurance Claims Data.

The Connecticut Association of Health Plans strongly urges the Committee's rejection of HB6530 AAC the Accessibility and Effectiveness of Consumer Report Cards and Transparency in Health Insurance Claims Data.

Passage of this bill would be extremely problematic and costly. Section 1(b) seems to incorporate issues related to the various "standards in contracts" initiatives within the context of the consumer report card.

First, we would submit that this is an inappropriate venue for a discussion around physician reimbursement rates which arguably are subject to contract negotiations between two independent parties who enter into such agreements willingly.

Second, should the legislature publicly publish reimbursement rates which are currently considered proprietary by health plans, we can assume that there will be a race to the top as providers across the board seek the highest fee schedule available driving up costs considerably and thereby lowering access to health care.

Third, requiring that the consumer report card include the fee schedules for all network providers, or even the 50 current procedural codes for each physician, physician group or organization, is simply unworkable. The report card would end up being thousands of pages long and of little value to consumers. The Committee has recently undertaken steps to look at the "standards in contracts" issue in more depth and we support that initiative.

We would respectfully suggest that Section 1(b) be rejected outright.

With respect to Section 2, we submit that disclosure of this type of information is subject to a contract between the two parties – the health plan and the employer.

Furthermore, disclosure of this type of information becomes less credible as the group size gets smaller in that the data is subject to wide variations. More importantly, however, there are fairly significant confidentiality concerns with respect to the proposal. When you provide claims information to a group, particularly smaller groups, there is the possibility that an employer can recognize specific cases and thereby identify claims with certain individuals which we believe runs contrary to HIPAA and other privacy acts that have recently been adopted.

We strongly urge the Committee's rejection of HB 6530 in its entirety.

Thank you for your consideration.