



House Committee on Insurance
Written Opposition Testimony on HB 2825
March 18, 2024

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Mountain Region CommonSpirit Health

Chairman Sutton and Members of the Committee:

On behalf of the Mountain Region of CommonSpirit Health, we own and operate 20 hospitals in Colorado, Kansas and Utah as well as multiple health clinics, physician practices, urgency centers and Flight for Life. We employ over 21,000 employees and we are very committed to rural health care which is evident through our longstanding presence in western Kansas.

We firmly believe that health care transparency should be timely, accurate and meaningful to improve the consumer experience and health care affordability. **We are not opposed to transparency** and, in fact, we were early adopters of the Centers for Medicare & Medicaid Services (CMS) Price Transparency Rules as we felt it was the right thing to do for our patients.

Being that we are compliant with CMS' Federal Transparency Rules, we are not opposed to any of the elements of the bill that are currently required by CMS rule.

We are opposed to the following elements of this bill:

- Codifying federal rule into state statute can **create confusion and/or conflict** for hospitals and patients.
- **CMS is currently the arbitrator of compliance** for the federal transparency rules. CMS has been very active in review of hospitals to ensure that each hospital is compliant. If a hospital is deemed out of compliance, which can occur for a myriad of reasons including technology glitches or cybersecurity attacks, the hospital is given the right to remedy before a penalty is assessed.

- It is imperative that material compliance is **directly tied to a specific patient's items or services that they received.**
- Assigning an additional arbitrator of compliance, which as written in this bill is the Kansas Attorney General, is **unnecessary, duplicative and a poor utilization of state resources.**
- CMS has a robust process as well as an established framework of penalties for hospitals that are deemed out of compliance. The **compounding of penalties (fines & unlawful or Deceptive Trade Practice) in this bill are severe and unnecessary.**

We agree that for elective procedures, patients have the right to know what they will be charged for that procedure. However, it is important to note that the practice of medicine does have an element of unpredictability tied to it. While clinicians do their best to diagnose a patient in advance of a procedure, the human body is complex and the scope of the procedure and resulting diagnoses can rapidly change.

We are happy to answer any questions the committee may have and appreciate your consideration to these recommended changes to HB2825.