126th LEGISLATURE
FIRST REGULAR SESSION

Final Report of the Commission to Study Transparency, Costs and Accountability of Health Care System Financing

December 4, 2013

Members:
Senator Geoffrey M. Gratwick, Co-chair
Representative Andrew M. Gattine, Co-chair
Senator Colleen M. Lachowicz
Senator James M. Hamper
Senator Richard G. Woodbury
Representative Ann E. Dorney
Representative Erik C. Jorgensen
Representative Dennis L. Keschl
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Executive Summary

In an effort to further recent state and private sector efforts aimed at expanding the availability of useful healthcare price information for consumers and address the significant challenges that remain in delivering relevant, timely and actionable information to consumers, the 126th Legislature established the Commission to Study Transparency, Costs and Accountability of Health Care System Financing. The Commission was created by Joint Order H.P. 1123 of the 126th Legislature (please see Appendix A). The Commission was composed of 4 members of the Senate and 5 members of the House of Representatives. A list of the Commission members is included as Appendix B.

The duties of the Commission are set forth in Joint Order H.P. 1123 (Appendix A). The duties include the following:

- review and evaluate current data reported by hospitals and other health care facilities in the State relating to charges, costs of providing services, revenue and other financial data and make recommendations for standardizing financial reporting to enhance transparency to the public of health care costs;
- make recommendations for changes and modifications to the current data reporting requirements so that hospitals and other health care facilities publicly report charges, negotiated rates for public and private payors, advertising fees, lobbying expenses, administrative costs and other expenses in a transparent manner;
- make recommendations for increasing transparency to the public of data relating to the costs, price and negotiated rates for health care services in an accessible manner;
- seek public input from individuals, hospitals, health care providers, insurers, 3rd party payors, government-sponsored health care programs and interested organizations; and
- consult and collaborate with stakeholders and experts in the fields of health care and health data collection policy.

The Commission held four public meetings in Augusta on September 23, 2013, October 16, 2013, October 30, 2013 and November 20, 2013. All meetings were open to the public and were broadcast by audio transmission over the Internet. Although this report contains several appendices, additional resources and background materials (including materials submitted by panelists), are available at the following website: http://www.maine.gov/legis/opla/healthcareaccountability.htm

Due to the significant breadth and complexity of the issues identified in the Joint Order surrounding health care price transparency and health data collection policy, the Commission determined that it would most effectively use its time by focusing in on ways that the Legislature could advance and strengthen ongoing state and private sector efforts surrounding health data and consumer access to cost and quality information and increase collaboration among stakeholders. The Commission also focused its discussions primarily on improving price transparency and consumer access to cost and quality information relating to "shoppable" procedures, or non-emergent care, where consumers have time to research and compare price and quality data in a

manner that will inform their decision-making process. In addition, the Commission recognized that there are complex and evolving changes to the health care system relating to the expansion of insurance coverage under the Patient Protection and Affordable Care Act (PPACA), as well as global payment schemes for providers, which will be going into effect in 2014. The impact of the PPACA is extensive and beyond the scope of the Commission's work, however, for further information on the PPACA and Maine's health insurance market, please see the Maine Health Exchange Advisory Committee's website at:
http://www.maine.gov/legis/opla/healthexchresources.htm

During the course of the Commission's work, the following themes emerged which guide the Commission's recommendations:

- There continue to be significant barriers to health care price shopping that limit the ability of both the uninsured and the insured's ability to effectively compare the cost of health care procedures;

- Information on the quality of health care is difficult to find; and

- Maine Health Data Organization, HealthInfoNet and Maine Health Management Coalition have health care data on Maine health care consumers and more data is becoming available to these entities which will greatly advance health care transparency initiatives in Maine.

The Commission to Study Transparency, Costs and Accountability of Health Care System Financing unanimously supports the following findings and recommendations:

FINDINGS:

Maine has been a national leader in enacting health care price transparency initiatives, having created the first all payor claims database in the country. In spite of the significant work that has been done in this arena, the Commission finds that Maine consumers still lack adequate access to health care pricing information and there remains a significant need for consumers to have a greater voice in the health care decision making process. The Commission finds that there needs to be greater public awareness and education on how health care prices impact all consumers, and greater efforts to make meaningful improvements to the data to make it more accessible. To that end, the Commission finds that there are significant multi-stakeholder collaborative efforts underway between the Maine Health Data Organization (MHDO), Health InfoNet (HIN), Maine Health Management Coalition (MHMC), Maine Quality Counts and other stakeholders to find innovative ways to improve the quality of our health care delivery system by aligning efforts among health care entities, increasing access to health care data, and improving shared decision-making between providers and patients. The Commission also recognizes the significant collaborative efforts underway between MHDO and HIN surrounding health care data and data integration, as well as the organizations' efforts to determine how the data is operationalized to best serve the needs of patients, providers and payors in the near future. The efforts of MHDO and HIN will greatly inform the next phase of health care transparency initiatives.

In addition, the Commission finds that MHDO is working with multiple stakeholder groups to improve consumer access to the MHDO Health Cost data and website, which starting in January, will have upward of 200 searchable procedures available for consumers to research. The Commission finds that the efforts of these stakeholders will be key to further strengthen these public-private partnerships and enhance the accessibility of health data for all consumers in the near future. The Commission recognizes that these efforts are being undertaken in the larger framework of the State's federally funded State Improvement Model Grant (SIM), a federal grant awarded to Maine in the amount of $33 million to implement its State Health Care Innovation Plans. The State Improvement Model Grant is designed to use all of the leverage available to transform the health care delivery system through multi-payer payment reform and other state-led initiatives. For further information on the SIM initiative, please see the Department of Health and Human Services website at http://www.maine.gov/dhhs/oms/sim/#EI.

RECOMMENDATIONS:

- The Commission supports the overall goal of requiring health care entities to maintain a price list for patients at the point of service (applied at the unit at which things are billed, such as the individual practice level) that includes their most frequently provided health care services. The requirements would be constructed in a manner so as to apply to small practices and hospitals, meeting the needs of patients while balancing the needs of the health care entity.
- The Commission also recommends changes to the law that would require pharmacies, providers and hospitals, to provide consumers, upon request, with a tailored cost estimate for any non-emergent services associated with that specific entity's services. The Commission recognizes that the provider should only be responsible for identifying that provider's specific costs for which they have access to complete cost information (See draft legislation in Appendix E).
- The Commission supports the broad goal of finding ways to provide patients without access to the internet a means to access cost data on Maine Health Data Organization's HealthCost website.
- The Commission also supports efforts to further educate all providers on Maine Health Data Organization's HealthCost website so that providers can refer patients who are interested in researching costs related to their procedures to this portal. The Commission recommends that legislation be submitted to the Second Regular Session of the 126th Legislature that directs health care practitioners to expand public awareness of the Maine Health Data Organization and its HealthCost website by displaying at providers' offices information on the Maine Health Data Organization and how consumers can become more informed of the costs associated with "shoppable procedures" prior to making their healthcare decisions. Providers must be educated on the information available on Maine Health Data Organization's HealthCost website.
- The Commission also recommends legislation to amend the current statutory provisions governing the information that hospitals and ambulatory surgical centers are currently required to make available to consumers pursuant to Title 22 MRSA section 1718, by adding the requirement that these entities post in a publicly-available and accessible location a notice informing consumers of their ability to request and receive information on the average charges for any inpatient service or outpatient procedure provided by the hospital or surgical

center upon request (See draft legislation in Appendix E). The Commission discussed issues related to enforcement of this provision; however the Commission did not have sufficient information on enforcement options to include a recommendation on this issue at this time.

- The Commission also recommends that legislation be submitted to the Second Regular Session of the 126th Legislature to amend the annual statutory reporting requirements for the Maine Health Data Organization (MHDO) to include language that will require the MHDO to include in its report an update on its collaborative efforts with other health data organizations, including HealthInfoNet and Maine Health Management Coalition, to improve consumer access to information on healthcare quality and price through healthcare transparency initiatives in this State. The report must include updates on all collaborative grants with HealthInfoNet and Maine Health Management Coalition, including the State Improvement Model Grant. The Commission also recommends that the statutory provisions governing the MHDO annual report be amended to require that the joint standing committee of the Legislature having jurisdiction over insurance and financial services matters, in addition to the joint standing committee having jurisdiction over health and human services matters, be provided with a presentation of the annual report. The Commission supports the goal that MHDO, HealthInfoNet and Maine Health Management Coalition work collaboratively to meet the goals identified in this report and overcome challenges in funding, as well as other barriers to collaboration, by 2016. It is the Commission's goal that the work of the SIM subcommittee, as well as the work being performed by MHDO, will inform how the State can best leverage its assets and create the best outcomes for integrating and enhancing health care transparency initiatives (See draft legislation in Appendix E).

I. INTRODUCTION

In an effort to further recent state and private sector efforts aimed at expanding the availability of useful healthcare price information for consumers, and address the significant challenges that remain in delivering relevant, timely and actionable information to consumers, the 126th Legislature established the Commission to Study Transparency, Costs and Accountability of Health Care System Financing. The Commission was created by Joint Order H.P. 1123 of the 126th Legislature (please see Appendix A). The Commission was composed of 4 members of the Senate and 5 members of the House of Representatives. A list of the Commission members is included as Appendix B.

The duties of the Commission are set forth in Joint Order H.P. 1123 (Appendix A). The duties include the following:

- review and evaluate current data reported by hospitals and other health care facilities in the State relating to charges, costs of providing services, revenue and other financial data and make recommendations for standardizing financial reporting to enhance transparency to the public of health care costs;
- make recommendations for changes and modifications to the current data reporting requirements so that hospitals and other health care facilities publicly report charges, negotiated rates for public and private payors, advertising fees, lobbying expenses, administrative costs and other expenses in a transparent manner;
- make recommendations for increasing transparency to the public of data relating to the costs, price and negotiated rates for health care services in an accessible manner;
- seek public input from individuals, hospitals, health care providers, insurers, 3rd party payors, government-sponsored health care programs and interested organizations; and
- consult and collaborate with stakeholders and experts in the fields of health care and health data collection policy.

The Commission held four public meetings in Augusta on September 23, 2013, October 16, 2013, October 30, 2013 and November 20, 2013. All meetings were open to the public and were broadcast by audio transmission over the Internet. Although this report contains several appendices, additional resources and background materials (including materials submitted by panelists), are available at the following website: http://www.maine.gov/legis/opla/healthcareaccountability.htm

Due to the significant breadth and complexity of the issues identified in the Joint Order surrounding health care price transparency and health data collection policy, the Commission determined that it would most effectively use its time by focusing in on ways that the Legislature could advance and strengthen ongoing state and private sector efforts surrounding health data and consumer access to cost and quality information and increase collaboration among stakeholders. The Commission also focused its discussions primarily on improving price transparency and consumer access to cost and quality information relating to "shoppable" procedures, or non-emergent care, where consumers have time to research and compare price and quality data in a manner that will inform their decision-making process. In addition, the Commission recognized

that there are complex and evolving changes to the health care system relating to the expansion of insurance coverage under the Patient Protection and Affordable Care Act (PPACA), as well as global payment schemes for providers, which will be going into effect in 2014. The impact of the PPACA is extensive and beyond the scope of the Commission's work, however, for further information on the PPACA and Maine's health insurance market, please see the Maine Health Exchange Advisory Committee's website at:
http://www.maine.gov/legis/opla/healthexchresources.htm

The Commission held four public meetings in Augusta on September 23, 2013, October 16, 2013, October 30, 2013 and November 20, 2013. The Commission was guided in its efforts by the health care data collection and management organizations, hospital associations, physicians, health insurance representatives and individuals representing consumer advocacy organizations. Presentations were made to the Commission by the following people:

- Karynlee Harrington, Maine Health Data Organization (Overview of Maine Health Data Organization with website demonstration; panel discussion on developing meaningful price information for consumers; panel discussion of the role the organization plays in the collection of health care data, the availability and cost of the data, and the potential for establishing partnerships to link clinical and claims data);
- Frank Johnson, Maine Health Management Coalition (Panel discussion on developing meaningful price information for consumers);
- James Highland, PhD., Compass Health Analytics (Panel discussion on developing meaningful price information for consumers);
- Joel Allumbaugh, National Worksite Benefit Group (Panel discussion on developing meaningful price information for consumers);
- Jeff Austin, Maine Hospital Association (Panel discussion on developing meaningful price information for consumers);
- Jim Harrison, Onpoint Health Data (Panel discussion on developing meaningful price information for consumers);
- Mitchell Stein, Consumers for Affordable Health Care (Panel discussion on developing meaningful price information for consumers)
- Christina Moylan, Assistant Attorney General (Discussion of current antitrust issues relating to the public disclosure of negotiated rates and other health care price transparency initiatives);
- Dennis Shubert, M.D. (Discussion on developing meaningful price information for consumers);
- Devore Culver, HealthInfoNet (Panel discussion of the role the organization plays in the collection of health care data, the availability and cost of the data, and the potential for establishing partnerships to link clinical and claims data);
- Nona Boyink, HealthInfoNet (Panel discussion of the role the organization plays in the collection of health care data, the availability and cost of the data, and the potential for establishing partnerships to link clinical and claims data);
- Michael DeLorenzo, Maine Health Management Coalition (Panel discussion of the role the organization plays in the collection of health care data, the availability and cost of the data, and the potential for establishing partnerships to link clinical and claims data); and

- Ellen Schneiter, Maine Health Management Coalition, SIM Project Director (Brief overview of the State Improvement Model Grant).

During the course of the Commission's work, the following themes emerged which guide the Commission's recommendations:

A. There continue to be significant barriers to health care price shopping that limit the ability of both the uninsured and the insured's ability to effectively compare the cost of health care procedures;

B. Information on the quality of health care is difficult to find.

C. Maine Health Data Organization, HealthInfoNet and Maine Health Management Coalition have health care data on Maine health care consumers and more data is becoming available to these entities.

II. BACKGROUND

According to the Centers for Medicare and Medicaid Services, total health care spending in the United States is expected to reach $4.8 trillion in 2021, an increase from $2.6 trillion in 2010 and $75 billion in 1970. Healthcare in the United States accounts for 17 percent of the Gross Domestic Product, which is expected to grow to 21 percent by the year 2020. According to the Kaiser Foundation, the substantial rise in healthcare costs has placed a significant burden on American households, businesses, and federal, state, and local governments and made health insurance less affordable for individuals, families, and businesses, with consumers now spending $312 billion out-of-pocket annually. Even with the Patient Protection and Affordable Care Act's (PPACA) and its new limits on maximum deductible and out-of-pocket expenditures for consumers (family coverage at $4,000 and $11,900 respectively), these trends are expected to continue.

In an effort to reduce healthcare costs, purchasers have focused on strategies that can help to bring costs under control through improving consumer engagement in health care decisions. In their efforts to manage costs, health care purchasers, including large employers and states, recognize that consumers need health care price and quality information (including outcome measures and measures of safety, effectiveness, timeliness, efficiency, and equity), as well as appropriate incentives to seek higher-value care.

In recent years, information about quality has become more transparent; however, meaningful price information is still difficult to obtain. Purchasers, plans, and providers need to do more to advance price transparency and to marry price and quality data together to help consumers assess their treatment options. The Catalyst for Payment Reform (CPR) defines price transparency as "the availability of provider-specific information on the price for a specific health care service or set of services to consumers and other interested parties." According to the CPR, price can be defined as "an estimate of a consumer's complete health care cost on a health care service or set

of services that 1) reflects any negotiated discounts; 2) is inclusive of all costs to the consumer associated with a service or services, including hospital, physician and lab fees; and, 3) identifies the consumer's out-of-pocket costs (such as co-pays, co-insurance and deductibles).

Supporters of price transparency efforts articulate three major benefits of such measures: (1) it assists purchasers with stabilizing and containing health care costs; (2) it helps inform consumers' health care decisions so that consumers can shop for non-urgent care based on quality and price information, as consumers assume greater financial responsibility for their healthcare costs; and (3) it reduces unknown and unwarranted price variation for hospital and physician services within and across markets.

Price transparency is an area of health care spending that has the potential to save the country as much as $36 billion per year, by providing consumers with useful, comparative information on the cost of services and educating them on how to make informed decisions to reduce healthcare costs. Many consumers are first told about the cost of their care only after they have received it, when they are either billed by their provider or in a statement of benefits from their insurer. Price transparency information, when it is easily understandable and combined with quality data, may help consumers anticipate costs associated with planned health care services and shop accordingly for the best value in care.

One of the factors contributing to the rise in healthcare costs is the significant price variation that exists for the same healthcare services within the same geographic market, sometimes more than 100 percent. Information on price variation in the healthcare market can be helpful for individual consumers with high-deductible plans and co-insurance, providing them the opportunity to locate providers that offer high quality services either at or below the median price and achieve significant out of pocket savings. According to the Reuters report, in every healthcare market across the country, there are opportunities for cost savings for the most "shoppable" procedures (high-volume procedures consumers schedule in advance). When prices for these procedures are reduced to the median price there is significant savings of 3.5 percent. When the savings is applied to the 108 million Americans under age 65 who receive insurance through their employer, the savings equates to $36 billion.

However, the report cites the significant hurdles that exist in engaging consumers actively in their healthcare decisions. The primary challenge is the difficulty that consumers have in understanding their healthcare options. In order to increase consumer involvement in healthcare decisions, consumers must have available to them information about the precise total cost for services provided, which includes the amounts paid by the consumer out of pocket or through their high-deductible insurance plan and the amount paid by the insurer/intermediary on their behalf. To address this issue, roughly 34 states have passed legislation that requires hospitals to report charges or reimbursement rates and seven have established a forum for voluntary price reporting.

Nationally, Maine has been recognized as being ahead of other states in its use of health care data and in its price transparency initiatives. According to the March 2013 Report Card on State Price Transparency Laws, only two states (Massachusetts and New Hampshire) received an A, and

Maine was among only 5 other states in the nation to receive a B, with more than half of the states receiving a grade of F (see the national score card at Appendix C).

Maine enacted the Maine Health Data Organization (MHDO) as an independent executive agency to "create and maintain a useful, objective, reliable and comprehensive health information database that is used to improve the health of Maine citizens and to issue reports" using a publicly accessible website. The organization is required to collect, process, analyze and report clinical, financial, quality and restructuring data as defined in this chapter. The MHDO has recently collaborated with multiple stakeholders in a collaborative effort to improve the availability and access to health care data. Pursuant to a recently enacted resolve (Resolve 2011, c. 109), MHDO and several stakeholders studied and worked together to evaluate the following: the current structure of the Maine Health Data Organization; the current uses of health care data; the changes needed to increase access to health care data; and the most appropriate and cost-effective sources of data. The multi-stakeholder group recently finished its report and supported six recommendations. A copy of the report, which was submitted to the First Regular Session of the 126th Legislature, is available on the Commission's website at http://www.maine.gov/legis/opla/healthcareaccountability.htm.

HealthInfoNet (HIN) is an independent, nonprofit organization that operates the state's official health information exchange, formally launched in 2009 by Public Law 2009, c. 387. HIN is funded by several sources, including charitable foundations, Maine health care providers, and state and federal government grants. The health information exchange (HIE) is an electronic data center of clinical information, which uses a private encrypted network to create a single electronic patient health record accessed by authorized healthcare participating providers in different locations who can share patient information for treatment purposes. It includes prescriptions, allergies, and laboratory and test results, with the goal of providing safer, efficient and timely care with better coordination between caregivers, fewer medical errors, reduced health care costs, fewer repeat tests and less paperwork. As of October 2013, 35 hospitals and 407 ambulatory sites including physician practices, behavioral health, long-term care facilities and home health agencies could access the HIE to support care for the patients. Over 89 percent of Maine people have health information available to their providers using the HIE, and 1.2 percent have opted out of using HIE. HIN is governed by a board of directors. (See Appendix D for further information on HIN).

III. FINDINGS AND RECOMMENDATIONS

The Commission to Study Transparency, Costs and Accountability of Health Care System Financing unanimously supports the following findings and recommendations:

FINDINGS: Maine has been a national leader in enacting health care price transparency initiatives, having created the first all payor claims database in the country. In spite of the significant work that has been done in this arena, the Commission finds that Maine consumers still lack adequate access to health care pricing information and there remains a significant need for consumers to have a greater voice in the health care decision making process. The

Commission finds that there needs to be greater public awareness and education on how health care prices impact all consumers, and greater efforts to make meaningful improvements to the data to make it more accessible. To that end, the Commission finds that there are significant multi-stakeholder collaborative efforts underway between the Maine Health Data Organization, Health InfoNet, Maine Health Management Coalition, Maine Quality Counts and other stakeholders to find innovative ways to improve the quality of our health care delivery system by aligning efforts among health care entities, increasing access to health care data, and improving shared decision-making between providers and patients.

The Commission also recognizes the significant collaborative efforts underway between MHDO and HIN surrounding health care data and data integration, as well as the organizations' efforts to determine how the data is operationalized to best serve the needs of patients, providers and payors in the near future. The efforts of MHDO and HIN will greatly inform the next phase of health care transparency initiatives.

In addition, the Commission finds that MHDO is working with multiple stakeholder groups to improve consumer access to the MHDO Health Cost data and website, which starting in January, will have upward of 200 searchable procedures available for consumers to research. The Commission finds that the efforts of these stakeholders will be key to further strengthen these public-private partnerships and enhance the accessibility of health data for all consumers in the near future. The Commission recognizes that these efforts are being undertaken in the larger framework of the State's federally funded State Improvement Model Grant (SIM), a federal grant that awarded Maine $33 million to implement their State Health Care Innovation Plans. The State Improvement Model Grant is designed to use all of the leverage available to them to transform the health care delivery system through multi-payer payment reform and other state-led initiatives. For further information on the SIM initiative, please see the Department of Health and Human Services website at http://www.maine.gov/dhhs/oms/sim/#EI.

RECOMMENDATIONS:

- The Commission supports the overall goal of making some improvements to the current law governing consumer information regarding health care practitioner price disclosures (Title 22 section 1718-A), with the focus on achieving the following goals: clarifying the requirement that health care providers provide price lists applies to a broader group of health care entities (practitioners, groups of practitioners or a facility that charges for health care services and procedures) at the level of the individual practitioner or hospital unit responsible for billing, as well as ensuring the goal of public price disclosure is met without the unintended consequences of being overly burdensome on the health care entity. The Commission understands that legislation will be introduced during the Second Regular Session that will provide the process for further discussion on this topic and greater input from all stakeholders involved in order to achieve the necessary technical changes to the law.
- The Commission also recommends changes to the law (Title 22 MRSA, section 1718-A) that would require pharmacies, providers and hospitals, to provide consumers, upon request, with a tailored cost estimate for any non-emergent services associated with that specific entity's

services. The Commission recognizes that the provider should only be responsible for identifying that provider's specific costs for which they have access to complete cost information (See draft legislation in Appendix E). The Commission also recommends changes to the current statutory provisions governing the information that hospitals and ambulatory surgical centers are currently required to make available to consumers pursuant to Title 22 MRSA, section 1718, by adding the requirement that these entities post in a publicly-available and accessible location a notice informing consumers of their ability to request and receive information on the average charges for any inpatient service or outpatient procedure provided by the hospital or surgical center upon request. The Commission discussed issues related to enforcement of this provision; however the Commission did not have sufficient information on enforcement options to include a recommendation on this issue at this time.

- The Commission supports the broad goal of finding ways to provide patients without access to the internet a means to access cost data on Maine Health Data Organization's HealthCost website.
- The Commission also supports efforts to further educate all providers on Maine Health Data Organization's HealthCost website so that providers can refer patients who are interested in researching costs related to their procedures to this portal. The Commission recommends that legislation be submitted to the Second Regular Session of the 126th Legislature that directs health care practitioners to expand public awareness of the Maine Health Data Organization and its HealthCost website by displaying at providers' offices information on the Maine Health Data Organization and how consumers can become more informed of the costs associated with "shoppable procedures" prior to making their healthcare decisions. Providers must be educated on the information available on Maine Health Data Organization's HealthCost website (See draft legislation in Appendix E).
- The Commission also recommends that legislation be submitted to the Second Regular Session of the 126th Legislature to amend the annual statutory reporting requirements for the Maine Health Data Organization (MHDO) to include language that will require the MHDO to include in its report an update on its collaborative efforts with other health data organizations, including HealthInfoNet and Maine Health Management Coalition, to improve consumer access to information on healthcare quality and price through healthcare transparency initiatives in this State. The report must include updates on all collaborative grants with HealthInfoNet and Maine Health Management Coalition, including the State Improvement Model Grant. The Commission also recommends that the statutory provisions governing the MHDO annual report be amended to require that the joint standing committee of the Legislature having jurisdiction over insurance and financial services matters, in addition to the joint standing committee having jurisdiction over health and human services matters, be provided with a presentation of the annual report. The Commission supports the goal that MHDO, HealthInfoNet and Maine Health Management Coalition work collaboratively to meet the goals identified in this report and overcome challenges in funding, as well as other barriers to collaboration, by 2016. It is the Commission's goal that the work of the SIM subcommittee, as well as the work being performed by MHDO, will inform how the State can best leverage its assets and create the best outcomes for integrating and enhancing health care transparency initiatives (See draft legislation in Appendix E).

APPENDIX A

Authorizing Joint Order H.P. 1123

STATE OF MAINE

In House_____

ORDERED, the Senate concurring, that the Commission To Study Transparency, Costs and Accountability of Health Care System Financing is established as follows.

1. Commission To Study Transparency, Costs and Accountability of Health Care System Financing established. The Commission To Study Transparency, Costs and Accountability of Health Care System Financing, referred to in this order as "the commission," is established.

2. Membership. The commission consists of 9 members appointed as follows:

A. Four members of the Senate appointed by the President of the Senate, including members from each of the 2 parties holding the largest number of seats in the Legislature; and

B. Five members of the House of Representatives appointed by the Speaker of the House, including members from each of the 2 parties holding the largest number of seats in the Legislature.

3. Commission chairs. The first-named Senator is the Senate chair of the commission and the first-named member of the House is the House chair of the commission.

4. Appointments; convening of commission. All appointments must be made no later than 30 days following passage of this order. The appointing authorities shall notify the Executive Director of the Legislative Council once all appointments have been made. When the appointment of all members has been completed, the chairs of the commission shall call and convene the first meeting of the commission. If 30 days or more after the passage of this order a majority of but not all appointments have been made, the chairs may request authority and the Legislative Council may grant authority for the commission to meet and conduct its business.

5. Duties. The commission shall:

A. Review and evaluate the current data reported by hospitals and other health care facilities in the State pursuant to state and federal law relating to charges, costs of providing services, revenue and other financial data and make recommendations for standardizing financial reporting to enhance transparency to the public of health care costs;

B. Make recommendations for changes and modifications to the current data reporting requirements so that hospitals and other health care facilities publicly report charges, negotiated rates for public and private payors, advertising fees, lobbying expenses, administrative costs and other expenses in a transparent manner. The commission shall consider the costs of implementing any recommendations and the impact of public reporting of negotiated rates on proprietary information held by public and private payors;

C. Make recommendations for increasing transparency to the public of data relating to the costs, price and negotiated rates for health care services in an accessible manner;

D. Seek public input from individuals, hospitals, health care providers, insurers, 3rd-party payors, government-sponsored health care programs and interested organizations;

E. Consult and collaborate with stakeholders and experts in the fields of health care and hospitals and public policy; and

F. Examine any other issues to further the purposes of the study.

The commission may solicit health care cost data and information from both the public and private sectors to help inform the commission's work, including, but not limited to, the data and information of the Department of Health and Human Services, the Maine Health Data Organization, a statewide health care management association, a statewide hospital association and a statewide public health association.

6. Meetings. The commission shall hold at least 4 meetings.

7. Staff assistance. The Legislative Council shall provide necessary staffing services to the commission. The commission may invite the Department of Health and Human Services, the Maine Health Data Organization, the Department of Professional and Financial Regulation, Bureau of Insurance and other agencies of State Government to provide additional staff support or assistance to the commission.

8. Report. The commission shall submit a report and any suggested legislation for presentation to the Joint Standing Committee on Health and Human Services and the Joint Standing Committee on Insurance and Financial Services no later than December 4, 2013.

SPONSORED BY: _____

(Representative TREAT)

TOWN: Hallowell

APPENDIX B

Membership list,
Commission to Study Transparency, Costs and Accountability of Health Care System Financing

Commission to Study Transparency, Costs and Accountability of Health Care System Financing

Joint Order H.P. 1123

Wednesday, September 11, 2013

Appointment(s) by the President

Sen. Geoffrey M. Gratwick - Chair 1230 Kenduskeag Avenue Bangor, ME 04401	Senate Member
Sen. Colleen M. Lachowicz 1 Kelsey Street, Apt. #2 Waterville, ME 04901	Senate Member
Sen. James M. Hamper 1023 King Street Oxford, ME 04270	Senate Member
Sen. Richard G. Woodbury 174 Oakwood Drive Yarmouth, ME 04096 207 847-9300	Senate Member

Appointment(s) by the Speaker

Rep. Andrew M. Gattine - Chair 529 Stroudwater Street Westbrook, ME 04092	House Member
Rep. Ann E. Dorney 40 Parlin Drive Norridgewock, ME 04957	House Member
Rep. Erik C. Jorgensen 83 Highland Street Portland, ME 04103	House Member
Rep. Dennis L. Keschl 1024 Wings Mills Road BELGRADE, ME 04917 207 495-2973	House Member
Rep. Jane P. Pringle 3 Great Falls Road Windham, ME 04062	House Member

Staff:

Natalie Haynes 287-1670
OPLA

APPENDIX C

Report Card on State Price Transparency Laws
By the Catalyst for Payment Reform

CATALYST FOR PAYMENT REFORM

HEALTH CARE INCENTIVES IMPROVEMENT INSTITUTE INC

Report Card on State Price Transparency Laws

March 18, 2013

CATALYST FOR PAYMENT REFORM

HEALTH CARE INCENTIVES IMPROVEMENT INSTITUTE™

Dear Colleagues,

As health care costs continue to rise, consumers are increasingly being required to take on a growing share. To underscore that point, the most recent survey by Mercer shows that close to two-thirds of all large employers offer a high deductible/high co-insurance health plan and that close to 20 percent of all commercially insured health plan members are enrolled in such plans. In this environment, it is only fair and logical to ensure that consumers have the necessary quality and price information to make informed decisions about where to seek health care. We have made progress sharing information about the quality of care, with organizations like Bridges to Excellence and The Leapfrog Group leading the way and federal and state governments getting in on the act. But with recent studies showing us that the price for an identical procedure within a market can vary seven-fold with no demonstrable difference in quality, price transparency is more important than ever.

While the private sector has made progress recently in making prices more available to consumers, there are still large gaps. States can play an important role in ensuring that consumers have access to both quality and price information by setting policies and implementing laws that advance transparency. The most comprehensive, consumer-friendly laws ensure ready access to information and data about a broad range of providers and services.

This Report Card on State Price Transparency Laws represents a joint effort between Catalyst for Payment Reform and the Health Care Incentives Improvement Institute to examine existing transparency laws in all 50 states and grade them, using well-defined criteria, on how well they support the information needs of consumers. The Methodology section of this report contains detail about these criteria.

We hope the Report Card will inform advocates, lawmakers and policy experts about today's best practices or what constitutes a top grade and, over time, generate improvements in public policies across the nation. American consumers deserve to have as much information about the quality and price of their health care as they do about restaurants, cars, and household appliances.

Sincerely,

Francois de Brantes, MS, MBA
Executive Director
Health Care Incentives Improvement Institute

Suzanne Delbanco, Ph.D.
Executive Director
Catalyst for Payment Reform

I. METHODOLOGY

Catalyst for Payment Reform (CPR) and the Health Care Incentives Improvement Institute (HCI^3) teamed up to review state-specific laws focused on price transparency for health care. The review generated two products: (1) a Report Card on State Price Transparency Laws and (2) a reference table that provides the details of the price transparency laws for each state.

CPR and HCI^3 examined statutes and enacted bills using WestLawNext database, the National Conference on State Legislature's website, and websites from various state legislatures, among other sources.

This research revealed a wide variety of state laws, with two common and critical elements: (1) varying levels of price information and (2) varying levels of public access to that information. Using that continuum, the research team established levels of price transparency and scoring criteria.

Levels of Price Transparency:

- Pricing information reported to the State only
- Pricing information available upon request by an individual consumer
- Pricing information available in a public report
- Pricing information available via a public website

Scoring Criteria:

- Scope of price: including charges, average charge, amount paid by the insurer and amount paid by the consumer (allowed amount)
- Scope of services covered under the law including: all medical services, inpatient services only, outpatient services only or the most common inpatient and outpatient services
- Scope of providers affected by the law including: hospitals, physicians, and surgical centers

Next, the team developed a scoring matrix (shown on following page), which allocates points based on level of price transparency and scope of price, services, and providers.

We evaluated each level of price transparency laws for scope of price, services, and providers. For example, if laws required pricing information (both paid amounts and charges) to be posted on a public website for all inpatient and outpatient services across all hospitals and providers, the state received full credit (50 out of 50 possible points) for that level of transparency. However, if the laws required only charges to be posted for the most common hospital discharges across a subset of hospitals, the state received substantially fewer points (15 out of 50 possible points). We calculated a score for each level separately and then summed for a total score out of 100 possible points. Every state received a cumulative additive score, taking into account all relevant laws passed in that state. Thus, grades do not reflect individual statutes or bills but rather each state's overall legislative effort toward price transparency for health care.

The objective of this research was to determine how much pricing information each state makes accessible to the consumer. As a result, we allocated more points to states with laws requiring that information be posted on a public website than to those with provisions for releasing a public report, making the information available upon request, and only

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ACKNOWLEDGMENTS

Special thanks to Elizabeth Bailey, MPH, Program Implementation Leader, HCI3, and Emilio Galan, Special Initiatives Analyst, Catalyst for Payment Reform, for their research and dedication to this project.

specific to both what was paid for a service and what was charged for that service is more meaningful than only releasing what was charged. Charges often are of little value to consumers; the amount that is actually paid for the service, particularly the amount that the consumer is responsible for paying, provides the most actionable information. Similarly, releasing pricing information for all inpatient and outpatient services and for all hospitals and providers, rather than just the most common services or a subset of providers, is more meaningful to the consumer. As a result, we allotted a higher point value to the broader scope of services/providers.

				SUBTOTAL	TOTAL	GRADE
Provision for publishing a report to the state only			**1 (weight)**	10	100	A
Scope of Price Legislated (three levels, can only have 1 score out of 3)	Paid Amounts and Charges	4	4			
	Paid Amounts	3				
	Charges	1				
Scope of Services Legislated (three levels, can only have 1 score out of 3)	All IP and OP	3	3			
	All IP or OP	2				
	Most common IP or OP	1				
Scope of Health Care Providers Legislated (three levels, can only have 1 score out of 3)	All hospitals and providers	3	3			
	All hospitals or providers	2				
	Subset of hospitals/providers	1				
Ability for patient to request pricing information prior to rendering of services			**2 (weight)**	20		
Scope of Price Legislated (three levels, can only have 1 score out of 3)	Paid Amounts and Charges	4	8			
	Paid Amounts	3				
	Charges	1				
Scope of Services Legislated (three levels, can only have 1 score out of 3)	All IP and OP	3	6			
	All IP or OP	2				
	Most common IP or OP	1				
Scope of Health Care Providers Legislated (three levels, can only have 1 score out of 3)	All hospitals and providers	3	6			
	All hospitals or providers	2				
	Subset of hospitals/providers	1				
Provision for publishing a public report on pricing information			**2 (weight)**	20		
Scope of Price Legislated (three levels, can only have 1 score out of 3)	Paid Amounts and Charges	4	8			
	Paid Amounts	3				
	Charges	1				
Scope of Services Legislated (three levels, can only have 1 score out of 3)	All IP and OP	3	6			
	All IP or OP	2				
	Most common IP or OP	1				
Scope of Health Care Providers Legislated (three levels, can only have 1 score out of 3)	All hospitals and providers	3	6			
	All hospitals or providers	2				
	Subset of hospitals/providers	1				
Provision for posting pricing information on a public website			**5 (weight)**	50		
Scope of Price Legislated (three levels, can only have 1 score out of 3)	Paid Amounts and Charges	4	20			
	Paid Amounts	3				
	Charges	1				
Scope of Services Legislated (three levels, can only have 1 score out of 3)	All IP and OP	3	15			
	All IP or OP	2				
	Most common IP or OP	1				
Scope of Health Care Providers Legislated (three levels, can only have 1 score out of 3)	All hospitals and providers	3	15			
	All hospitals or providers	2				
	Subset of hospitals/providers	1				

While no state has implemented laws that meet all of our criteria, we graded on a curve to acknowledge the states with the most advanced laws to date. We anticipate that this curve will shift as transparency becomes more of a priority nationally. We based the letter grades on the following scores:

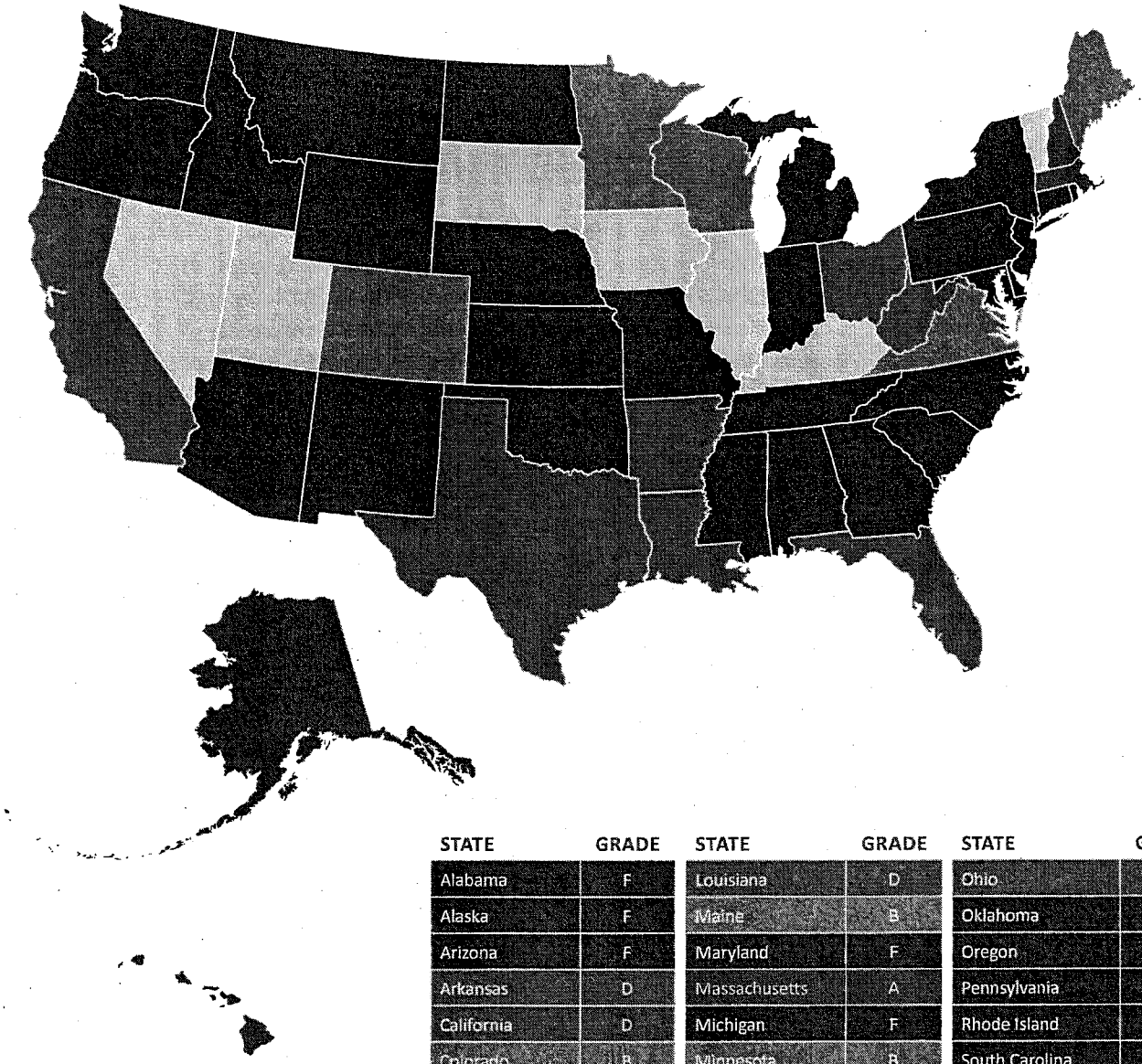
GRADE	FROM	TO
A	60%	100%
B	50%	59%
C	40%	49%
D	30%	39%
F	0%	29%

Limitations of this research include (1) variation in definitions among states and (2) accounting for the difference between laws and execution. Numerous permutations exist in the ways states define terms, such as the term "health care provider" or what is included in a "public report." Many times these public reports, even when developed for the explicit purpose of enabling consumers to make informed decisions, do not contain the resolution of information needed to understand a specific provider's price. Instead, public reports may contain aggregate or average charges for all providers for a specific service. Interested readers should refer to the statute text and example reports, which are hyperlinked in the "Reference Table." The second limitation is accounting for the difference between laws and execution. A website intended for consumer use may be legislated but not easily identifiable or actionable, while in other cases, such a website was not legislated but nonetheless developed by the state or an independent party, often the state's hospital association. These considerations were addressed on a state by state basis with all relevant details present or hyperlinked in the Reference Table.

Resources permitting, CPR and HCI[3] will partner again next year to update this state report card. We anticipate that we will raise the scoring thresholds for each letter grade at that time.

II. 50 STATE REPORT CARD ON PRICE TRANSPARENCY LAWS

Figure 1: Map Overlay



STATE	GRADE
Alabama	F
Alaska	F
Arizona	F
Arkansas	D
California	D
Colorado	B
Connecticut	F
Delaware	F
Florida	D
Georgia	F
Hawaii	F
Idaho	F
Illinois	C
Indiana	F
Iowa	C
Kansas	F
Kentucky	C

STATE	GRADE
Louisiana	D
Maine	B
Maryland	F
Massachusetts	A
Michigan	F
Minnesota	B
Mississippi	F
Missouri	F
Montana	F
Nebraska	F
Nevada	C
New Hampshire	A
New Jersey	F
New Mexico	F
New York	F
North Carolina	F
North Dakota	F

STATE	GRADE
Ohio	D
Oklahoma	F
Oregon	F
Pennsylvania	F
Rhode Island	F
South Carolina	F
South Dakota	C
Tennessee	F
Texas	D
Utah	C
Vermont	C
Virginia	B
Washington	F
West Virginia	D
Wisconsin	B
Wyoming	F

III. SIMPLIFIED SCORING AND GRADES BY STATE

		Scope of Providers			Scope of Price			Scope of Services			
State	Level of Transparency	Both Practitioners & Facilities	Health Care Practitioner or Facility	Subset of Either Practitioner or Facility	Both	Paid Amounts	Charges	All IP & OP	All IP or OP	Most common IP or OP	Grade
AK	State Only										F
	Upon Request										
	Report										
	Website										
AL	State Only										F
	Upon Request										
	Report										
	Website										
AR	State Only		✓				✓			✓	D
	Upon Request										
	Report		✓				✓			✓	
	Website		✓				✓			✓	
AZ	State Only			✓			✓		✓		F
	Upon Request		✓				✓			✓	
	Report			✓			✓		✓		
	Website										
CA	State Only		✓				✓	✓		✓	D
	Upon Request			✓			✓	✓		✓	
	Report										
	Website		✓				✓			✓	
CO	State Only			✓		✓	✓			✓	B
	Upon Request		✓				✓			✓	
	Report										
	Website		✓	✓		✓	✓			✓	
CT	State Only	✓				✓	✓		✓		F
	Upon Request	✓					✓			✓	
	Report										
	Website										
DE	State Only		✓				✓		✓		F
	Upon Request										
	Report		✓				✓		✓		
	Website										
FL	State Only		✓				✓		✓		D
	Upon Request			✓			✓			✓	
	Report										
	Website		✓				✓			✓	
GA	State Only	✓					✓		✓		F
	Upon Request										
	Report										
	Website										
HI	State Only										F
	Upon Request										
	Report										
	Website										

		Scope of Providers			Scope of Price			Scope of Services			
State	Level of Transparency	Both Practitioners & Facilities	Health Care Practitioner or Facility	Subset of Either Practitioner or Facility	Both	Paid Amounts	Charges	All IP & OP	All IP or OP	Most common IP or OP	Grade
IA	State Only		✓				✓	✓			C
	Upon Request										
	Report										
	Website		✓				✓	✓		✓	
ID	State Only										F
	Upon Request										
	Report										
	Website										
IL	State Only		✓				✓	✓			C
	Upon Request		✓				✓		✓		
	Report		✓				✓	✓			
	Website		✓				✓			✓	
IN	State Only		✓				✓		✓		F
	Upon Request		✓				✓		✓		
	Report		✓				✓		✓		
	Website										
KS	State Only	✓					✓		✓		F
	Upon Request										
	Report										
	Website										
KY	State Only	✓					✓		✓		C
	Upon Request										
	Report	✓					✓		✓		
	Website	✓					✓		✓		
LA	State Only	✓					✓		✓		D
	Upon Request										
	Report										
	Website	✓					✓		✓		
MA	State Only	✓			✓			✓			A
	Upon Request				✓				✓		
	Report		✓				✓	✓			
	Website	✓				✓				✓	
MD	State Only		✓				✓		✓		F
	Upon Request										
	Report		✓				✓		✓		
	Website										
ME	State Only	✓			✓					✓	B
	Upon Request	✓				✓				✓	
	Report										
	Website		✓		✓					✓	
MI	State Only										F
	Upon Request										
	Report										
	Website										

State	Level of Transparency	Scope of Providers			Scope of Price			Scope of Services			Grade
		Both Practitioners & Facilities	Health Care Practitioner or Facility	Subset of Either Practitioner or Facility	Both	Paid Amounts	Charges	All IP & OP	All IP or OP	Most common IP or OP	
MN	State Only	✓			✓			✓			B
	Upon Request			✓			✓		✓		
	Report		✓				✓		✓		
	Website		✓				✓			✓	
MO	State Only										F
	Upon Request										
	Report										
	Website										
MS	State Only										F
	Upon Request										
	Report										
	Website										
MT	State Only										F
	Upon Request										
	Report										
	Website		✓				✓	✓			
NC	State Only		✓				✓			✓	F
	Upon Request		✓				✓			✓	
	Report										
	Website										
ND	State Only	✓					✓	✓			F
	Upon Request										
	Report	✓					✓			✓	
	Website										
NE	State Only										F
	Upon Request	✓					✓		✓		
	Report										
	Website										
NH	State Only	✓			✓			✓			A
	Upon Request	✓			✓					✓	
	Report										
	Website	✓			✓					✓	
NJ	State Only		✓		✓				✓		F
	Upon Request										
	Report		✓		✓				✓		
	Website										
NM	State Only		✓				✓		✓		F
	Upon Request										
	Report		✓				✓		✓		
	Website										
NV	State Only		✓				✓			✓	C
	Upon Request		✓				✓			✓	
	Report		✓				✓			✓	
	Website		✓				✓			✓	

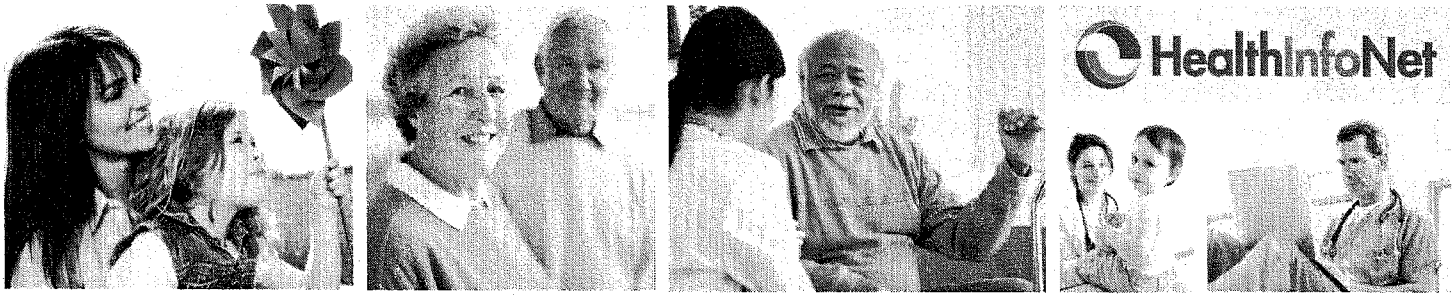
		Scope of Providers			Scope of Price			Scope of Services			
State	Level of Transparency	Both Practitioners & Facilities	Health Care Practitioner or Facility	Subset of Either Practitioner or Facility	Both	Paid Amounts	Charges	All IP & OP	All IP or OP	Most common IP or OP	Grade
NY	State Only	✓					✓			✓	F
	Upon Request										
	Report	✓					✓			✓	
	Website										
OH	State Only		✓				✓		✓		D
	Upon Request		✓				✓			✓	
	Report										
	Website		✓				✓		✓		
OK	State Only		✓		✓				✓		F
	Upon Request										
	Report										
	Website										
OR	State Only	✓					✓		✓		F
	Upon Request										
	Report	✓					✓		✓		
	Website										
PA	State Only	✓			✓				✓		F
	Upon Request										
	Report	✓			✓				✓		
	Website										
RI	State Only	✓			✓				✓		F
	Upon Request										
	Report	✓					✓		✓		
	Website										
SC	State Only		✓				✓	✓			F
	Upon Request										
	Report		✓				✓		✓		
	Website										
SD	State Only		✓				✓		✓		C
	Upon Request		✓				✓		✓		
	Report		✓				✓			✓	
	Website		✓				✓			✓	
TN	State Only	✓					✓	✓			F
	Upon Request										
	Report	✓					✓	✓			
	Website										
TX	State Only	✓					✓	✓			D
	Upon Request	✓					✓	✓			
	Report	✓					✓	✓			
	Website										
UT	State Only	✓					✓		✓		C
	Upon Request										
	Report	✓					✓		✓		
	Website	✓					✓		✓		

State	Level of Transparency	Scope of Providers			Scope of Price			Scope of Services			Grade
		Both Practitioners & Facilities	Health Care Practitioner or Facility	Subset of Either Practitioner or Facility	Both	Paid Amounts	Charges	All IP & OP	All IP or OP	Most common IP or OP	
VA	State Only	✓			✓			✓			B
	Upon Request										
	Report	✓			✓				✓		
	Website	✓					✓			✓	
VT	State Only	✓					✓	✓			C
	Upon Request										
	Report	✓					✓			✓	
	Website	✓					✓			✓	
WA	State Only										F
	Upon Request	✓					✓	✓			
	Report										
	Website										
WI	State Only				✓				✓		B
	Upon Request	✓					✓	✓			
	Report		✓				✓		✓		
	Website		✓				✓			✓	
WV	State Only	✓					✓		✓		D
	Upon Request		✓				✓	✓			
	Report	✓					✓		✓		
	Website										
WY	State Only										F
	Upon Request										
	Report										
	Website		✓				✓	✓			

STATE LAWS ON HEALTH CARE PRICE TRANSPARENCY AND DISCLOSURE											
			SCOPE OF HEALTH CARE PROVIDERS		SCOPE OF PRICE		SCOPE OF SERVICES	LEVEL OF TRANSPARENCY			
			Scope of Health Care Providers	Insurers are required to report? (Not factored in grading)	Charge	Price Amount	Scope of Services	Reported to the State	Available Upon Request	Available in Report	Available on a Website
STATE	LAWS	YEAR									
Description	Relevant statute(s) with a hyperlink to the text and all relevant enacted bills with available hyperlinks	If available, date of enactment	May legislate hospitals, surgical centers, or all providers including individual physicians	May legislate health plans, insurers, or carriers to report to the state	Includes average annual charges, charge estimates, actual charges	Demonstrates accepted reimbursement rates from different payers	May legislate only most common procedures, only outpatient services, or all billable services	Price information is reported to the state	Price information is available to an individual upon request	Price information is available in a publicly available report	Price information is available on a website
Arizona	STATUTE(S): Arizona Revised Statutes § 36-125.05 ENACTED BILL(S): Added: 1983; Amended: S.B. 1201 (1988), S.B. 1486 (1988), S.B. 1086 (1990), S.B. 1352 (1994), H.B. 2048 (1996), S.B. 1142 (2005), H.B. 2150 (2010)	Added: 1983 Amended: 1988, 1990, 1994, 2005, 2010	"hospitals [except] state hospitals"		"The average charge per day [and] The average charge per confinement"		"all inpatient services"	"[report to] the department"		"All reports filed pursuant to this section are open to public inspection"	
	STATUTE(S): Arizona Revised Statutes § 36-125.05 ENACTED BILL(S): Added: 1983; Amended: S.B. 1201 (1988),S.B. 1486 (1988), S.B. 1086 (1990), S.B. 1352 (1994), H.B. 2048 (1996), S.B. 1142 (2005), H.B. 2150 (2010)	Added: 1983 Amended: 1988, 1990, 1996, 2005, 2010	"Emergency departments"		"Charges for services"		"outpatient services"	"[report to] the department"		"All reports filed pursuant to this section are open to public inspection"	
	STATUTE(S): Arizona Revised Statutes § 36-125.06 ENACTED BILL(S): Added: 1983; Amended: S.B. 1086 (1990), H.B. 2048 (1996), S.B. 1230 (2000), S.B. 1142 (2005)	Added: 1983 Amended: 1990, 1996, 2000, 2005	"hospitals and emergency departments"		"average charges per confinement"		"the most common diagnoses and procedures for inpatient and emergency department"		"shall make available in its reception area a sufficient number of these brochures for free distribution of one copy to each individual requesting a copy"	"The director shall publish a comparative report"	

APPENDIX D

Summary of Key Facts about HealthInfoNet



About HealthInfoNet

HealthInfoNet is an independent, nonprofit organization using health information technology to improve patient care quality and safety. The organization's core service line is the management of a secure computer system, called a **health information exchange (HIE), for doctors, hospitals and other caregivers to share important health information and improve patient care.** The HIE system links medical information from separate health care sites to create a single electronic patient health record, then allows authorized providers to see that record to support patient care. This **lets providers quickly access the information they need to make more informed decisions** about their patients' care, especially in an emergency.

Benefits of HIE to Maine People

- Better care coordination
- Fewer medical errors
- Improved patient safety
- Reduced health care costs for patients, insurance companies and government payers
- Faster identification and reporting of public health threats to the Maine CDC
- Better patient outcomes and a healthier population
- Fewer duplicate tests and procedures
- Less paperwork for health care providers
- Easier for Mainers to engage in management of their own care

Keeping Records Private and Secure

HealthInfoNet enforces the highest information security standards available. Information in the HIE is sent over a private network and is always encrypted. Only authorized health care providers can see a patient's information in the system and it keeps track of everyone who views a patient's record, including what parts they look at. Participation is voluntary and patients can opt-out at any time. Once a patient opts out, their medical information is deleted. If they later decide to opt back in, their medical information will begin accumulating from that day forward. Some mental health and HIV related information is only included if the patient consents to share it.

Key Facts about HealthInfoNet

Recognized as a national leader in the development of a statewide HIE and received a number of national awards and recognitions.

Created as a public-private partnership by a broad range of private and public stakeholders between 2005-2008.

Governed by a volunteer board of directors and several committees representing providers, patients, insurers, state government and business.

Employs 22 people, all based in Portland, Maine with an annual operating budget of $6 million.

Since 2009, has helped bring close to $22.5 million in grants to Maine to help hospitals and providers adopt health information technologies that support higher quality and more effective health care.

As of October 2013, 35 hospitals and 407 ambulatory sites including physician practices, behavioral health, long-term care facilities, and home health agencies could access the HIE to support care of their patients.

Over 89% of Maine people have health information available to their providers using the HIE.

1.2% of patients have opted out of having their information available to providers using the HIE.

125 Presumpscot Street, Box 8, Portland, ME 04103 • 866-592-4352 • 207-541-9250 • www.hinfonet.org

APPENDIX E

Proposed Legislation

Proposed Legislation

Sec. 1. 22 MRSA §1718 is amended to read:

§1718. Consumer information

Each hospital or ambulatory surgical center licensed under chapter 405 shall, upon request by an individual, provide the average charge for any inpatient service or outpatient procedure provided by the licensee. For emergency services, the hospital must provide the average charges for facility and physician services according to the level of emergency services provided by the hospital and based on the time and intensity of services provided. The hospital or ambulatory surgical center shall prominently display a notice informing consumers of their authority to request information on the average charges described in this paragraph from the hospital or ambulatory surgical center.

Sec. 2. 22 MRSA §1718-A, 2nd is amended to read:

§1718-A. Consumer information regarding health care practitioner prices

Each health care practitioner, as defined in section 1711-C, subsection 1, paragraph F, shall maintain a price list of the health care practitioner's most frequently provided health care services and procedures. The prices stated must be the prices that the health care practitioner charges clients directly, when there is no insurance coverage for the services or procedures or when reimbursement by an insurance company is denied. The prices stated must be accompanied by the applicable standard medical codes listed by diagnosis. For purposes of this section, "frequently provided health care services and procedures" means those health care services and procedures that were provided by the health care practitioner at least 50 times in the preceding calendar year. Health care practitioners shall inform clients about the availability of the price list and provide copies of the price list upon request. Health care practitioners shall ~~make available written information on health claims data that may be obtained through the publicly accessible website of the Maine Health Data Organization established pursuant to chapter 1683~~ prominently display information in a location that is readily accessible to clients on the price transparency tools available from the Maine Health Data Organization's publicly accessible website to assist consumers with obtaining estimates of costs associated with health care procedures. Health care entities shall make printed copies of the information described in this paragraph available to consumers upon their request. This section does not apply to pharmacists.

Sec. 3. 22 MRSA §1718-B is enacted to read:

§1718-B. Individualized Health Care Cost Estimate

Each health care entity shall, upon the request of a patient, provide an individualized cost estimate for the patient's anticipated health care services that shall include all health care charges that the entity reasonably anticipates to charge directly to the patient. For purposes of this section, a "cost estimate" shall include the entity's costs at the unit for which services are billed, as well as any negotiated discounts, and any costs reasonably anticipated to be charged by that entity for the patient associated with a service, including hospital, physician, pharmacy and laboratory fees, and shall identify the consumer's out-of-pocket cost. The cost estimate must be accompanied by a description of the service, and the applicable standard medical codes or current procedural technology code.

Sec. 4. 22 MRSA §8704, sub-§7 is further amended to read:

7. Annual report. The board shall prepare and submit an annual report on the operation of the organization and the Maine Health Data Processing Center as authorized in Title 10, section 681, including any activity contracted for by the organization or contracted services provided by the center, with resulting net earnings, as well as collaborative activities with other health data collection and management organizations and stakeholder groups on their efforts to improve consumer access to health care quality and price information and price transparency initiatives to the Governor and the joint standing committee of the Legislature having jurisdiction over health and human services matters and the joint standing committee of the Legislature having jurisdiction over insurance and financial affairs matters no later than February 1st of each year. The report must include an annual accounting of all revenue received and expenditures incurred in the previous year and all revenue and expenditures planned for the next year. The report must include a list of persons or entities that requested data from the organization in the preceding year with a brief summary of the stated purpose of the request.