

Senate Health and Human Services Committee

Sophie Walsh 271-3469

HB 705, relative to health care cost transparency.

Hearing Date: April 16, 2025

Time Opened: 11:53 a.m.

Time Closed: 12:20 p.m.

Members of the Committee Present: Senators Rochefort, Avard, Birdsell, Prentiss and Long

Members of the Committee Absent: None

Bill Analysis: This bill requires health plans to disclose specific pricing information regarding covered items and services. The bill is contingent upon finalization of federal guidance under Presidential Executive Order 14221.

Sponsors:

Rep. Ammon

Rep. Burroughs

Rep. Hunt

Rep. Soti

Who supports the bill: Rep. Keith Ammon, Maura McManus, Sarah McCarthy, Claudia Istel, David Kutz, Samantha Pawlowski, Amy Lockwood, Lois Cote, Mark Brash, Sandra Bravo, Stephen Bravo, Shea Flanagan, Ashley DePreaux, Joanna Young, Randy Hayes, Benjamin Stinson, Megan Carey, Jake Berry (New Futures), Krystal Caney, Theresa Caney, and Deborah Klein Walker.

Who opposes the bill: Cam Lapine (Cigna), Sabrina Dunlap (Anthem), and Peter Bragdon (Harvard-Pilgrim).

Who is neutral on the bill: DJ Bettencourt (NH Insurance Department) and Paula Rogers (AHIP).

Summary of testimony presented:

Representative Keith Ammon, Hillsborough – District 42

- Representative Ammon stated that this bill requires the disclosure of specific pricing information regarding covered items and services. It is contingent upon a federal presidential executive order.
- In essence, this bill seeks to enhance healthcare price transparency. This bill is a request of the Insurance Department to enhance insight into pricing data.
- Currently, it can be difficult for consumers to determine the costs of medical services in advance.

- This bill aligns with and builds upon a federal executive order. Federal rules on this matter are still being developed.
- Representative Ammon noted that this bill introduces an additional requirement of standardized format.
- Representative Ammon referenced page 2 line 6 of the bill regarding machine-readable files. He explained that this is the heart of the bill, as the file must be publicly accessible and capable of being processed electronically.
- This bill outlines the importance of identifiers within databases, ensuring uniformity and utility in the compiled data.
- Representative Ammon referenced page 5 line 13, establishing that machine-readable files must be standardized in format across health plans to enable the commissioner of the Insurance Department to compile a market-wide dataset for cost comparison purposes.
- Representative Ammon referenced page 5 line 16, requiring that files be made publicly available, allowing third parties to potentially utilize the data to build businesses around these files.
- Representative Ammon explained that this bill requires three types of machine-readable files: a file outlining costs for services rendered by in-network doctors and facilities, a file listing the maximum amounts insurers will pay for services provided by out of network providers, and a file containing prescription drug pricing, including insurer payments and average price after discounts and rebates.
- Representative Ammon referenced page 6 line 18 of the bill and explained that it contains a contingency clause stating that implementation is subject to the finalization of federal guidance.
- Senator Rochefort inquired about the implementation of the bill, as this could not take effect if federal guidance is never finalized.
- Representative Ammon said he thinks that is unlikely, but anything is possible.
- Senator Rochefort asked if current health plans have already implemented this or if it would be a large undertaking for them.
- Representative Ammon explained that this is still in conversation, but some data is being provided. He emphasized that this bill serves as a notification to insurance companies that while complying with federal requirements, the state also expects additional standardization.

Commissioner DJ Bettencourt and Dr. Jason Aziz, New Hampshire Insurance Department

- Commissioner Bettencourt stated that this bill is part of a long-term effort to enhance transparency in healthcare costs.
- He emphasized that federal requirements are forthcoming, it is simply a matter of when and how this will all work.
- He explained that it is critical to focus on data that yields practical utility for consumers, policy makers, and stakeholders once analyzed.

- The goal of this bill is to ensure that there is no question that the Department will have the authority to collect this data, which will be used to enhance their Health Cost website.
- The website currently relies on claims data to estimate healthcare costs for consumers. The website currently includes approximately 275 medical services and 35 dental services out of 10,000+ potentially covered services, representing a small sample of the services that New Hampshire residents may utilize.
- This bill would facilitate standardized, uniform data collection across all insurers, thus enabling a more comprehensive data set for public consumption.
- Senator Prentiss noted that this data is present on the website and inquired about the limitations of the current system.
- Dr. Aziz explained that they utilize an empirical approach using claims data to publish services for common procedures in New Hampshire.
- However, because prices vary so wildly, they cannot always post median prices. Thus, they only have a small sample of services that meet the statistical criteria for publication.
- If they were to employ the data being proposed with this legislation, they could essentially post all services covered both in and out of network.
- Commissioner Bettencourt noted that insurance carriers may prefer to wait for final federal guidance, and the Department would not be opposed to that.
- Senator Rochefort asked whether consistency in the way data is transferred is a reasonable expectation, and Commissioner Bettencourt agreed.
- Senator Avard confirmed that the Department would be okay with re-referring the bill, and Commissioner Bettencourt said they would not object if the legislature feels it is best to wait.

Cam Lapine, Cigna

- Mr. Lapine stated that he is speaking in opposition to this bill and said that retaining the bill for future consideration would be preferable.
- He explained that when this bill was initially presented to carriers, the intent was explained to be aligning with federal requirements and ensure the Department has access to the data. However, the federal guidelines are currently in flux.
- Mr. Lapine acknowledged the contingency clause but noted that there are still requirements within the bill.
- He cited Colorado as the only state to have a similar reporting program, which has since paused implementation pending federal developments.
- Senator Prentiss asked if Mr. Lapine is saying that the Department does not need to be as specific since this is federal and they could just reference the federal requirement.
- Mr. Lapine explained that there were rules in existence from the first Trump Administration that were implemented under the Biden Administration. Now, the

current Trump Administration is saying this is not working and has given agencies 90 days to assess and fix the issue.

- Senator Prentiss asked if it is Mr. Lapine's position that we should just point to federal rules.
- Mr. Lapine said he is not sure how much of an issue it would be if the bill simply said something along the lines of "the Insurance commissioner shall adopt rules that will require data substantially similar to the federal requirements when they are published." He emphasized that the bill is currently implementing requirements into statute when we do not know what the requirements will be.
- Senator Avard asked where the federal process currently stands.
- Mr. Lapine stated that the 90-day review period was initiated on February 25th.
- Senator Avard asked if re-referring the bill would allow for time to make the suggested language changes.
- Mr. Lapine said re-referring the bill would provide more time, but is unclear what the outcome will be at the federal level.

Paula Rogers, AHIP

- Ms. Rogers expressed concern regarding the compatibility of federally submitted data and the Department's specific needs.
- She explained that over the past several years there has been a federal directive for both hospitals and plans to provide data, in which everyone has conformed.
- Meanwhile, Colorado and New Hampshire have sought out getting more data. However, the federal data does not exactly align with what the states are looking for. This may mean that plans will need to reconfigure to accommodate these requests, which is a costly process.
- Ms. Rogers recommended a more collaborative model as an approach to this issue.
- She emphasized that plans want to provide data, but they want to do so in the most cost-effective and conforming fashion to ensure the data is truly utilizable.
- Senator Rochefort asked if Ms. Rogers would be okay with a re-referral, and she confirmed.

Sabrina Dunlap, Anthem

- Ms. Dunlap stated that she is speaking in opposition to this bill and would be open to re-referring it.
- While Anthem agrees with the concept of transparency, this process has played out at the federal level in an expensive, time-consuming manner. While the importance of transparency should be remembered, we should be questioning what the purpose and cost of this is.
- The data submission process for machine readable files is both technically complex and resource intensive, resulting in astronomical costs.
- Ms. Dunlap noted that this data is already available on individual carrier websites.

- In light of pending federal guidance, Ms. Dunlap expressed concern about the timing of this bill and potential redundancy.
- She urged the Committee to consider whether the benefits of this bill outweigh the substantial implementation costs.
- Ms. Dunlap explained that Anthem has faced challenges in Colorado with this process.

Peter Bragdon, Harvard-Pilgrim

- Mr. Bragdon stated that he is speaking in opposition to this bill and would support a re-referral.
- He explained that the original federal rules from the first Trump Administration lacked a standardized format, thus limiting the utility of submitted data. Recent federal action has acknowledged this deficiency and called for improvements.
- Mr. Bragdon noted that the definitions section of this bill repeats the current federal language which may be soon updated and expressed concern about codifying potentially outdated provisions.
- He explained that the cost of initial compliance could cost several million dollars per carrier, with the potential for duplication if federal requirements were to change.