

ONE HUNDRED ELEVENTH CONGRESS
Congress of the United States
House of Representatives
COMMITTEE ON ENERGY AND COMMERCE
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MEMORANDUM

May 4, 2010

To: Members of the Health Subcommittee

Fr: Health Subcommittee Staff

Re: Hearing on H.R. 4700, the Transparency in All Health Care Pricing Act of 2010; H.R. 2249, the Health Care Price Transparency Promotion Act of 2009; and H.R. 4803, the Patients' Right to Know Act

On May 6, 2010, at 10:00 a.m. in room 2123 of the Rayburn House Office Building, the Subcommittee on Health will hold a legislative hearing on H.R. 4700, the Transparency in All Health Care Pricing Act of 2010; H.R. 2249, the Health Care Price Transparency Promotion Act of 2009; and H.R. 4803, the Patients' Right to Know Act.

I. BACKGROUND

H.R. 4700, the Transparency in All Health Care Pricing Act of 2010, was introduced by Rep. Steve Kagen. This legislation would require all individuals and business entities – including hospitals, physicians, nurses, pharmacies, pharmaceutical manufacturers, dentists, and the insurance entities that offer or furnish health care-related items, products, services, or procedures (as defined by the Secretary of Health and Human Services) – to publicly disclose, on a continuous basis, all prices for such items, products, services, or procedures. The bill outlines the manner in which such disclosures shall be made, and authorizes the Secretary of Health and Human Services to impose penalties on individuals or entities that fail to comply with the disclosure requirements.

H.R. 2249, the Health Care Price Transparency Promotion Act of 2009, was introduced by Reps. Michael Burgess and Gene Green. This legislation amends Title XIX (Medicaid) of the Social Security Act, to require state Medicaid plans to provide that the state will establish and maintain laws to require disclosure of information on hospital charges, to make such information available to the public, and to provide individuals with information about estimated out-of-pocket costs for health care services.

H.R. 2249 further directs the Director of the Agency for Healthcare Research and Quality to research and report to Congress on: (1) Information on health care costs and out-of-pocket charges that individuals find useful in making decisions about where, when, and from whom to receive such care; (2) how such information varies depending on whether or not patients have health benefits coverage, or what kind of coverage they have; and (3) how such information may be made available, on a timely basis and in easy-to-understand form, to individuals facing health care decisions.

H.R. 4803, the Patients' Right to Know Act, was introduced by Ranking Member Joe Barton. This legislation would require each entity offering a health benefits plan to make available to enrollees and potential enrollees specified information about the plan, including covered items and services, a list of limitations and restrictions, details about the claims appeal process and out-of-pocket cost-sharing, among other things.

H.R. 4803 also amends Title XIX (Medicaid) of the Social Security Act to require the state Medicaid plan to provide that the state will establish and maintain laws to require disclosure, to the public and to the Secretary of Health and Human Services, of information on the prices for and quality of certain services at hospitals and ambulatory surgical centers.

II. WITNESSES

The following witnesses have been invited to testify:

Panel I:

The Honorable Steve Kagen
Member of Congress

Panel II:

Steven J. Summer
President and Chief Executive Officer
Colorado Hospital Association, on behalf of the American Hospital Association

Regina Herzlinger
Ph.D., Professor of Business Administration
Harvard Business School

Mike Cowie
Partner
Howrey, LLP

Walter Rugland
Chairman of the Board
ThedaCare, Inc.

Christopher Holden
President, Chief Executive Officer and Director
AmSurg