



April 13, 2023

Senator Rhonda Fields, Chair
Senator Joann Ginal, Vice Chair
Senate Committee of Reference: Health & Human Services

RE: United States of Care's Support for SB23-252

Dear Chair Fields, Vice Chair Ginal, and Members of the Committee,

Thank you for the opportunity to provide testimony in support of SB23-252, "Medical Price Transparency," which would establish much needed transparency standards for hospital prices.

[United States of Care](#) (USofCare) is a non-partisan, non-profit organization working to ensure everyone has access to quality, affordable health care, regardless of health status, social need, or income. Uniquely, our policy solutions are informed by extensive [listening work](#) in order to fully understand what people need from their health care. We know that [ninety-two percent](#) of people believe everyone deserves access to quality, affordable health care, yet far too often, our health care system fails to serve their needs. In Colorado, USofCare has worked with state partners to expand access to coverage and improve health care affordability and we highlight Colorado's pioneering initiatives on health care coverage and health equity in our work in other states to make the case for thoughtful legislation to address people's health care concerns.

From our [listening work](#), USofCare knows that affordability and ease of understanding [top the list](#) of people's concerns when it comes to health care. Simply put, quality health care, especially for [communities of color](#), is far too expensive and far too confusing. Even when they are able to access needed care, many people [do not understand](#) the health care system – a situation that is no different in Colorado. And cost concerns are especially acute in Colorado, where [nearly half](#) of all people have delayed medical care due to high costs. In particular, hospital care [accounts](#) for the highest portion of U.S. health care spending, and high hospital bills have hit people particularly hard, especially for communities of color or those who live in rural or low-income areas

In 2021, the Centers for Medicare and Medicaid Services (CMS) finalized [rules](#) that required hospitals to annually post the standard charges for their health care items and services, including prices negotiated with each health plan. While an important first step, compliance with these requirements is inconsistent, making it difficult for consumers to compare prices across hospital systems and receive the care that they need. An [August 2022 report](#) found only one of 32 Colorado hospitals in compliance with the federal rules, making the state the second-least compliant in the country.

Given these compliance concerns, last year this legislature passed [HB22-1285](#), which banned hospitals that did not comply with the CMS price transparency regulations from using lawsuits,

debt collectors, or credit reports to penalize patients with unpaid bills. While the law allows patients a private right of action, it does not grant the state the authority to enforce the transparency requirements and realize consumer savings.

SB23-252 would address this enforcement gap by allowing the Department of Health Care Policy and Financing (HCPF) and Attorney General's Office (AGO) to monitor and enforce compliance of the requirements alongside national oversight by CMS. If a hospital is found to violate compliance standards, they could be subject to penalties not only issued by CMS but also under Colorado's Consumer Protection Act levied by the AGO. As prices for hospital procedures often fluctuate and vary between systems, this type of transparency is an important tool for the state to begin to ensure health care cost information is not only more transparent, but also contributes to a greater understanding and ease of navigation for Colorado patients.

These hospital transparency measures, when paired with greater enforcement of these rules by HCPF and AGO, will move Colorado towards a system of more equitable, understandable, and affordable hospital pricing. We know that people are exhausted by a health care system that is too costly to afford and too confusing to understand, and SB23-252 represents a solid step to address these very real concerns. For these reasons, USofCare supports this legislation and respectfully requests a "yes" vote.

We hope you consider United States of Care as a resource. Should you have any questions regarding our testimony, please don't hesitate to contact us.

Sincerely,

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