



March 14, 2025

The Honorable Michael “Sarge” Pollock
Chair, Committee on Health Insurance and Long-Term Care Issues
National Council of Insurance Legislators
616 Fifth Avenue, Unit 106
Belmar, NJ 07719

The Honorable Justin Boyd
Vice Chair, Committee on Health Insurance and Long-Term Care Issues
National Council of Insurance Legislators
616 Fifth Avenue, Unit 106
Belmar, NJ 07719

RE: NCOIL Interim Meeting on Improving Affordability for Patients Model Act

Chair Pollack, Vice Chair Boyd, and Members of the Health Insurance and Long-Term Care Issues Committee,

Thank you for the opportunity to provide public comment on NCOIL’s draft Improving Affordability for Patients Model Act. My name is Eric Waskowicz, and I serve as Senior Policy Manager for United States of Care (USofCare), a non-partisan, non-profit organization working in states across the country to ensure [everyone](#) has access to quality, affordable health care.

As members of this committee know, one of the main drivers of high prices charged by hospitals can be traced to [health care consolidation](#) across the country. As health systems consolidate and purchase outpatient clinics, they are increasingly able to bill patients for so-called “facility fees.” These hidden fees, charged in addition to fees covering the provider’s services, can lead to high out-of-pocket costs for patients. Even worse, facility fees are not associated with any changes in the type or quality of care provided to a patient, making the physical location where you receive services, and not the quality of care, the defining payment factor.

To that end, we are strongly supportive of the draft model act’s facility fee prohibitions and transparency requirements to protect people from these fees entirely or, when still allowed, notify patients of them before they seek care. The draft model act also includes sufficient enforcement mechanisms to ensure hospital compliance and a unique facility fee waiver process to exempt certain populations from facility fees. In many ways, this draft model act aligns with USofCare’s [policy principles](#) on facility fees as well as legislation passed into law in [18 states](#) to protect people from unexpected hospital facility fees.

In addition to the strong consumer protections found in the draft model act, there are a couple areas of focus that we feel could be addressed to strengthen it further.

The first relates to data collection. USofCare strongly supports language in the model requiring hospitals to submit a publicly accessible report on charged facility fees; however, we also encourage the Committee to include a requirement that states complete an analysis or evaluation of the impacts of facility fees on both people's access to care and the health care system more generally. This process should include significant stakeholder engagement on topics such as how these fees impact health care affordability and access for certain communities as done in [Colorado](#), [Indiana](#), and [Maine](#).

The second relates to national provider identifiers (NPIs). USofCare strongly supports language in the model to require unique NPIs for off-campus providers. At the same time, we strongly encourage the Committee to also consider language that would create a mechanism for linking affiliated providers, facilities, and systems such as by requiring an NPI- or location-modifier. This way, policymakers and others can establish the connection between parent hospital and affiliated off-campus provider and identify where these facility fees actually occur.

Looking ahead, we encourage NCOIL to further expand upon the protections found in this draft model act by considering site-neutral, or "fair-billing," policies for the commercial market in the states. Doing so may secure [even more savings](#) for people, employers, and others while also further bending the cost curve to lower overall health care spending.

On behalf of United States of Care, I thank the Committee for its work on this draft model act to protect people from hospital facility fees. I encourage you to consider our recommendations to strengthen the draft model act and urge you to consider United States of Care as a resource moving forward.

Sincerely,

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