

Solutions for Affordable, High-Quality Health Care for Texans

86th Texas Legislature



The Texas Association of Health Plans (TAHP) advocates for a sound and competitive health insurance market that maximizes private market competition, consumer choice and affordable coverage options. Health plans play an important role in lowering costs and getting the best possible price for hospital stays, doctor visits and prescription drugs.

Despite efforts by health plans to hold down the cost of monthly premiums, the cost of health care is high and still rising all over the country. Americans are more worried about their health care costs than ever. Now is the time to make sure all Texans have access to high-quality care they can afford no matter how much money they make or if they have pre-existing conditions.

Texas health plans are committed to lowering costs, providing high-quality, affordable coverage that protects Texans and their families, and empowering Texans to take control of their health.

5 Key Solutions to Lower the Cost of Care:



Transparency:

Give Texans the power to control their health and expenses by creating real price and network transparency



Protections:

Protect Texans from outrageous prices and unexpected medical bills by ending surprise balance billing



Accountability:

Hold bad actors accountable when they price gouge during a health care emergency or exploit patients through misleading advertising



Affordability:

Give Texans more affordable coverage options by stabilizing the health insurance market and reducing harmful government mandates and regulations



Access:

Ensure Texans have access to high-quality health care coverage they can afford regardless of income or pre-existing conditions



Create Real Price, Quality and Network Transparency:

When Texans have access to the health care information they need, they have the power to care for themselves, protect their families and better manage their health care costs. More than two-thirds of Texans that tried comparing health care prices before getting care reported saving money. With more transparency, Texans will be able to shop for quality health care and insurance they can afford.

- TAHP supports increasing transparency and access to health care provider prices, quality standards and network status for all Texans
- TAHP supports letting health plans easily share quality and value comparison information with Texas consumers participating in their networks



Protect Texans from Surprise Balance Billing:

Americans worry more about surprise balance bills than they do about any other health care cost problem, including insurance deductibles, drug costs and premium payments. Surprise medical billing happens when a patient receives a second, or balance, bill from an out-of-network provider they did not choose or could not avoid seeing, most often during an emergency. Consumers are powerless in the ER—it is impossible to ensure you stay in-network during an emergency. This problem is even worse in Texas. One in three emergency room admissions results in a surprise balance bill—much higher than the national average. Texas patients deserve more protections, not more drama and debt trying to figure out how to challenge or pay expensive medical bills.

- TAHP supports protecting Texas patients by ending surprise billing and requiring health plans and providers to directly resolve these out-of-network payment disputes without punishing Texas patients



Hold Freestanding Emergency Rooms Accountable:

Freestanding emergency rooms (FSERs) are a new type of health care provider that confuse consumers and leave Texas families and businesses with huge medical bills. Unlike urgent care clinics, FSERs are generally out-of-network and charge emergency care prices. Texas FSERs are some of the worst offenders when it comes to surprise balance billing, outrageous high prices and misleading information. A recent AARP Texas investigation found 30% of Texas FSERs were not complying with state laws, and more than 60% were using misleading and confusing language. In most cases, patients who receive care at FSERs could have been treated at a significantly lower cost in a different facility. These unnecessary high prices and surprise balance bills drive up the cost of health care and insurance premiums for all Texans.

- TAHP supports protecting Texans from outrageous billing practices by increasing transparency
- TAHP supports holding FSERs accountable for price-gouging and deceptive advertising
- TAHP supports banning FSER charges of emergency care fees for urgent care and physician office service fees



Reduce Government Mandates:

One of the most significant threats to health coverage affordability for Texans and Texas businesses is the increasing number of government mandates related to provider payments, provider contracting and covered benefits. These mandates not only drive up the costs of health care, but also limit innovation, private market negotiations and consumer choice. While often well-intended, government mandates typically have unintended consequences on health insurance costs, leading directly to higher premiums for Texans.

- TAHP opposes all government mandates, including payment, contracting, administrative and benefit mandates, which reduce private market competition, limit consumer choice and drive up the cost of health care
- TAHP supports effective, efficient regulations and transparency requirements that protect Texans without driving up health care costs



Oppose Any Willing Provider Mandates:

Any Willing Provider (AWP) mandates restrict private market negotiations and competition by forcing health plans to contract with any health care provider or pharmacy willing to meet the plan's contract terms—regardless of whether that provider meets quality standards, whether there is already enough patient access or whether it will increase the cost of health care for consumers and businesses. As documented by the Federal Trade Commission and many economists, AWP mandates remove incentives for providers to offer competitive rates and reduce health plan competition, driving up the cost of health coverage for consumers, employers and taxpayers. Consumers have seen anywhere from 6 to 21% higher premiums as a result of AWP mandates.

- TAHP opposes AWP mandates, including mandates requiring health plans and PBMs to contract with any health care provider or pharmacy regardless of quality standards, patient access and impact on the cost of health care for Texans and Texas businesses
- TAHP supports effective, efficient regulations and transparency requirements that protect Texans without driving up health care costs



Protect PBMs, a Critical Tool to Negotiate Lower Rx Prices:

Health insurance costs for prescription drugs are now higher than they are for any other cost, including payments to doctors and physician services. At a time when the cost of drugs is so high, health plans and pharmacy benefit managers (PBMs) use private-market negotiation to get the lowest costs for prescription drugs. PBMs work to save hundreds of billions of dollars in drug costs. In fact, PBMs are expected to save taxpayers and employers as much as \$654 billion on drug benefit costs over the next decade. PBMs are a necessary part of making sure Texas consumers get the best prices for prescription drug costs.

- TAHP supports health plans' and PBMs' use of private market solutions and competitive negotiations to provide affordable drug coverage to Texans and Texas businesses
- TAHP opposes government mandates, including contract mandates, that undermine competition in the private market and increase the cost of drug coverage for Texans



Embrace Competition and Flexibility:

All Texans deserve access to high-quality health care they can afford no matter how much money they make or if they have pre-existing conditions. Market instability and a lack of affordable coverage options for the uninsured are major drivers of the high cost of health care in Texas. Texas has the highest rate of uninsured people in the country, and most uninsured people in our state are members of low-income working families. In an environment of continually-evolving health care laws, it more important than ever for us to make sure Texans have access to a stable and affordable health insurance market. Section 1332 state innovation waivers present an opportunity for states to pursue unique solutions to improve access to health care in new and better ways. Texas can take advantage of these opportunities to make health care more local, reduce time spent on administration, lower the cost of care and improve access to health insurance for families and small businesses.

- TAHP supports embracing a sound and competitive health insurance market that maximizes private market competition and consumer choice while promoting personal responsibility and affordable coverage options for all Texans
- TAHP supports a reinsurance program to help stabilize the market and reduce the cost of premiums
- TAHP supports improving access to health coverage for low-income, uninsured Texans



Combat the Opioid Epidemic:

Texas health plans are on the front lines helping patients and providers in the fight against opioid dependence. Health plans have access to the data and tools necessary for the early identification, education and care management needed to shift patients to more appropriate treatment, as well as the relationships with providers to improve collaboration. Health plans combine these tools to help their members address substance abuse and addiction. These efforts reflect health plans' commitment and use of innovation in the fight against this public health crisis. In the past two years, a number of health plans have seen decreases in their members' opioid use by as much as 25%. The opioid epidemic is an ongoing and important fight. Health plans are committed to their role in combating the opioid epidemic, and access to tools like the prescription drug monitoring program (PDMP) would allow both commercial and Medicaid health plans to better coordinate treatment with prescribing health care providers and dispensing pharmacies.

- TAHP supports increasing health plans' ability to combat the opioid epidemic by giving commercial plans the option to limit high-risk members' access to frequently-abused drugs to a single prescriber and/or a single pharmacy, as well as increasing their ability to provide treatment, which would add another layer of prevention aimed at reducing overdose deaths in Texas
- TAHP supports allowing health plans to access tools like the prescription drug monitoring program so they can identify health plan members at high risk for substance abuse disorder

TEXAS ASSOCIATION OF HEALTH PLANS

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