



BEFORE THE HOUSE FINANCE SUBCOMMITTEE
ON HEALTH & HUMAN SERVICES
Testimony on House Bill 166
April 10, 2019

Chairman Romanchuk, Ranking Member West, and members of the Health & Human Services Subcommittee, my name is Keith Lake and I am the Vice President of Government Affairs for the Ohio Chamber of Commerce. I am here today to testify in regards to a particular provision of House Bill 166, the provision which would mandate that all health insurance policies include coverage for telemedicine services on the same basis and to the same extent as in-person services. This provision mirrors House Bill 546 from the previous General Assembly.

The Ohio Chamber is the state's leading business advocate, and we represent nearly 8,000 companies that do business in Ohio. Our mission is to aggressively champion free enterprise, economic competitiveness and growth for the benefit of all Ohioans.

First of all, I want to make it clear that the Ohio Chamber supports the adoption of telemedicine. We have always promoted innovative approaches to achieving quality-based health care outcomes attained through a market-based health care system, of which telemedicine is an example.

While not a panacea, telemedicine can help address two significant health care problems: access and cost. Telemedicine holds much promise for expanding and enhancing access to healthcare while keeping patients in their own community setting. On the cost front, telemedicine can reduce the cost of health care and improve efficiency through better management of chronic diseases, fewer emergency room visits, and reduced travel time.

Our members know that, when employees are forced to travel for health services, they are absent from work. Therefore, from an employer's perspective, telemedicine can not only mean less missed work time for health care appointments but, by maximizing access to care, can also encourage employees to seek treatment proactively and sooner, mitigating the risk of a medical condition progressing to a point where treatment is both more costly and requires even more missed time.

However, supporting telemedicine and wanting to see the state mandate that it be covered are not the same thing. The Ohio Chamber and the many businesses we represent that voluntarily provide health care insurance to their employees and their dependents have longstanding concerns with any legislation that would mandate coverage for specific health services.

Our concern in regards to the telemedicine provision of HB 166, however, is not primarily with the fact that this would be yet another health insurance mandate – though we question why it is necessary to mandate this coverage when all of Ohio's health plans are responding to marketplace incentives and already covering a variety of telemedicine services. Our concern is that, without adequate safeguards, a partial parity law like this could end up jeopardizing the potential for health care cost savings that telemedicine promises.

According to a December 2014 study conducted by an independent actuarial and consulting firm, the estimated savings per commercial telemedicine visit, when compared to an in-person visit, are approximately \$126. But such savings can quickly be eaten away at by facility fees that can be billed at a cost upwards of \$25. Ultimately, facility fees drive health care costs up, rather than down. The way to help ensure this doesn't happen is to prohibit providers from separately billing a facility fee for telemedicine services.

If, in the end, you determine that a compelling case has been made for why a mandate forcing all health insurance policies to include coverage for telemedicine services is necessary, we urge you to make sure that it is done in a way that doesn't have a chilling effect on health plan promotion of telemedicine for patients. Specifically, we would ask that, if the telemedicine mandate remains in HB 166, it be amended so that it contains a prohibition on facility fees for telemedicine services. Thank you.