



Texas Association of Health Plans
1001 Congress Ave., Suite 300
Austin, Texas 78701
P: 512.476.2091
www.tahp.org

May 18, 2023

Re: Support HB 3351

Dear Chair Kolkhorst and Members of the Senate Health & Human Services Committee,

The Texas Legislature and Congress took major steps toward reducing barriers to competition through new price transparency requirements. These requirements allow individual consumers to better shop for services, and this transparency has highlighted outrageous prices. However, Texans lack access to quality of care information because of state restrictions.

TAHP supports HB 3351 and its aim to remove barriers that will allow health plans to easily share quality of care information with enrollees alongside price transparency.

In order to compare providers against nationally recognized quality standards developed by third parties, health plans must follow an onerous process that allows physicians to appeal their rankings and effectively delay or prevent quality transparency. Health plans must give every physician a right to appeal and, as part of the appeal, must allow in-person hearings. This process is burdensome and results in issuers not providing information at all. This bill would remove barriers and allow health plans to share quality of care data along with pricing information.

Patients can't properly interpret pricing information without also having information about the quality of different services. Outside of health care, we know that sometimes a little extra money buys a much better product but also the most expensive option is often not worth it. However, in health care, patients may misinterpret a high price as a sign of high quality or choose a poor quality provider simply based on lower cost. Evidence shows that health care quality is often not correlated with price. Price transparency alone could risk patients making a choice based solely on price while quality, and thus outcomes, may be poorer.

HB 3351 simplifies the current rules regarding quality sharing to allow health plans to utilize quality data in communication with patients as long as the standards used by the health plan conform to nationally recognized standards and guidelines from independent entities such as the National Quality Forum, National Committee on Quality Assurance or other similar nationally



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recognized guidelines. Furthermore, as stated in Sec. 1460.006 of the Texas Insurance Code, state laws will continue to ensure that physicians currently in clinical practice are actively involved in the development of the standards used under this chapter and that the measures and methodology used in comparison programs are transparent and valid.

In order to control health costs, Texans need to be engaged in their health care decisions and be armed with the right information to make high-value choices. Price transparency starts us down that path. But without quality of care transparency, Texans will lack a complete picture of value.

Sincerely,

A handwritten signature in black ink that reads "Jamie Dudensing". The signature is written in a cursive, flowing style.

Jamie Dudensing, RN
CEO
Texas Association of Health Plans