

Governor Ned Lamont State of Connecticut



FACT SHEET 2023 Legislative Session

HOUSE BILL 6669 AA PROTECTING PATIENTS AND PROHIBITING UNNECESSARY HEALTH CARE COSTS

The health care system is complex and burdensome to navigate, leaving patients and families vulnerable to unnecessary costs, surprise bills, and uneven access to vital services.

The Problem

We enjoy a high-quality health care system, but for too many residents, cost is a barrier to access. Record high numbers of Americans are putting off care because they can't afford it. In 2022, 38% said they put off medical care because of how much it would cost. This is up 12% from prior years, and the highest percentage Gallup has ever seen in its 22 years of polling.

For years before the pandemic, and now, it is clear that hospital inpatient, hospital outpatient and retail pharmacy costs are the largest contributors to the health care affordability problem. Currently, patients face significant price increases as hospital systems expand facility fees beyond main campus hospital sites to free-standing facilities and professional services that were supposed to provide less expensive care. Between 2016 and 2020, hospitals and health systems, billed and received an annual average of \$410 million in facility fees from outpatient services that were not provided in the facility's main campus. According to a recent Rand National Hospital Price Transparency Study, over 80% of the prices of services provided by hospitals/health systems are now from facility fees.

Residents are also struggling with the high and rising costs of prescription drugs, with 20% of Connecticut resident reporting skipping doses of medication or cutting pills in half due to cost. Additionally, some of the state's regulatory tools designed to ensure equitable access to services and affordability, lack adequate enforcement authority.

Governor Lamont's Solution

The Governor proposes a multiprong strategy to eliminate unnecessary charges, reduce rising health care prices, and increase affordability for residents and Connecticut employers. First, the Governor proposes to eliminate hospital facility fees charged at free-standing offices and clinics.

Further, the Governor recommends stronger regulatory enforcement tools at the Office of Healthcare Strategy (OHS) to assure compliance with Certificate of Need requirements and

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related conditions of approval like cost controls, patient access and detailed reporting. This will curb health care costs by preventing duplicative services in specific areas while ensuring availability and access to critical services in all parts of the state.

To tackle prescription drug costs, Connecticut will join a multistate bulk purchasing consortium to negotiate drug discounts that all Connecticut residents can access through a discount card usable at their pharmacy. Additionally, OHS will publish an annual list of drugs with major price spikes to make sure consumers and prescribers know which drug prices are going up and by how much. The Governor's bill will also rein in aggressive marketing practices by pharmaceutical representatives to ensure prescribers get clear and accurate information about the drugs they prescribe and generic alternatives. Pharmaceutical representatives will be required to complete a training, register with the state, and disclosure relevant information about drug costs and efficacy across different races and ethnicity, if known.

Finally, the Governor's proposal will ensure discounted drugs purchased through the federal 340B program benefit the low-income consumers and communities the program was designed to help.