



**POSITION STATEMENT  
OF MONTANA MEDICAL ASSOCIATION  
ON  
TRANSPARENCY  
Adopted September 23, 2017**

While the Montana Medical Association is in strong support of price transparency initiatives in general, not all efforts at transparency achieve the desired goal. Some strategies may be too bureaucratic, expensive, or impractical to implement. They may be too heavy handed. They may violate important privacy principles, interfere excessively in natural market place functions, or simply be misguided. Some transparency policies may actually increase healthcare costs. The Montana Medical Association anticipates legislative proposals will be brought forward addressing transparency. The Montana Medical Association will examine each proposal on its own merits and may oppose some efforts which it deems to be counter-productive.

The Montana Medical Association strongly supports efforts to promote price transparency regarding the cost of health care services. Health care costs will continue to rise. Consumers need to be engaged in decisions impacting their own health care and be informed of the costs related to those services, as well as any available related quality measures. We generally support the AMA Policy: Price Transparency D-155.987.

In a third-party payer system, where the third party is either a government or a commercial entity, consumers are significantly shielded from the immediate cost of services consumed. The pricing of health care services, which may have been negotiated at high organizational levels of government and industry absent consumers' involvement, are extremely arcane and deceptive. Without transparency, uninsured patients will often incur the highest cost for services.

The technical nature of health care billing (i.e. facility versus professional charges and bundled procedures) and the emotional importance of health services render a consumer's ability and desire to seek economical health care choices almost mute. The critical first step towards re-engaging the consumer in the health care arena is to clarify costs at the point of service.

We encourage Montana medical practices to initiate the conversation on price and quality information with their patients. Based on available and relevant insurance information, Montana medical practices shall provide the best possible cost estimate (excluding emergency and critical access exemptions). They shall encourage patients to seek additional information from insurers and payers on out-of-pocket costs.

Insurance companies and payers shall be responsible for releasing information regarding coverage amounts to consumers. Recognizing that quality of care is also important to our patients, insurers and payers shall make quality measures available. This can be one component of a Montana statewide health information exchange, which we support.

**AMA Policy: Price Transparency D-155.987:**

1. Our AMA encourages physicians to communicate information about the cost of their professional services to individual patients, taking into consideration the insurance status (e.g., self-pay, in-network insured, out-of-network insured) of the patient or other relevant information where possible.
2. Our AMA advocates that health plans provide plan enrollees or their designees with complete information regarding plan benefits and real time cost-sharing information associated with both in-network and out-of-network provider services or other plan designs that may affect patient out-of-pocket costs.
3. Our AMA will actively engage with health plans, public and private entities and other stakeholder groups in their efforts to facilitate price and quality transparency for patients and physicians, and help ensure that entities promoting price transparency tools have processes in place to ensure the accuracy and relevance of the information they provide.
4. Our AMA will work with states to support and strengthen the development of all-payer claims databases.
5. Our AMA encourages electronic health records vendors to include features that assist in facilitating price transparency for physicians and patients.
6. Our AMA encourages efforts to educate patients in health economics literacy, including the development of resources that help patients understand the complexities of health care pricing and encourage them to seek information regarding the cost of health care services they receive or anticipate receiving.
7. Our AMA will request that the Centers for Medicare and Medicaid Services expand its Medicare Physician Fee Schedule Look-up Tool to include hospital outpatient payments.