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September 13, 2006

Co-sponsor H.R. 6053, the Health Care Price Transparency Act of 2006

Dear Colleague,

We currently have a health care system that is badly in need of reform. However, in the tangled mess of medical bureaucracy, no one has a clear picture of the problem. Physicians and other providers don't get paid enough, patients pay too much, many people don't get any care at all, and everyone claims that someone else needs to change. Before we start changing things, though, it seems prudent to understand the problem fully. Today, I have introduced legislation with that goal in mind. This is a first step toward true price transparency in the health care market.

The **Health Care Price Transparency Act of 2006, H.R. 6053**, is a long-term solution to runaway medical costs. This bill calls upon the States to establish and maintain laws requiring disclosure of information on hospital charges, to make such information available to the public, and to provide individuals with information about estimated out-of-pocket costs for health care services. This means that **State law will require health insurance providers to give patients an actual dollar estimate of what the patient must pay for health care items and services** within a specified period of time.

Additionally, the bill calls for research on: (1) The types of cost information that individuals find useful in making decisions regarding healthcare; (2) How this useful information varies according to an individual's health insurance coverage, and if so, by what type of coverage they have; and (3) Ways that this information may be distributed in a timely and simple manner.

These are simple but important provisions. The current health insurance system has insulated people from the actual cost of the medical care they receive. By pulling back the curtain on opaque areas of the health care market, over time, this legislation will lead to the development of a more rational pricing structure from the consumer's perspective. Once we understand the actual cost, then we can begin to make effective changes leading to fair physician reimbursement, appropriate patient billing, and better medical services.

In August, President Bush issued an executive order calling for increased transparency within the federal government's health care agencies. This legislation is an extension of that executive order, giving states the tools to become part of a necessary solution for health care consumers.

Please join us in solving this problem. This bill offers huge potential benefits. For more information, contact Josh Martin with Dr. Burgess' office at 5-7772 or [josh.martin@mail.house.gov](mailto:josh.martin@mail.house.gov).

Sincerely,



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