



January 29, 2020

Sunita Lough, Deputy Commissioner for Services and Enforcement
Internal Revenue Service
1111 Constitution Ave NW
Washington, DC 20224

Preston Rutledge, Assistant Secretary
Employee Benefits Security Administration
Department of Labor
200 Constitution Ave NW
Washington, DC 20210

Seema Verma, Administrator
Centers for Medicare & Medicaid Services
Department of Health and Human Services
Attention: CMS-9915-P
P.O. Box 8010
Baltimore, MD 21244-8010

Dear Deputy Commissioner Lough, Assistant Secretary Rutledge, and Administrator Verma,

On behalf of the American Academy of Family Physicians (AAFP), which represents 134,600 family physicians and medical students across the country, I write in response to the “Transparency in Coverage” [proposed rule](#) posted in the November 27, 2019 *Federal Register*. This regulation proposes to:

- Require group health plans and health insurance issuers in the individual and group markets to disclose cost-sharing information upon request, to a participant, beneficiary, or enrollee. This includes an estimate of an individual’s cost-sharing liability for covered items or services furnished by a particular provider.
- Make such information available on a website and, if requested, through non-internet means. The Departments also propose to require plans and issuers to disclose in-network provider negotiated rates, and historical out-of-network allowed amounts through two machine-readable files posted on an internet website, thereby allowing the public to have access to health insurance coverage information that can be used to understand health care pricing and potentially dampen the rise in health care spending.
- Amend the HHS medical loss ratio program rules to allow issuers offering group or individual health insurance coverage to receive credit in their medical loss ratio calculations for savings they share with enrollees that result from the enrollee’s shopping for, and receiving care from, lower-cost, higher-value providers.

Price transparency is critically important for value-based care and the AAFP supports steps for family physicians to reduce the costs of healthcare for their patients. As our members pursue

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value-based care models that are responsible for total cost of care and involve financial risk, it is crucial for family physicians to have access to information on other providers' costs and quality performance to make informed decisions with their patients when making referrals. According to the AAFP's 2017 value-based payment [survey](#), only 13 percent of respondents have access to specialty costs while a mere 7 percent have access to specialists' quality measure performance information. Improving access to cost, quality improvement, and population health management information related to services furnished to their patients by other providers will enable family physicians and their patients to make better informed decisions that consider both cost and quality.

Though transparency policies do not directly lower healthcare costs, the information provides more data that would allow patients and physicians to make more informed treatment choices. In addition, the information would help federal agencies and policymakers increase accountability with health plans and providers. We call on the Administration to monitor how providing this data impacts contract negotiations between physicians, providers, and health care plans.

The AAFP also supports efforts to require plans to disclose cost-sharing information to patients via websites. In addition, the AAFP encourages requiring cost-sharing information to be posted in conjunction with quality information for a provider. Doing so would better allow a consumer to weigh negotiated prices and quality performance. Americans are becoming more accustomed to researching the price of almost anything online and posting cost-sharing data will make it easier for patients to shop around for the best price.

For many years, the AAFP has supported the Medical Loss Ratio (MLR) requirements and we continue to support these requirements since they help ensure health care resources are focused on patient care rather than insurer profits or administrative expense. We cautiously support the proposal to amend the MLR rules to allow plans to share savings with enrollees, however we urge HHS to closely monitor this change for any illicit plan activity. MLR policies must ensure that health care finances are focused on patient care rather than insurer profits.

Please contact Robert Bennett, Federal Regulatory Manager, at 202-655-4908 or rbennett@aafp.org with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "John S. Cullen". The signature is fluid and cursive, with a long horizontal stroke at the end.

John S. Cullen, MD, FAAFP
Board Chair