



To: Representative Tim Kelly, Chair of the House Education Reform Committee
From: Rory Lafferty, Director of Government Affairs
CC: Members of the House Education Reform Committee
Date: December 6, 2018
RE: Support House Bill 6537

On behalf of Health Alliance Plan (HAP), thank you for introducing House Bill 6537 – legislation to amend the Public Employees Health Benefit Act. We believe that House Bill 6537 represents an excellent opportunity to improve and modernize a law that will enhance competition in the health insurance market and enable public employers to better control employee benefit costs by soliciting competitive bids from multiple carriers.

The Public Health Employees Benefit Act was signed into law in 2007 and was, in part, aimed at ensuring public employers have access to their health plans' aggregate and de-identified claims data. This data is critical to ensuring that public employers can solicit competitive bids from nonincumbent health plans – which ultimately benefits purchasers of health care.

However, it has become obvious in the last few years that the requirements of the Public Employees Health Benefit Act have not always provided public employers with the data necessary for competitive bids. House Bill 6537 aims to remedy that by ensuring public employers have access to the necessary and detailed data, which includes historical demographic and claims data on a very precise level.

House Bill 6537 would expand the Public Health Benefits Act to ensure that smaller public employers have access to the same data and, at the same time, would maintain the confidentiality of these claims by requiring aggregate and de-identified formats. House Bill 6537 would also make data transparency in public market more consistent with private employers – who routinely request and receive such detailed data to solicit competitive bids for employee health benefits.

Again, thank you for introducing House Bill 6537. HAP supports this bill and urges your colleagues to do so as well.