The Indiana Manufacturers Association supports reducing health care costs for employers so they can raise wages, expand benefits, and increase investment in Indiana.

Worker’s Compensation - Expand Cap of 200% of Medicare on Medical Reimbursement

Currently, the 200% cap applies only to hospitals. Since the cap went into effect in 2015, hospital costs have decreased significantly, but costs at ambulatory surgery centers (ASCs) have increased as usage and prices have gone up. In the worst cases, ASCs are charging 1200% above the Medicare reimbursement rate.

The legislature was very close to passing this measure in 2020 and they should finish the work in 2021.

Balance Negotiation Between Hospitals and Payers

Anti-competitive clauses included in contracts between hospitals and payers should be prohibited. Specifically, state law should prohibit language that groups all hospitals within a hospital system together, such as anti-tiering language and “all-or-nothing” language that requires all hospitals within a larger system to be included in an insurance network. Conversely, hospitals systems should not be allowed to withhold access of insurance networks to critical care hospitals in rural or underserved areas.

Payers, when negotiating with hospitals, must be able to set different reimbursement rates for different facilities based on the needs of their employees and budgets.

Support Efforts to Eliminate Surprise or Balanced Billing

In 2020, Indiana passed legislation that worked to shield patients from surprise medical bills. The legislature should strengthen and expand on those efforts to give confidence to employees that they will not receive an unexpected bill for out-of-network charges when they are treated at an in-network facility.