



Indiana Manufacturers Association 2023 Legislative Priorities

★★ Health Care & Insurance Issues ★★

The Indiana Manufacturers Association supports lowering Indiana's high health care costs to free more dollars for employees and capital investment.

Indiana manufacturers spend millions each year for the health care of their employees. The overwhelming majority of manufacturers are self-insured, meaning that dollars are set aside by the employer to pay claims. Thus, added cost in health care spending is money that a manufacturer cannot use for worker pay, capital investment and growth. Increased healthcare expenses in Indiana put employers in the state at a competitive disadvantage to businesses in other, less expensive states.

Prohibit Dishonest Hospital Billing

- The IMA is committed to lowering the price of health care in Indiana. Data shows that Indiana hospitals (hospital expenses make up 40% of total spend) are amongst the highest in the country. To lower the cost of hospital care, the IMA supports reforming hospital billing systems to limit hospital facility fees on hospital owned but non-hospital facilities. This is commonly referred to as "site-of-service" or "site-neutral payments." Legislation supported by the IMA would prohibit most hospitals from billing a hospital facility fee on services performed outside of a hospital campus. On average, hospital facility fees in Indiana are 4th highest in the nation.

Prohibit Anti-Competitive Clauses in Health Care Contracts

Market consolidation drives up the cost of health care and Indiana markets. The top-3, by operating revenue, hospital corporations in Indiana control on average 91% of the hospital market in the state's 15 Metropolitan Statistical Areas (MSAs).

- The IMA will support legislation that prohibits 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.
- The IMA will support legislation to prohibit contract clauses that automatically include new acquisitions in hospital reimbursement rates. New acquisitions should be subject to negotiation to ensure price and quality accountability.
- The IMA will support legislation that frees doctors from restrictive non-compete agreements.

Maintain Commitment to Price Transparency

Consumer choice and market forces only work when consumers are able to accurately compare prices. Indiana has passed legislation limiting surprise billing, requiring prices to be displayed in waiting rooms, required prices to be reported to a state claims database, and required non-profit hospitals to host public meetings on their pricing structure and comparative costs. The IMA will support legislation to strengthen these statutes.