

TO: ALL MEMBERS OF THE HOUSE OF REPRESENTATIVES
FROM: Representative Dan Frankel
SUBJECT: Co-sponsor Legislation – Outpatient Facility Fees

In the near future, I plan to introduce two pieces of legislation that will address outpatient facility fees.

My legislation would require any medical office charging an outpatient facility fee to disclose the amount of the charge at the time an appointment is made. In addition, the medical staff would need to provide the patient with information about alternatives where such a fee would not be charged.

My second bill would ban such fees entirely.

A constituent of mine recently had a \$145, five-minute, skin tag removal in a doctor's office. However, because that doctor's office is located in UPMC's Falk Medical Building, he received a bill for an extra \$705 –five times the cost of the procedure --for "operating room service". That's in addition to the \$82 facility fee paid simply for visiting the doctor's office.

Unfortunately, he's not alone. [A recent article in the Pittsburgh Post-Gazette](#) highlighted this issue of "Outpatient Facility Fees". Hospitals acquire medical practices or house doctors' offices, designate them "outpatient departments" and charge patients, like my constituent, exorbitant fees to receive services in their buildings. Meanwhile, the same service, performed in a building not owned by the hospital would not incur the same fee. These fees are often several times the cost of the doctor's visit or procedure itself.

Currently, patients are advised that their insurance companies may consider their visit to be an outpatient visit and may not cover the cost, but they may not tell patients how much the extra fee could be, or that they could avoid the cost entirely by visiting a different doctor, or even the same doctor in a different office, if he or she has one.

The issue is receiving attention nationally. In Seattle, hospitals settled a lawsuit filed by women who paid hundreds of dollars extra to visit a doctor's office on a hospital campus than they would have if they'd visited the same doctor in their community clinics. Pennsylvanians shouldn't have to go to court to receive basic information needed to make smart decisions as health care consumers.

To read news articles about outpatient facility fees click [here](#) and [here](#).

If you'd like to co-sponsor this legislation, please contact Carrie Goodyear in my office at 705-7019 or cgoodyea@pahouse.net.