

# BETTER CARE AMERICA

# Surprise Medical Billing

**Today, too many hardworking Americans are still receiving surprise medical bills.** Nearly 1 in 5 Americans can expect to receive a surprise medical bill at some point in their lives. 18% of all emergency visits and 16% of in-network hospital stays result in a surprise medical bill.

Surprise medical bills happen when patients **are treated by an out-of-network doctor without knowing it.**

**Health insurance providers work hard to protect Americans from surprise medical bills and high health care costs** – they're patients' bargaining power. They negotiate with doctors, hospitals, and other providers to create what's called a network. In a network, health insurance providers give patients access to high-quality doctors, hospitals, and specialists. In return, health insurance providers agree to pay – and doctors and hospitals agree to accept – fair and reasonable rates for services.

**The law requires health insurance providers to maintain strong networks** of hospitals and doctors (called "network adequacy laws"). Each state has an insurance commissioner who reviews networks to ensure they meet or exceed their state's network adequacy standards.

**Most doctors work with health insurance providers to keep health care costs low.** But a certain number of physicians – especially those in high-paid specialties – choose not to participate in health insurance networks.

**When you're sick, you should be able to focus on what matters most: getting better. Unfortunately, far too often American families have to worry about what happens after they leave the hospital – and whether they'll receive a surprise medical bill.**

**Out-of-network doctors aren't usually your general practitioner, or your kids' pediatrician.**

They're most likely those who treat you when you need emergency help and don't have a choice about your care.

These specialists – often called **PEAR** providers – charge excessive rates, like:

- **P**athologists: 4x the Medicare reimbursement rate
- **E**mergency providers: 4x the Medicare reimbursement rate
- **A**nesthesiologists: 5.8x the Medicare reimbursement rate
- **R**adiologists: 4.5x the Medicare reimbursement rate

Often, the hospital a patient chooses is in-network but these types of doctors are not. That's when patients get a surprise medical bill.

## It's time to end surprise medical bills – the right way. Here's how.

**Protect patients by prohibiting doctors and hospitals from sending surprise medical bills.** This takes American families out of the middle and ensures they don't have to worry about a broken bone that breaks the bank.

**Require hospitals to tell patients if a physician is out-of-network.** Patients have the right to know about their health care. Whenever possible, hospitals should provide full information about any facilities or physicians that aren't in-network.

**Establish a fair, reasonable benchmark based on local, market-based rates for out-of-network services.** Health insurance providers should be required to pay out-of-network doctors based on local, competitively negotiated rates that their in-network peers already accept.

**Avoid costly, bureaucratic arbitration.** Health care shouldn't be complicated – but arbitration adds a whole other layer of red tape. Arbitration would require health insurance providers and physicians to engage in a costly, unpredictable, and complex process that would likely result in higher premiums. It could also mean bad-actor physicians price their services even higher in the hopes of getting a bigger windfall.

### **ACTION ALERT:**

#### **Congress can take action right now to protect patients and American families**

Legislation that includes a fair, local, and market-based benchmark – but not a costly arbitration process – ensures patients are protected, doctors are paid fairly, and health insurance networks are supported. It's a win-win-win – and one way Congress can keep its promise to ensure all Americans have access to the affordable, high-quality health care that is right for them.

### **REACH OUT ANYTIME**

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