
Overall Talking Points on Surprise Billing Solutions

- Patients should be protected from surprise bills.
- They should not be balance billed for emergency services or for out-of-network services obtained in any in-network facility when they reasonably could have assumed that the providers were in-network with their health plan.
- Patients should have certainty regarding their cost-sharing obligations in those situations, which are based on an in-network amount.
- Only a small number of surprise bills are from hospitals. Hospitals and health systems have a long history of negotiating reimbursement for out-of-network emergency care. Once patients are protected by a ban on balance billing, the standard process of negotiation should be permitted to continue.
- We strongly oppose the imposition of arbitrary rates on providers, along with untested proposals such as bundling payments or requiring doctors to join the same networks as hospitals (“network matching”), which would significantly increase complexity in the system and may, ultimately, be unworkable.

Talking Points on Rate-setting/Benchmark Rate Proposals

The AHA urges Congress to reject a legislative proposal that specifies a default benchmark rate for out-of-network services.

- Hospitals and health plans have a long-standing history of resolving out-of-network emergency claims and therefore a benchmark rate is unnecessary.
- A reimbursement standard or benchmark rate would disrupt local market dynamics and incentivize insurers to avoid contracting with providers.
- Any benchmark rate would be inappropriate as it would not account for the many things that health plans and providers consider when contracting, including: their entire lines of business, volume, quality, partnerships on special programs or initiatives, and other factors when setting rates.
- Growth in the use of no-network, reference-based pricing models in the commercial market suggests this already is a growing strategy, and one that would accelerate if the insurer could simply point to a government-adopted payment rate for out-of-network care.

Talking Points on a Dispute Resolution Process such as Arbitration

The AHA believes that hospitals and payers generally should be left to negotiate reimbursement for out-of-network claims without government interference. However, there may be a role for an alternative dispute resolution process for physician claims.

- Arbitration allows for more market considerations than a benchmark rate.
- Arbitration has been shown to encourage network participation and incentivize early resolution of any reimbursement disputes. In fact, states with this process have very few claims make it to arbitration.
- Arbitration can be designed in different ways to make the process more efficient and ensure the patient is not involved.