

Prevent Surprise Medical Bills

Surprise medical bills occur when a patient receives a bill for the difference between the out-of-network provider's fee and the amount covered by the patient's health insurance, after co-pays and deductible. Patients often assume that facility-based providers—such as radiologists, pathologists, physician anesthesiologists and emergency physicians—are in-network because their surgeon and hospital are in-network.

Most Physician Anesthesiologists are a Part of their Patients' Health Plans

Physician anesthesiologists recognize being a provider in their patients' health plans is better for patients, easing both expenses and paperwork burdens. It is also better for providers easing billings and administrative responsibilities. Data indicates more than 90% of physician anesthesiologists' claims are 'in network' with their patients' insurance plans, thereby limiting patient exposure to surprise medical bills.

To address surprise medical bills, ASA urges Congress to advance legislation that:

- **Holds Patients Harmless for Unanticipated Medical Bills**– Policies should ensure that patients are responsible for only their in-network out-of-pocket expenses in emergency and unexpected settings.
- **Promotes a Reasonable Payment to Providers** – The federal government should not mandate payment benchmarks in commercial insurance plans, nor should insurers be permitted to unilaterally set payment levels. The Congressional Budget Office (OMB) found that a benchmark to the median-in-network contract rates will reduce in-network physician payment rates by 15-20%. This approach will weaken physician practices that are already facing financial challenges stemming from the COVID-19 pandemic. ASA is strongly opposed to any benchmark approach that penalizes physicians.
- **Establishes a Fair, Accessible and Equitable Independent Dispute Resolution (IDR) Process** – A “baseball style” arbitration involving providers and insurance companies is a proven model for efficient and cost-effective resolution of payment disputes. This model allows physicians and insurance companies to fairly and quickly resolve payment disputes without involving the patient. The losing party pays.
 - o In determining payment rate, the arbiter should consider a number of factors, including but not limited to: commercially reasonable rates for comparable services in same geographic region based on an independent/transparent commercial claims database; previous contracting history; level of training, education, and experience; outcomes and quality metrics of the physician providing the service; and complexity of the services rendered.
- **Ensures Enforceable Adequate Networks for Patients** – There are reports of insurance companies narrowing networks as a strategy to limit their costs and to shift those costs to patients. When the government requires insurers to have adequate networks, and regulators hold them responsible for maintaining an adequate network, there will be fewer circumstances in which patients are surprised to learn they had or could be treated by an out-of-network provider, especially in situations where the care was unexpected.
 - o ASA is aware of insurers using aggressive negotiating tactics that force physicians out of network. **An informal survey conducted by ASA in February 2020 found that physician anesthesiologists are being forced out of network as insurance companies terminate their contracts, often with little or no notice:** 42% of respondents had contracts terminated in the last six months; 43% of respondents experienced dramatic payment cuts from insurers, both mid-contract and at renewal, in some cases by as much as 60%. Some of the impacted contracts were signed less than six months ago. The results included responses from 76 practice groups in 33 states.

REQUEST:

Congress should advance surprise billing legislation that holds patients harmless, promotes reasonable payments to providers, establishes a fair and equitable process for resolving payment disputes and ensures adequate provider networks for patients.