

## Potential Federal Action Regarding Surprise Billing

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Michael A. Cassidy  
Tucker Arensberg, P.C.  
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Recent reports indicate that House and Senate Committee leaders have apparently mutually agreed on a bipartisan arrangement for correcting or preventing surprise medical bills, although legislation has not yet been passed.

Attached is an outline of the “No Surprise Act”, which essentially deals with insured patients receiving unexpected bills for medical services.

Note that this must be distinguished from uninsured patients receiving medical bills, especially bills for “full fee services” when insured members routinely receive the “in-network rate”. Reports indicate this problem is a major cause for consumer bankruptcy.

Surprise billing is not as significant a problem as it was a decade or so ago, when many hospital based providers were separate providers that did not participate with all of the insurers with which the institution participated. In those circumstances, patients who selected the hospital might be surprised to find out that the hospital based providers, primarily anesthesia, ER, pathology and imaging, were not participating and sent separate bills. Most third party providers and large institutions have resolved that problem either by directly employing those providers, thereby ensuring their participation, or requiring participation in order to do business with the hospital.

The No Surprise Act, as expected, does not “prevent” balanced billing; it simply attempts to make it less of a surprise by requiring a number of things:

- Transparency and advice in advanced notice
- A dispute resolution procedure requiring the insurer and the provider to attempt to resolve the problem prior to patient billing
- Prohibiting advanced billing that is not explained or is contravened by the insurance coverage rules

In addition, the bill has a separate provision regarding ambulances that appoints the President Advisory Committee.