



CONGRESS SHOULD USE NEW YORK'S PROVEN LAW AS A FRAMEWORK FOR FEDERAL SURPRISE MEDICAL BILLS LEGISLATION

Every approach to end the surprise medical bill epidemic in the United States holds patients harmless, but the similarities end there. At issue is how disputes between insurers and physicians should be resolved. **The bipartisan Ruiz-Roe policy framework, which uses the approach from New York state's successful law, should be adopted, because it will ensure that patients can access critically necessary medical care when they need it most.**

H.R. 3502, sponsored by Reps. Ruiz and Roe, is similar to [New York state's extremely successful law](#) that:

- ✓ Has proven effective after five years by significantly reducing consumer complaints, bringing down out-of-network payments by 13% and keeping insurance premium growth lower than the national average.
- ✓ Has protected patient access to on-call surgeons and other specialists during medical emergencies by creating a fair process for resolving billing disputes while holding patients harmless financially.
- ✓ Uses an affordable, efficient "baseball style" independent dispute resolution (IDR) system where the IDR entity must choose between the plan's payment offer or the non-participating provider's fee, and the loser pays. Insurers and providers have responded to this incentive by engaging in more reasonable billing and payment practices and by solving disputes privately rather than risking adverse IDR rulings.
- ✓ Relies on fully transparent and comprehensive data, collected by a national, independent, nonprofit data collection entity unaffiliated with any stakeholder and adjusted to exclude outlier charges, to establish a payment benchmark, not an easy to manipulate in-network payment rate established by insurers.
- ✓ Requires IDR reviewers to consider several relevant factors, including: the usual and customary cost of the service, charges and payments to other non-contracted providers for comparable services, the complexity of the case and the level of education, training and experience of the physician or provider.
- ✓ Is viewed as fair by stakeholders, as insurers and physicians have each been successful half of the time.
- ✓ Addresses root causes of this problem by requiring that insurers offer physician networks that are adequate to meet patients' medical needs, maintain accurate provider network directories, and disclose clear and transparent information about the plan's out-of-network benefits and cost-sharing.

The "No Surprises Act" is similar to [California's failing law](#) that:

- ✓ Relies on a "median in-network rate" determined by the insurer rather than an independent data collection entity to set reimbursement for physicians.
- ✓ Is giving already-powerful insurers license to cut reimbursements in many physician contracts on a "take it or leave it basis" or simply terminate long-standing contracts with other physician groups.
- ✓ By setting an artificially low out-of-network payment rate, reduces the incentive for insurers to maintain adequate provider networks, further diminishing patients' access to essential health care services.
- ✓ In just two years since the state's law went into effect has adversely affected patients' access to care, with the California Department of Managed Care reporting a 48% increase in patient complaints regarding access to care.
- ✓ Will force physicians to close or sell their practices to hospitals or larger systems, spurring more healthcare consolidation that limits patients' choice in doctors and raises prices and premiums.
- ✓ Has not addressed the root cause of surprise medical bills.

EVERYONE AGREES SURPRISE MEDICAL BILLS MUST STOP – HOW CONGRESS ACTS WILL HAVE A PROFOUND IMPACT ON PATIENT CARE

Protect patients, establish a fair process, and preserve access to medical care