

Surprise Medical Billing: Surprise medical bills happen when an insured patient unintentionally receives medical care from an out-of-network provider. While most surprise medical bills stem from emergency care, they can also occur with planned in-network care, often when some providers within a facility or department are out-of-network. When patients face surprise medical bills, there are two additional costs they wouldn't have prepared for – the difference in patient cost-sharing between in- and out-of-network providers from their insurance plan, and balance billing. Balance billing is when a health care provider charges patients the full cost of their services because they don't have a contract with the network.

No Surprises Act: Congress included the No Surprises Act in the Consolidated Appropriations Act of 2021, which Rep. Davids voted for when it passed the House in December 2020. The bill establishes new federal protections against surprise medical bills and went into effect on January 1, 2022. The No Surprises Act protects consumers from surprise medical bills by:

- requiring private insurance plans to cover these surprise out-of-network claims and apply in-network cost sharing, and
- by prohibiting health care providers from billing patients more than the in-network cost sharing amount for those services.

This law ensures that patients are no longer caught in the middle of negotiations between insurance companies and health care providers and aren't left with expensive out-of-network charges. Instead, the law establishes a process for determining the payment amount for surprise out-of-network bills, using negotiations and an independent dispute resolution process. The No Surprises Act also includes other consumer protection and transparency provisions, like Rep. Davids' bill, the Insurance Accountability and Transparency Act, which requires insurance plans to more frequently update their provider directories so that patients have the most up-to-date information when making health care decisions.

The No Surprises Act's patient protections apply to most emergency services, air ambulances transportation, post-emergency stabilization services, and non-emergency services provided by out-of-network providers at in-network facilities like hospitals and ambulatory surgery centers. These protections do not extend to non-emergency services provided in facilities like birthing centers, clinics, hospice centers, addiction treatment facilities, nursing homes, or urgent care centers.

#### Information for Consumers:

- It will be up to health care providers and insurance plans to identify surprise medical bills for consumers.
- Health care providers covered under the No Surprises Act will be required to post a one-page disclosure notice publicly, summarizing the new protections. Providers must also give this disclosure notice to patients when they have received out-of-network care covered by this law.
- Insurance plans are also required to provide the disclosure notice to consumers with every Explanation of Benefits (EOB) that includes a claim for surprise medical bills.
- Patients can give prior written consent to waive these new surprise billing protections, but providers are never allowed to ask patients for this waiver.

If the law is not followed in full and patients receive balanced billing from their health care provider or insurance plan, they will need to seek help. The Department of Health and Human Services (HHS) is establishing a national complaints system for surprise medical bills, to go live on January 1, 2022. The toll-free number for the "No Surprises Health Desk" will be 1-800-985-3059.

If a consumer runs into enforcement issues:

- Individuals with self-insured employer-sponsored health plans (most workers fall under this category) should reach out to the Department of Labor (DOL) and the Department of Treasury with enforcement issues.
- Individuals with fully insured group plans and individual health insurance should reach out to their state insurance commissioner with enforcement issues.
- Individuals with self-insured plans sponsored by non-federal public employers should contact the Department of Health and Human Services (HHS) for enforcement issues.
- Individuals covered by the Federal Employees Health Benefits Program (FEHBP) should contact the Office of Personnel Management (OPM) with enforcement issues.