Health Care Leaders Unite to Protect Patients Against Surprise Medical Bills

Consumers, Businesses, and Insurance Providers Come Together to Protect Americans from Surprise Medical Bills

WASHINGTON, D.C. – December 10, 2018 – "Every American deserves affordable, high-quality coverage and care, as well as control over their own health care choices." That's according to nine organizations representing consumers, businesses, and health insurance providers that have joined forces to defend those rights.

These leading organizations have come together to advance core, guiding principles to protect patients from receiving surprise medical bills – often for tens of thousands of dollars – after getting the care they need. Organizations signing on to the principles include:

- America's Health Insurance Plans (AHIP)
- American Benefits Council
- Blue Cross Blue Shield Association
- Consumers Union
- The ERISA Industry Committee
- Families USA
- National Association of Health Underwriters
- National Business Group on Health
- National Retail Federation

These groups serve and cover hundreds of millions of Americans who rely on insurance coverage to meet their health care needs.

Health insurance providers develop networks to negotiate better value and lower costs for the consumers they serve. When doctors, hospitals, or care specialists choose not to participate in networks - or if they do not meet the standards for inclusion in a network - they charge whatever rates they like. The consequence is millions of consumers receiving surprise, unexpected medical bills that can often break the bank. According to a recent poll from Kaiser Family Foundation, one in 10 insured adults ages 18-64 say they received a surprise medical bill from an out-of-network provider in the past year.

By signing onto these guiding principles, the organizations agree:

- **Patients Should Be Protected from Surprise Medical Bills Through Federal Legislation.** The organizations support federal legislative action to end surprise medical bills.

- **Patients Should Be Informed When Care Is Out of Network.** Patients have a right to know about the costs of their treatment and options.

- **Federal Policy Should Protect Consumers from Surprise Medical Bills While Restraining Costs and Ensuring Quality Networks.** Putting patients first means enacting policies that protect consumers from surprise bills, while ensuring that those policies do not simultaneously increase premiums or other costs for consumers.

- **Payments to Out-of-Network Doctors Should be Based on a Federal Standard.** More than 100 million Americans are enrolled in a self-funded health plan. Protecting them requires a federal standard that reduces complexity while ensuring they cannot be surprise-billed.

Click here to review the full set of guiding principles.

About AHIP
America's Health Insurance Plans (AHIP) is the national trade association representing the health insurance community. AHIP's members provide health and supplemental benefits to millions of Americans through employer-provided coverage, the individual insurance market, and public programs such as Medicare and Medicaid. AHIP advocates for solutions that expand access to affordable health care coverage to all Americans through a competitive marketplace that fosters choice, quality, and innovation. Visit www.ahip.org for more information.

About American Benefits Council (ABC)
The Council is a public policy organization whose members include over 220 of the world's largest corporations, as ranked by Fortune and Forbes. Collectively, the Council's members either directly sponsor or administer health and retirement benefits for virtually all Americans covered by employer-sponsored plans. The Council advocates for these employers, connecting public policy and private-sector solutions to shape employee benefits for the evolving global workforce.

About the Blue Cross Blue Shield Association (BCBSA)
The Blue Cross and Blue Shield Association is a national federation of 36 independent, community-based and locally operated Blue Cross and Blue Shield companies that collectively provide health care coverage for one in three Americans. BCBSA provides health care insights through The Health of America Report series and the national BCBS Health Index[sm]. For more information on BCBSA and its member companies, please visit BCBS.com. We also encourage you to connect with us on Facebook, check out our videos on YouTube and follow us on Twitter.

About Consumers Union
Consumers Union is the advocacy division of Consumer Reports, an independent, nonprofit organization that works side by side with consumers to create a fairer, safer, and healthier world.

About The ERISA Industry Committee (ERIC)
The ERISA Industry Committee (ERIC) is the only national association that advocates exclusively for large employers on health, retirement, and compensation public policies at the state, federal, and local levels. Learn more at eric.org.

About Families USA
Families USA's purpose is to ensure that every individual in our nation has access to the best health and health care. We work to make specific, strategic, and systemic improvements to the health and health care of the nation – improvements that make a real difference in people's lives, particularly the most vulnerable in our nation.

About the National Association of Health Underwriters (NAHU)
The National Association of Health Underwriters represents more than 100,000 professional health insurance agents and brokers who provide insurance for millions of Americans. NAHU is headquartered in Washington, DC.

About the National Business Group on Health (NBGH)
The National Business Group on Health is the nation's only non-profit organization devoted exclusively to representing large employers' perspective on national health policy issues and helping companies optimize business performance through health improvement, innovation and health care management. The Business Group leads initiatives to address the most relevant health care issues facing employers today and enables human resource and benefit leaders to learn, share and leverage best practices from the most progressive companies. Business Group members, which include 74 Fortune 100 companies, provide health coverage for more than 50 million U.S. workers, retirees and their families.

About the National Retail Federation (NRF)
The National Retail Federation is the world's largest retail trade association. Based in Washington, D.C., NRF represents discount and department stores, home goods and specialty stores, Main Street merchants, grocers, wholesalers, chain restaurants and Internet retailers from the United States and more than 45 countries. Retail is the nation's largest private-sector employer, supporting one in four U.S. jobs – 42 million working Americans. Contributing $2.6 trillion to annual GDP, retail is a daily barometer for the nation's economy.

Quotes from Cosigners

"Surprise medical bills undermine the health and financial stability of the patients and consumers we serve. By agreeing to these guiding principles, we are showing our commitment to protect hardworking American families from these unexpected costs. Together, we can make a real difference in improving health care affordability and access for everyone." - Matt Eyles, President and CEO, America's Health Insurance Plans

"Employer-provided health coverage, enjoyed by more than 181 million Americans, gives working families financial security and peace of mind. The practice of 'surprise billing' undermines that security by striking plan participants when they are most vulnerable. These common-sense principles give families the protection they need from these unforeseen medical bills." - James A. Klein, President, American Benefits Council

"People have suffered too long from surprise out-of-network bills that they receive due to no fault of their own. Families across America deserve a national solution to this problem so that no matter where they live, they can trust that they will not face the burden of these unfair costs. To protect consumers, policy solutions to surprise bills must both prevent surprise bills and hold down costs overall. We appreciate the opportunity to work with Congress on a comprehensive solution to this consumer health care problem." - Claire McAndrew, Director of Campaigns and Partnerships, Families USA

"Patients who are doing the right thing, going to in-network hospitals, often are surprised when doctors or hospitals send them large, unexpected bills. Companies that sponsor health plans for their employees believe that it is imperative that we protect patients from these bills, and that we do so by eliminating the bills – not forcing someone else to pay, rewarding providers who want to charge without regard to networks, contracts or patient care. Next year Congress has an opportunity to truly solve this problem." - Annette Guarisco Fildes, President and CEO, The ERISA Industry Committee

"Surprise billing hurts patients and adds to the growing unaffordability of health care for many people. We need to work together to protect patients from extra bills when they go to a hospital covered by their health plan. These principles are a good start to help control health costs for all." -Brian Marcotte, President and CEO, National Business Group on Health

"Surprise bills are an unnecessary outrage presented to families at the worst of times. But the solution to surprise billing is not to shift the bills to employers or insurers. That will only increase costs for the families we cover, a fresh outrage no one can afford." - Neil Trautwein, Vice President for Health Care Policy, National Retail Federation

Standing Together for Patients: Protecting Americans from Surprise Medical Bills

Everyone in America deserves affordable, high-quality coverage and care, and control over their health care choices. Surprise medical bills undermine these values, putting the health and financial stability of millions of patients at risk every year. As organizations representing America's consumers, businesses, and health insurance providers, we all have a role to play in ensuring that patients are informed, engaged, and protected from excessive costs for the care they need. We agree on the following principles to best ensure that patients can get the care they need at costs they can afford:

- **Patients Should be Protected from Surprise Medical Bills.** We support federal legislative action to end surprise medical bills. Often, patients are treated in an emergency department that does not participate in their insurance network or by a specialist who does not participate, despite being at an in-network facility or doing all they can to ensure they are being treated in-network. Patients should not be financially penalized in cases when they receive out-of-network care through no fault of their own. In these circumstances, providers should be prohibited by law from billing the patient for costs not covered by their health plan.

- **Patients Should Be Informed When Care Is Out of Network.** Patients have a right to know about the costs of their treatment and options. They should receive complete information about whether facilities or providers do not participate in the patient's health plan and what that could mean for the patient's financial obligations. Patients should receive a notice that is meaningful, timely, specific, and in plain language. This disclosure should provide patients with a meaningful opportunity to seek in-network care and an estimate of the costs of out-of-network care.

- **Federal Policy Should Protect Consumers from Surprise Medical Bills While Restraining Costs and Ensuring Quality Networks.** Putting patients first means enacting policies that protect consumers from surprise bills while ensuring that such policies do not simultaneously increase premiums or other costs for consumers, or disincentivize network participation. Policy should encourage health plans and providers to collaborate by building networks that deliver high quality care and value. Federal policy should focus on ensuring that providers are fairly compensated for their services, while encouraging them to participate in high-value provider networks. Policies that excessively pay out-of-network doctors raise premiums for everyone, undermine networks and care coordination - increasing health care and coverage costs while decreasing value for patients. In setting a standard, Congress should ensure that the method does not lead to increased health costs for either the individual consumer or the health care system.

- **Payments to Out-of-Network Facilities and Doctors Regarding Surprise Billing Should be Based on a Federal Standard.** More than 100 million Americans are enrolled in self-funded health plans, and protecting those consumers requires federal action that reduces complexity while ensuring they cannot be surprise billed. Any federal standard for out-of-network payments should allow state flexibility for fully insured plans so long as a minimum federal threshold is achieved, but preserve ERISA's national, uniform rules for self-funded plans. Any federal standard for payments to out-of-network doctors should apply to self-funded ERISA health plans, as well as in states that don't enact their own standards for fully insured plans.

Accidents and illnesses happen, and no medical emergency should break the bank. By working together in accordance with these principles, we can ensure that every patient has the peace of mind that comes with knowing that they are able to get the best possible care, value, and personal control over their own well-being.