

# SURPRISE MEDICAL BILLS

Federal and state policymakers have made tackling rising health care costs a priority in recent years. They have focused partly on balance billing, which has gained media attention due to patients receiving “surprise” bills for emergency care. These bills typically represent charges an insurer did not cover because the patient received care from an out-of-network provider.

## How States Regulate Balance Billing

While federal lawmakers deliberate balance billing legislation on a national scale, half of states already have measures in place. In particular, a subset of nine states – **California, Connecticut, Florida, Illinois, Maryland, New Hampshire, New Jersey, New York and Oregon** – have adopted balance billing requirements more comprehensive than most states, including through these key provisions listed here.

These state policies do not apply to individuals in self-funded employer plans, which are exempt from state regulation. However, **New Jersey's** balance billing law extends to these consumers by giving federally regulated plans the option to participate in the state's dispute resolution process.

**1***Prohibiting*

PROVIDERS FROM BALANCE BILLING AND REQUIRING INSURERS TO HOLD THEIR MEMBERS HARMLESS

**2***Adopting*

REIMBURSEMENT RATE STANDARDS FOR PROVIDERS

**3***Establishing*

A PAYMENT DISPUTE RESOLUTION PROCESS FOR PROVIDERS AND INSURERS (EXCLUDING PATIENTS)

**4***Applying*

THE LAWS TO BOTH EMERGENCY DEPARTMENT AND IN-NETWORK HOSPITAL SETTINGS

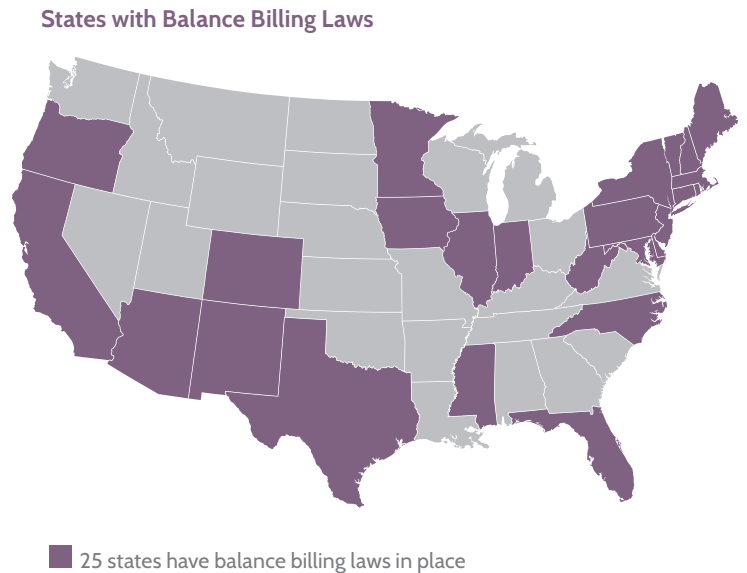
**5***Including*

BOTH HEALTH MAINTENANCE ORGANIZATIONS AND PREFERRED PROVIDER ORGANIZATIONS UNDER THE LAWS

## State Balance Billing Laws

As of January 18, 2019

	Prohibit Balance Billing and Hold Patients Harmless	Set Provider Payment Standards	Establish Dispute Resolution Process	Apply to ED and In-Network Services
CA	✓	✓	✓	✓
CT	✓	✓	✓	✓
FL	✓	✓	✓	✓
IL	✓	✓	✓	✓
MD	✓	✓	✓	✓
NH	✓	✓	✓	✓
NJ	✓	✓	✓	✓
NY	✓	✓	✓	✓
OR	✓	✓	✓	✓
AZ	✓	✓	✓	✓
CO	✓	✓	✓	✓
DE	✓	✓	✓	✓
IN	✓	✓	✓	✓
ME	✓	✓	✓	✓
MN	✓	✓	✓	✓
MS	✓	✓	✓	✓
RI	✓	✓	✓	✓
TX	✓	✓	✓	✓
	12 States	6 States	10 States	14 States



Source: State Efforts to Protect Consumers from Balance Billing. The Commonwealth Fund. January 2019.

## State Legislative Trends

As of this writing, at least 15 states (**California, Connecticut, Georgia, Hawaii, Kentucky, Massachusetts, Montana, New Mexico, Oklahoma, Oregon, Rhode Island, Texas, Vermont, Washington, and West Virginia**) have considered balance billing legislation in the 2019 legislative sessions. This includes states looking to expand existing laws and states examining this issue for the first time. Increasingly, states are

interested in health care cost transparency and patient education related to balance billing. For example, a bill in **Washington** state would require providers or insurers, or both, to notify patients about the possibility of balance billing and patient protections against unlawful balance billing. **Montana's** bill would require providers to notify patients in advance of a procedure's estimated cost.