



MAG Fact Sheet

"Surprise Medical Bills"

A "surprise medical bill" can occur when a patient receives health care services from a provider who isn't in their insurance company's network.

Surprise bills are more common in emergency care settings.

According to a 2018 AmeriSpeak® survey that was conducted by the National Opinion Research Center at the University of Chicago, 57 percent of U.S. adults say that they have received a bill for medical services they thought was covered by insurance.

MAG believes that patients should not have to pay more for emergency care if they haven't had an opportunity to select an "in-network" provider.

Getting quality care should always be a patient's number one priority - not trying to figure out which providers are in-network or worrying if they will be able to pay their bill.

Patients who go to an ER or hospital often don't know if the physicians they need to see are in or out of their health insurance network.

Because increasingly "narrow" health insurance networks are in a constant state of flux, physicians often don't know whether they are in or out of a given network from day to day.

Surprise bills are the result of health insurers padding their bottom line by offering narrower networks, which makes it more difficult for patients to get access to the care they need.

Surprise bills occur when insurers shift costs that they should bear to out-of-network physicians and other health care providers, who are then forced to bill and the patient for the balance of what they are owed.

Health insurance companies are also increasing their profits by reimbursing out-of-network health care providers based on a 'median in-network' rate" - which often doesn't reflect the full or true cost of providing the care, can't be verified, and is easily manipulated.

Insurers often subject physicians to inadequate, take-it-or-leave-it contracts - forcing many to leave the insurer's network.

MAG continues to work with legislators and allied physician and patient advocacy groups to develop a permanent and comprehensive solution for surprise bills that will...

- Get patients out of the middle of the process.
- Result in greater insurer transparency, including what they charge for out-of-network care and maintaining accurate and up-to-date provider directories – so patients have the information they need to make good decisions.
- Establish a standard and fair physician payment model for out-of-network emergency care.
- Establish a patient/physician mediation process for surprise bills.
- Use neutral third parties to resolve insurer/provider disputes – an approach that a Georgetown University analysis found has reduced the charges associated with out-of-network physicians by 13 percent and out-of-network billing by 34 percent in New York.

With more than 8,000 members, MAG is the leading voice for physicians in Georgia. MAG represents physicians in every specialty and practice setting. Go to www.mag.org for additional information. MAG members can contact Derek Norton at dnorton@mag.org with questions.

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