



Ways and Means Committee Surprise Medical Billing Plan

Ways and Means Committee Chairman Richard E. Neal and Ranking Member Brady today announced a bipartisan agreement to move forward with protecting patients from surprise bills.

First and Foremost: Protecting the Patient. Patients on the receiving end of a surprise medical bill from an emergency room provider or an out-of-network provider at an in-network facility will be held harmless for cost-sharing at the in-network rate. Any patient payments will count toward the in-network deductible and maximum out-of-pocket cost limits. For all patients, the agreement improves information patients receive regarding networks and anticipated costs, provides consumers with a transition period of coverage when networks change, and prevents patients from getting bills long after services were provided.

Improved Information Regarding Provider Networks & Enhanced Consumer Protections.

- A True and Honest Advanced Cost Estimate and Explanation of Benefits for Patients.
- Continuity of Care for Patients when Networks Change.
- Timely Billing Requirements.
- Increasing Transparency on Network Status and Price Information.
- Reporting to Increase Transparency of the Health Care System.

Robust Reconciliation Process. The agreement respects the private market dynamics between insurance plans and providers and first allows them to work out differences without interference. If the parties cannot come to agreement on their own, the agreement provides for a robust, impartial, and structured process to settle payment, which includes:

- Strong conflict-of-interest protections.
- Timely decisions.
- Clear criteria for payment resolution.
- Evidence considered must include payments made to similar providers for similar services in similar areas.
- Designed to protect against inadvertently raising health care costs.

Uninsured patients— or patients paying with cash— will be able to access this process if they were provided misleading cost information from a provider prior to seeking services.

Disincentives for Frivolous Use. The party that loses the decision will pay a reconciliation process fee. In addition, a surcharge will be applied to providers and plans that use the process in excess of certain pre-determined thresholds. Annual reporting of the decisions rendered through the process will also be required.

Preserving Existing State Laws. For states that have already addressed surprise billing, the agreement will let those protections remain in place.