



Background:

Surprise medical bills – large, unanticipated out-of-pocket expenses that insured patients incur through no fault of their own – have a devastating financial impact on patients and their access to health care.

According to a recent survey, **57 percent of consumers report they have received an unexpected medical bill that they thought would be covered by their insurance.** A separate survey found that seven in 10 patients who have received unaffordable out-of-network medical bills were unaware that their provider was out-of-network at the time they received the services.

Congress must act to protect patients from devastating out-of-pocket costs – including the nearly 160 million Americans who have employer-sponsored health insurance. A federal solution is necessary, because even where states have enacted reforms to protect patients, these reforms cannot cover all individuals with employer-sponsored coverage.

Ban Surprise Billing Act:

The bipartisan *Ban Surprise Billing Act* provides important consumer protections for Americans who receive health care coverage through their employer and for those enrolled in the individual market.

- ✓ Holds patients harmless by limiting cost-sharing under the plan to the in-network rate and prohibiting out-of-network providers from sending balance bills that exceed the in-network rate.
- ✓ Requires that any costs for out-of-network care that would have otherwise resulted in a surprise bill be counted toward the in-network deductible or out-of-pocket maximum.
- ✓ Protects air ambulance patients and takes steps to address ground ambulance surprise bills.
- ✓ Establishes two mechanisms to resolve payment disputes between providers and payers:
 - For amounts less than or equal to \$750 (or \$25,000 for air ambulance services), relies on a market-based benchmark of the *median in-network rate* of providing similar items or services in the same geographic area.
 - For amounts above \$750 (\$25,000 for air ambulance services), providers and payers may elect to use independent dispute resolution (IDR) to determine a fair payment amount.
- ✓ Includes a number of bipartisan reforms to improve transparency in health coverage, including:
 - Requiring health plans to maintain up-to-date and accurate provider directories.
 - Improving consumer access to information regarding expected cost-sharing.
 - Improving transparency regarding in-network and out-of-network deductibles and out-of-pocket limitations.