

Protect Patients from Unanticipated Care

When insured patients are treated in the hospital, they should be confident in the knowledge that their health insurance will cover them. Unfortunately, a growing number of patients are finding out too late that their coverage is less comprehensive than they originally thought. Increasingly, insurers are making unsuspecting patients responsible for additional payments of “covered services” provided by hospital-based physicians who are not in their insurer’s network. Insurers have worsened this problem by enticing consumers to enroll in plans with ever-growing deductibles and ever-narrowing networks of providers. These are intentional business decisions by the insurers that allow them to reduce costs by shifting significantly more of the cost-sharing burden onto patients and by limiting the pool of physicians in their networks to those who agree to contract at greatly reduced rates. Since the insurance industry is intensifying its efforts to narrow networks further and force more physicians out of network, we believe a fair and equitable solution should be developed that would address the out-of-network balance billing issue and protect unsuspecting patients from significant financial hardships simply because the hospital services they needed at that moment were provided by an out-of-network physician.

Why do patients receive surprise medical bills?

Patients can’t choose where and when they will need emergency care and they shouldn’t be punished financially for having emergencies. Health plans are purposefully creating even narrower networks for emergency care, knowing that hospital emergency departments are required by federal law to care for all patients, regardless of their ability to pay. This means insurers can easily shift more medical costs to patients and make record profits. No insurance plan is affordable if it abandons you in an emergency – and that’s exactly what the insurance companies are doing.

How can we fix the insurance gap?

Health insurance companies need to stop playing games with patient coverage and concealing their narrowing coverage networks. To solve the surprise insurance coverage gap, we advocate for state legislation that ensures every state’s “Patient Bill of Rights,” including:

- **Patients should be held financially harmless** for unexpected out-of-network (OON) care.
- **In-network rates should be applied** to any patient deductibles and cost-sharing.
- **An appropriate and fair standard** should be created for out-of-network services using a reimbursement schedule connected to an independently recognized and verified charge-based database.
- **Physicians should no longer submit balance bills** to patients for unexpected out-of-network services.
- **Insurers should be prevented** from providing false, misleading, and/or confusing information in regard to coverage.
- **Strong penalties for insurance companies and physicians** that violate this law should be established so patients are always protected.
- **Greater transparency** should be required of insurers. Specifically, network provider directories should be easily accessible for both patients and physicians, updated immediately and completely accurate.