

NATIONAL COALITION ON BENEFITS

June 14, 2019

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, DC 20515

The Honorable Mitch McConnell
Majority Leader
United States Senate
Washington, DC 20510

The Honorable Kevin McCarthy
House Minority Leader
Washington, DC 20515

The Honorable Charles E. Schumer
Senate Minority Leader
Washington, DC 20510

Dear Leaders Pelosi, McConnell, McCarthy and Schumer:

Employers are greatly concerned about the toll that unexpected and oftentimes significant medical bills can place on working families. When facility-based physicians decline to participate in networks, the amount they can bill for services is unlimited. Surprise medical bills from out-of-network emergency room physicians, radiologists, anesthesiologists, and pathologists (ERAP) are particularly problematic. In most instances, the patient is seeking treatment at an in-network facility when these out-of-network facility-based physicians perform ancillary services. While many employers protect employees and their families from balance billing in these situations and offer assistance to patients faced with a surprise bill, the underlying problems persist, and undermine employer and patient efforts to seek better health care value and lower costs.

We urge Congress to consider the following priorities in crafting legislation to protect patients from surprise medical bills *without undermining access to high-quality, value-based health care networks or resulting in higher health care costs*. Accordingly, we urge Congress to oppose any proposal that would force employers/plan sponsors to pay medical list prices. We believe that federal legislation in keeping with the following priorities can bring better care to the 181 million Americans who receive health insurance through an employer-sponsored plan.

- **End surprise billing**: Any effort must begin with eliminating balance billing by emergency providers, out-of-network (OON) providers at in-network facilities, and ancillary providers who consistently produce surprise bills under the current system because patients lack a meaningful role in their selection. Solutions should also reduce the occurrence of surprise bills in the first place.

- **Promote better quality and lower cost for consumers:** Health plan networks promote better quality and lower costs for consumers. Federal legislation to address surprise billing should not incentivize providers to continue to reject network participation. Solutions to surprise billing should serve to lower, not increase, premiums and costs for consumers.
- **Establish a fair market-based benchmark rate** to be paid by health plan sponsors to out-of-network ERAP providers without creating a process where out-of-network list prices are a possibility. We support the draft proposal that would establish a payment standard set at the median rate a plan sponsor would pay to in-network ERAP providers in the geographic market.
- **Require Transparency:** Patients and consumers have a right to be adequately informed of potential health care charges and to authorize any non-emergency treatment for which they will be billed by an OON facility-based physician at an in-network hospital. Facility-based physicians should disclose cost and quality data so patients can make informed choices about treatment.
- **Preserve National Uniformity:** The National Coalition on Benefits is a coalition of business and associations established to protect the ability of employers to provide uniform health and retirement benefits to employees and retirees across the country. ERISA provides the framework that allows employers and employees to benefit from reduced costs that come from uniformity in plan design and administration without the burdens of a patchwork of state and local laws. We are concerned about any legislative change that affects uniformity in plan offerings for our employees and their families. Federal legislation should not require employers to comply with state laws that govern the offering of health coverage to employees. Self-insured plans must not be subject to state laws relating to surprise OON billing.

Thank you for your consideration of these priorities. We look forward to working with you and other stakeholders toward a viable solution to the burden of surprise medical billing.

Sincerely,

The National Coalition on Benefits

cc: Members, United States Congress