

DISCUSSION DRAFT FOR COMMENT
Released by Chairman Pallone and Ranking Member Walden
House Energy and Commerce Committee
May 14, 2019

The No Surprises Act

American families need relief from the problem of surprise medical bills, that are leaving families across the country with crippling amounts of financial debt. Chairman Pallone and Ranking Member Walden have begun the process of addressing this critical consumer issue by releasing a discussion draft of the *No Surprises Act*. Specifically, the draft would:

Prohibit surprise medical bills and hold patients harmless in emergency situations

- Patients are at their most vulnerable when they experience a medical emergency and simply have no ability to consider whether a provider is in-network or out-of-network.
- The *No Surprises Act* prohibits balance billing for all emergency services and patients would only be held responsible for the amount they would have paid in-network.

Increase transparency and empower patient choice

- Even the most educated consumers have a hard time navigating our healthcare system. It is critical that providers, hospitals, and insurers all do a better job of helping patients understand their health insurance coverage.
- The *No Surprises Act* requires that patients receiving scheduled care be given written and oral notice at the time of scheduling about the provider's network status and any potential charges they could be liable for if treated by an out-of-network provider.
- If a patient does not sign a consent form acknowledging that the provider is out-of-network the patient can not be balance billed.

Prohibit surprise medical bills from providers that patients cannot reasonably choose

- Patients receiving scheduled care should be fully notified about whether providers are in or out of their network; however, in some cases notice is not practical.
- There are far too many stories of consumers scheduling care with an in-network provider only to later get hit by a bill from a facility-based provider they did not choose.
- The *No Surprises Act* prohibits balance bills from providers patients cannot reasonably choose.

Establish a market-based benchmark to resolve out-of-network payment disputes between providers and insurers

- Payment disputes between providers and insurers must be resolved in a manner that takes the patient out of the middle, is transparent and does not increase federal healthcare expenditures.
- The *No Surprises Act* establishes a minimum payment standard set at the median contracted (in-network) rate for the service in the geographic area the service was delivered. It also preserves a state's ability to determine their own payment standards for plans regulated by the state.

Encourage the development of state all-payer claims databases

- State based all-payer claims databases have the potential to shine a light on healthcare costs and spur innovative policy solutions.
- The *No Surprises Act* provides \$50 million in grants for states looking to develop or maintain an all-payer claims database.