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Council testifies before House health subcommittee

Addressing ‘surprise’ medical billing a critical component of lowering health care costs

WASHINGTON, DC - “Lowering health care costs should be the No. 1 health policy priority for lawmakers in Congress,” American Benefits Council Senior Vice President, Health Policy, Ilyse Schuman said today. “One key component of that strategy should be to take the ‘surprise’ out of ‘surprise’ medical billing.”

“Surprise” billing refers to instances in which participants and plans are billed for services provided by an out-of-network provider or for non-emergency treatment by an out-of-network provider at an in-network facility. Employers are deeply concerned about the burden that surprise medical bills place on their employees. Despite the efforts of employers to prevent unexpected balance billing and help employees faced with these bills, the underlying problem persists.

As Schuman [testified before the U.S. House of Representatives Education and Labor Subcommittee on Health, Employment, Labor and Pensions on April 2](#), policymakers should prohibit balance-billing patients for emergency services “in a manner that protects patients without undermining access to high-quality, high-value networks or increasing health care costs for individuals and employers.”

Shuman added that, “while a number of states have sought to address this problem through regulation of health insurance sold in the state, adequately addressing this problem in a way that limits the financial burden on all consumers necessitates a federal solution.

To address the drivers of “surprise billing” – a lack of meaningful patient choice, the changing landscape for out-of-network reimbursement and the market distortion that encourages certain hospital-based specialty physicians to charge higher rates by staying out-of-network – the

Council offered a series of recommendations for addressing the problem of surprise balance billing at its root and in a nationally uniform manner, including capping patient cost-sharing at in-network amounts, increasing disclosure and transparency and the establishing a reasonable federal reimbursement structure that does not undermine high-quality, high value networks. Health plan networks are an important tool used by employers to lower the cost and improve the quality of care for employees and their families.

“The Council shares the subcommittee’s concern with surprise medical bills and the financial pain they inflict on patients. We look forward to working together on a solution that cures this problem, not merely masks its symptoms,” Schuman said.

Addressing “surprise” billing is an important part of the Council’s recommendations for lowering overall health care costs, as described in its March 1 [written recommendations to the U.S. Senate Health, Education, Labor and Pensions Committee](#).

For more information on health policy, or to arrange an interview with Schuman, contact Jason Hammersla, Council vice president, communications, at jhammersla@abcstaff.org or by phone at 202-289-6700 (office) or (202) 422-4652 (cell).

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