



**Colorado Consumer
Health Initiative**

Surprise Out-of-Network Billing: The Consumer Perspective

National Council of Insurance Legislators, Dec. 7, 2018

Debra Judy

303-839-1261

djudy@cohealthinitiative.org

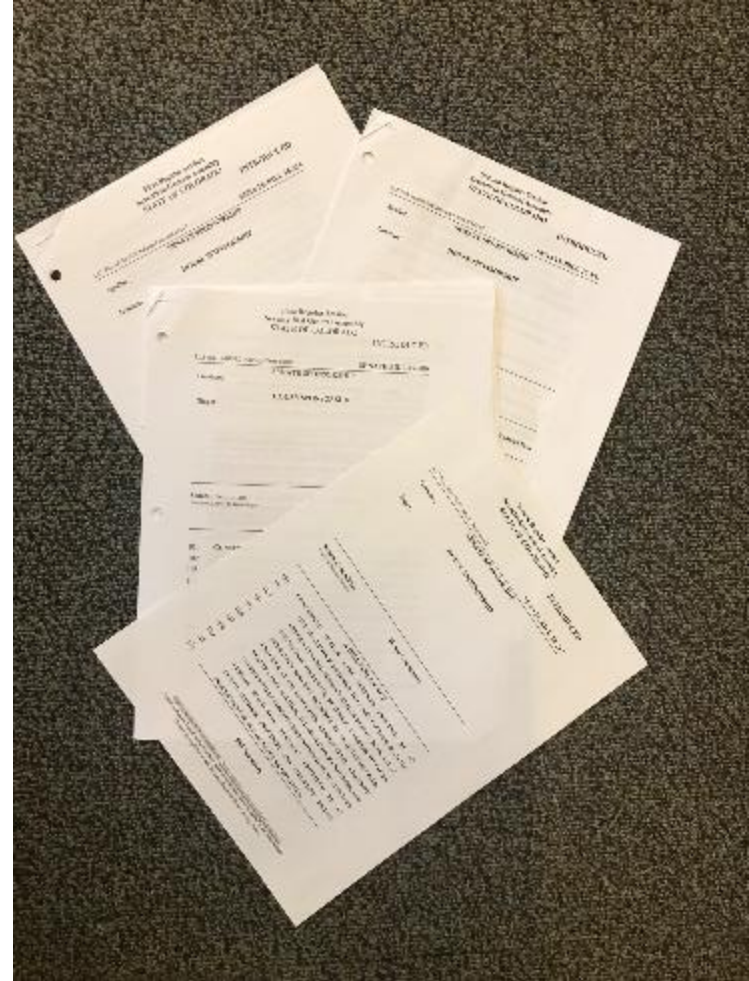
The CO Consumer Health Initiative

Our Mission: CCHI advances the consumer voice to improve access to health care for all Coloradans by working statewide for progress toward equity, access, affordability, and quality.

Our Vision: All Coloradans have equitable access to affordable, high quality health care.

The Colorado Experience

CRS 10-16-704(3)(b): When a covered person receives services or treatment in accordance with plan provisions at a network facility, the benefit level for all covered services and treatment received through the facility shall be the in-network benefit. Covered services or treatment rendered at a network facility, including covered ancillary services or treatment rendered by an out-of-network provider performing the services or treatment at a network facility, shall be covered at no greater cost to the covered person than if the services or treatment were obtained from an in-network provider.

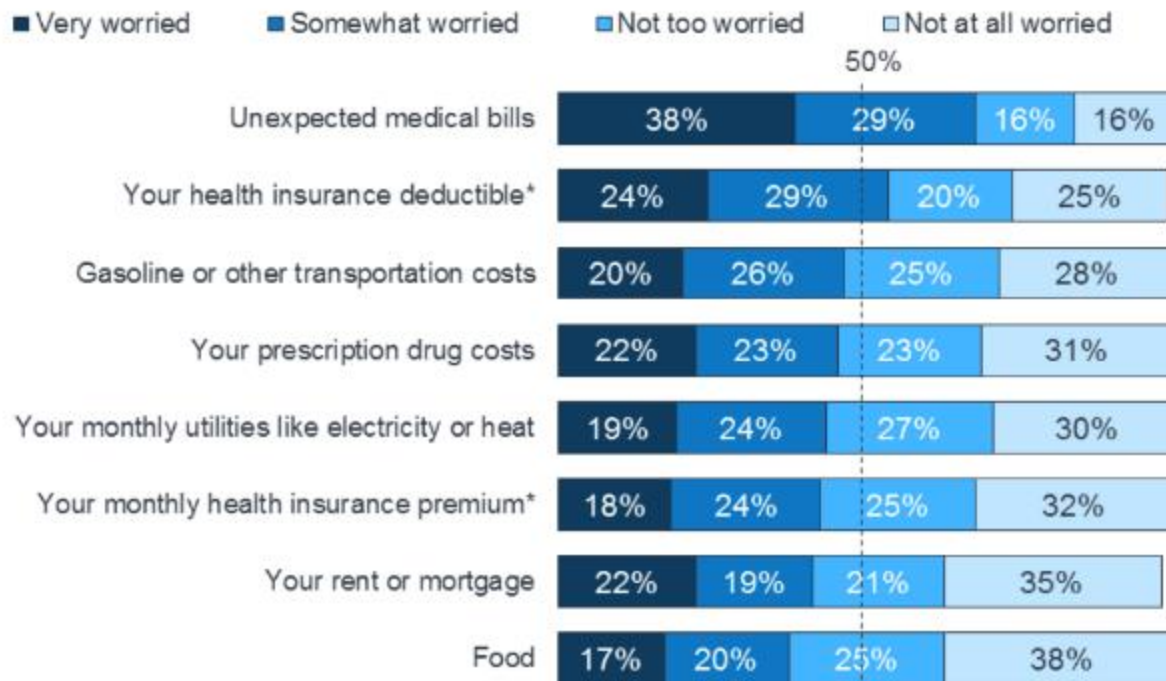


The Consumer Experience

Figure 7

Large Majority Are Worried About Being Able To Afford Surprise Medical Bills For Them And Their Family

How worried, if at all, are you about being able to afford each of the following for you and your family?



NOTE: *Among insured. "Not applicable (Vol.)" and Don't know/Refused responses not shown. Question wording modified. See topline for full question wording.

SOURCE: KFF Health Tracking Poll (conducted August 23-28, 2018)



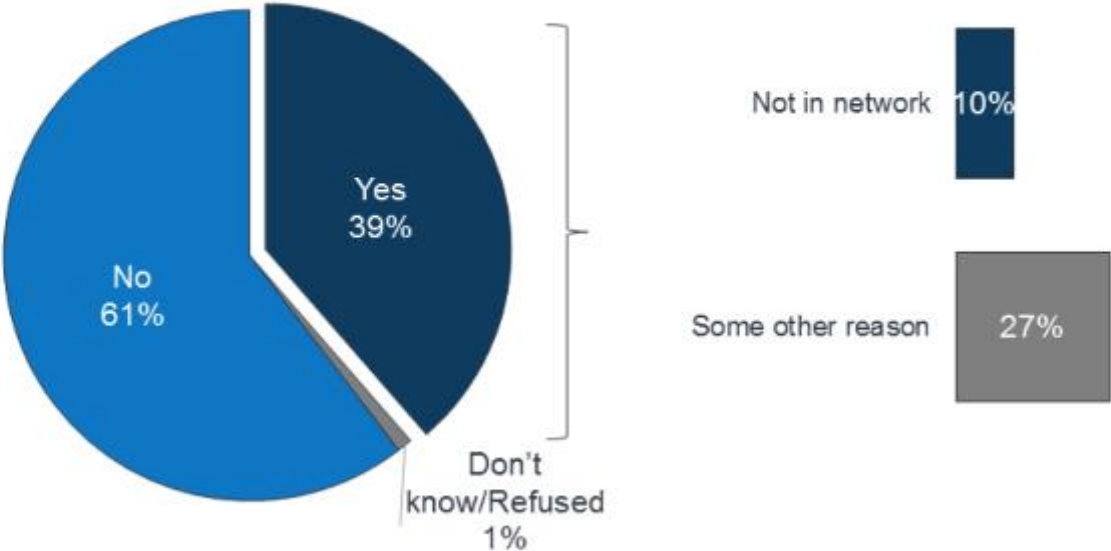
Source: <https://www.kff.org/health-costs/poll-finding/kaiser-health-tracking-poll-late-summer-2018-the-election-pre-existing-conditions-and-surprises-on-medical-bills/>

Scope of the Problem

Medical Bill, One In Ten Had Surprise Out-Of-Network Bill

Was there a time in the past 12 months when you received care from a doctor, hospital, or lab you thought was covered, and your health plan did not cover the bill at all, or paid less than you expected, or not?

ASKED OF THE 39% WHO HAD AN UNEXPECTED MEDICAL BILL:
Was it because the provider was not in the plan's network, or for some other reason?



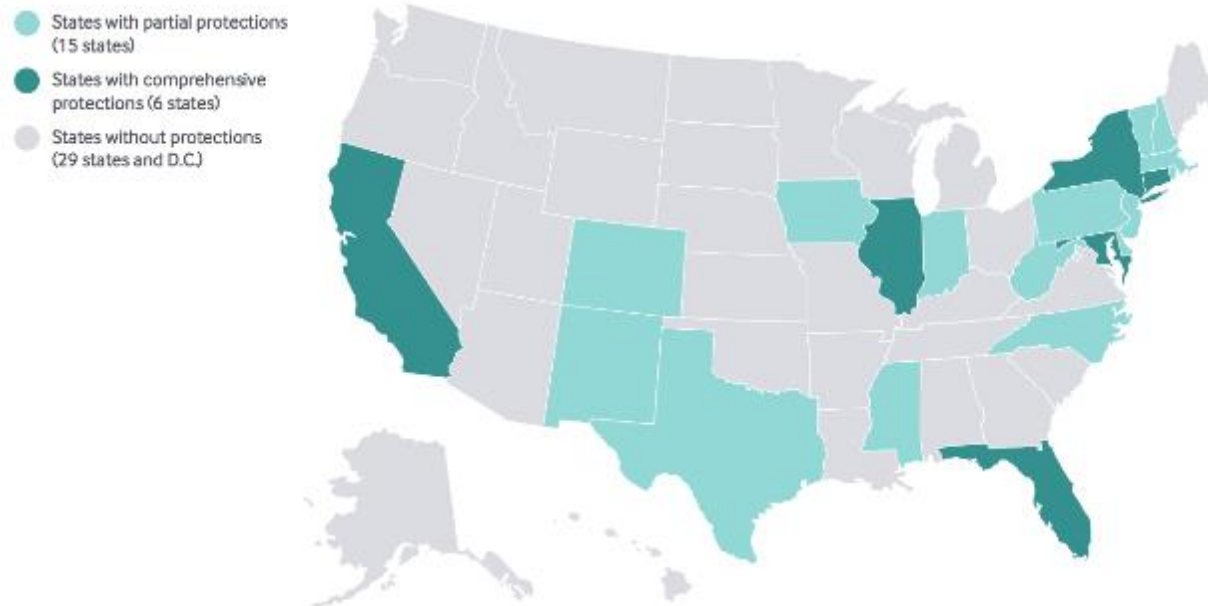
NOTE: Percentages based on adults 18-64 with health insurance. For second question, Don't know/Refused responses not shown. Question wording modified. See topline for full question wording.
SOURCE: KFF Health Tracking Poll (conducted August 23-28, 2018)



Source: <https://www.kff.org/health-costs/poll-finding/kaiser-health-tracking-poll-late-summer-2018-the-election-pre-existing-conditions-and-surprises-on-medical-bills/>

The State Landscape

Exhibit 1. State Laws Protecting Against Balance Billing by Out-of-Network Providers in Emergency Departments or In-Network Hospitals



Source: Data collection and analysis as of January 2017 by researchers at the Center on Health Insurance Reforms, Health Policy Institute, McCourt School of Public Policy, Georgetown University.

Source: Lucia, Hoadley & Williams (2017). Balance Billing by Health Care Providers: Assessing Consumer Protections Across States.

https://www.commonwealthfund.org/sites/default/files/documents/___media_files_publications_issue_brief_2017_jun_lucia_balance_billing_ib.pdf

Critical Consumer Protections

- Applicability to both emergency rooms and in network facilities
- Requirements for carriers to hold consumers harmless
- Prohibition on provider balance billing
- Benchmark payment and/or dispute mechanism
- Notice to consumers



Benchmark Payment Options

- Multiple of Medicare rates
- Percentile of billed charges
- Average in-network rate
- Usual and customary rate
- Reasonable rate



Other Considerations

- Repayment?
- Enforcement?
- Ancillary services?



For further questions:

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