

## PROTECTING TEXANS FROM SURPRISE MEDICAL BILLS

In an emergency, patients must rush to the nearest emergency room. They have no ability to pick the doctors who treat them and typically do not know if those doctors are part of their insurance network. Too often, in emergencies and other health care settings where patients do not pick their providers, care is followed by surprise medical bills. Insured patients are already responsible for their premiums, deductibles, and copayments. They should not receive additional surprise out-of-network charges when they have no ability to ensure their care is in-network.

As organizations representing Texas consumers, businesses, and health insurance providers, we all have a role to play in ensuring that patients are informed, engaged, and protected from excessive costs for the health care they need. We agree on the following principles to best ensure that patients can get the care they need at costs they can afford:

**Everyone in Texas deserves affordable, high-quality coverage and care, and control over their health care choices.** Surprise medical bills undermine these values, putting the health and financial stability of millions of patients at risk every year.

**Patients Should be Protected from Surprise Medical Bills.** Texas leaders have taken steps over the past decade to create protections from surprise medical bills. Leaders must now act to fully protect consumers from unexpected bills. Patients should not be financially penalized in cases when they receive out-of-network care through no fault of their own. In these circumstances, providers should be prohibited by law from sending a surprise bill to the patient.

**Health Care Providers Should be Fairly Compensated.** Providers should have the ability to challenge out-of-network payment amounts they consider too low. A fair and independent dispute resolution process will allow out-of-network providers to challenge insurer payments and reach a fair price. Texas' mediation system works well in this regard today and has resulted in additional payments by insurers on thousands of claims. The Department of Insurance should be able to identify and intervene if an insurer shows a pattern of paying unreasonably low amounts to out-of-network providers.

**State Policy Should Restrain Costs and Ensure Quality Networks.** Texas leaders should focus on encouraging health plans and providers to collaborate by building networks that deliver high quality care and value. Unreasonably high payment standards for out-of-network care will raise premiums and erode networks. Unreasonably low payment standards will create concerns about access to care.

**Patients Should Be Informed When Care Is Out of Network.** Patients have a right to know about the costs of their treatments and options. They should receive complete information about whether or not physicians, facilities and other providers participate in the patient's health plan network and what that could mean for the patient's financial obligations. Patients should receive a notice that a provider is not in-network that is meaningful, timely, specific, and in plain language. This disclosure should provide patients with a meaningful opportunity to seek in-network care and an estimate of the costs of out-of-network care.

AARP Texas  
Center for Public Policy Priorities  
NFIB  
National Multiple Sclerosis Society

Texas Association of Business  
Texas Association of Health Plans  
Texas Association of Life & Health Insurers  
Texas Association of Health Underwriters