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Statement: Draft Legislation Will Provide Critical Protection for Consumers from Surprise Medical Bills

June 4, 2019, San Francisco (CA) – **Pacific Business Group on Health released the following statement regarding the draft Congressional legislation on surprise medical bills.**

The Pacific Business Group on Health commends the Senate Health Education Labor and Pensions (HELP) Committee and the House Energy and Commerce Committee on the release of bipartisan draft legislation to protect consumers from surprise medical bills.

Surprise medical bills—occurring when individuals receive services from an out-of-network provider due to no fault of their own—can amount to hundreds or even thousands of dollars in medical costs that consumers are unprepared to pay. These include air ambulance or even services such as anesthesia from an out of network anesthesiologist provided in an in-network facility.

Large employers are seeking market-based solutions to the nation’s increasing health care costs, but we believe that public policy interventions are needed when markets fail. In these situations, it is difficult for even the most innovative purchasers to achieve high quality and affordable care and coverage for their employees. In the specific case of surprise bills, policy makers must take steps to protect consumers and hold down the overall costs of care.

PBGH strongly supports the elements of the draft legislation from the Senate and House Committees that hold consumers harmless from surprise medical bills that they receive due to no fault of their own. We also support transparency and advance notice requirements to ensure that consumers are aware of the potential costs of using out-of-network providers.

In addition to these consumer protections, PBGH endorses the elements of the draft legislation that would hold down overall health costs. Specifically, PBGH supports setting price limits based on the average payment to specialty physicians, e.g., 125% of Medicare payment rates. We do not prefer the use of price caps based on an average of existing private payment rates, since the resulting benchmarks will reflect prices that are already too high.

Finally, PBGH strongly believes that ground and air ambulance services should be included in the services subject to these policies.

Surprise billing legislation represents a rare opportunity for lawmakers to deliver relief to families and purchasers in a bipartisan fashion. We urge the full Congress to pass bills that will protect consumers from surprise bills and reduce the overall costs of health care services.

ABOUT THE PACIFIC BUSINESS GROUP ON HEALTH

The Pacific Business Group on Health (PBGH) is a non-profit business coalition focused on improving the quality and affordability of health care. The group represents more than 60 large employers and other health care purchasing members, who provide coverage to nearly ten million individuals in the United States. PBGH supports some of the largest companies in the country in implementing innovative solutions to improve health care outcomes and value. Learn more at pbgh.org.

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