

## Dec. 18, 2020: Advocacy Update spotlight on first look at “No Surprises Act” favors commercial health plans

---

Editor’s note: This week’s issue will be the last for the year. We will resume publishing in 2021.

### First look at “No Surprises Act” favors commercial health plans

“As we have stated many times before, the AMA strongly supports protecting patients from the financial impact of unanticipated medical bills that arise when patients reasonably believe that the care they received would be covered by their health insurer, but it was not because their insurer did not have an adequate network of contracted physicians to meet their needs,” AMA Executive Vice President and CEO James L. Madara, MD, wrote in a letter to Congressional leaders (PDF). “In these cases, patients should be responsible only for cost-sharing amounts they would otherwise have been subject to if the care had been provided in-network, and these costs should count toward their in-network out-of-pocket maximums and annual deductibles,” Dr. Madara added.

But Dr. Madara noted that the complexity of the process is such that many physicians—particularly those in smaller practices—may not have the resources to take advantage of the IDR process to obtain fair compensation for their services. Due to constraints created by the COVID-19 pandemic, physicians have averaged a 32% drop in revenue since February, according to a recent AMA survey. Additionally, the Congressional Budget Office has predicted that there will soon be significant reductions of in-network rates, the 2021 Medicare physician payment schedule calls for significant cuts for several medical specialties, and the 2% Medicare sequester will compound the financial stress on physician practices and “strain the ability of small practices to keep their doors open,” Dr. Madara wrote. The AMA remains committed to working with Congress to find a solution. At the time of this writing, negotiators had not yet determined what changes they might make to the No Surprises Act or whether it would ultimately be included in an end-of-year legislative package. The AMA has developed a five-page summary of the bill that identifies the elements of the bill in more detail.

### More articles in this issue

- Dec. 18, 2020: National Advocacy Update
- Dec. 18, 2020: State Advocacy Update
- Dec. 18, 2020: Judicial Advocacy Update
- Dec. 18, 2020: Advocacy Update other news