AMERICAN MEDICAL ASSOCIATION HOUSE OF DELEGATES

Resolution: 1
(I-20)

Introduced by: International Medical Graduates Section

Subject: Surprise Medical Bills

Referred to: Reference Committee
(, Chair)

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Whereas, Many patients receive care from physicians who are not in their insurance network for multiple reasons; and

Whereas, This leads to unexpected and surprise medical bills to the patients even in emergency situations; and

Whereas, Insurance companies either deny it outright or pay a very minimal amount leaving a large unexpected balance for the patient; and

Whereas, There are multiple bills being considered both at the national and state level to address this problem; and

Whereas, AMA has an extensive policy addressing this issue as follows;

Out-of-Network Care H-285.904

1. Our AMA adopts the following principles related to unanticipated out-of-network care:

    A. Patients must not be financially penalized for receiving unanticipated care from an out-of-network provider.
    B. Insurers must meet appropriate network adequacy standards that include adequate patient access to care, including access to hospital-based physician specialties. State regulators should enforce such standards through active regulation of health insurance company plans.
    C. Insurers must be transparent and proactive in informing enrollees about all deductibles, copayments and other out-of-pocket costs that enrollees may incur.
    D. Prior to scheduled procedures, insurers must provide enrollees with reasonable and timely access to in-network physicians.
    E. Patients who are seeking emergency care should be protected under the "prudent layperson" legal standard as established in state and federal law, without regard to prior authorization or retrospective denial for services after emergency care is rendered.
    F. Out-of-network payments must not be based on a contrived percentage of the Medicare rate or rates determined by the insurance company.
    G. Minimum coverage standards for unanticipated out-of-network services should be identified. Minimum coverage standards should pay out-of-network providers at the usual and customary out-of-network charges for services, with the definition of usual and customary based upon a percentile of all out-of-network charges for the particular health care service performed by a provider in the same or similar specialty and provided in the same geographical area as reported by a benchmarking database. Such a benchmarking

database must be independently recognized and verifiable, completely transparent, independent of the control of either payers or providers and maintained by a non-profit organization. The non-profit organization shall not be affiliated with an insurer, a municipal cooperative health benefit plan or health management organization.

H. Mediation should be permitted in those instances where a physician's unique background or skills (e.g. the Gould Criteria) are not accounted for within a minimum coverage standard.

2. Our AMA will advocate for the principles delineated in Policy H-285.904 for all health plans, including ERISA plans.

3. Our AMA will advocate that any legislation addressing surprise out of network medical bills use an independent, non-conflicted database of commercial charges.

Whereas, AMA policy asks for mediation or dispute resolution mechanisms only in selected instances; therefore, be it

RESOLVED, That the American Medical Association Policy H-285.904 be amended with following changes to item H to read as follows:

Mediation/and or Independent Dispute Resolution should be permitted in all circumstances as an option or alternative to come to payment resolution between insurers and providers.

Fiscal Note: Not yet determined

Received:

**RELEVANT AMA POLICY**

Out-of-Network Care H-285.904

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C. Insurers must be transparent and proactive in informing enrollees about all deductibles, copayments and other out-of-pocket costs that enrollees may incur.
D. Prior to scheduled procedures, insurers must provide enrollees with reasonable and timely access to in-network physicians.
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layperson" legal standard as established in state and federal law, without regard to prior authorization or retrospective denial for services after emergency care is rendered.
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Res. 108, A-17 Reaffirmation: A-18 Appended: Res. 104, A-18 Reaffirmed in lieu of: Res. 225 , I-18 Reaffirmation: A-19 Reaffirmed: Res. 210, A-19 Appended: Res. 211, A-19