

CLIENT ALERT: The End of Surprise Billing

FEATURED ATTORNEY



Patrick Formato

Executive Partner

By Patrick Formato

On December 21, 2020 Congress passed a bipartisan, bicameral legislative act to stop the practice of surprise billing for most health care providers. At issue are the medical bills that patients get after receiving care from out-of-network physicians or hospitals, often in emergency situations.

Once signed by President Trump, patients will only be responsible for their in-network obligations when they don't have the ability to choose an in-network provider.

Out-of-network providers will be prohibited from billing a patient for the amounts in excess of the in-network obligations unless the patient consents and is provided with (i) notice of the out-of-network status and (ii) an estimate of charges 72 hours in advance. Although the statute will apply for air ambulance services, it will exclude ground ambulance services.

Insurers and out-of-network providers would resolve the remaining bill through negotiation or an independent dispute resolution process which would consider an array of factors including (i) the median in-network rate, (ii) previous contracts, (iii) the complexity of services, (iv) training of the provider, (v) market share of the parties and (vi) other factors.

When assessing median in-network rates, the arbitrators will be prohibited from considering Medicare or Medicaid payment rates due to governmental payors being lower than private insurance rates.

These changes are expected to take effect in January 2022.

The [healthcare attorneys](#) at Abrams Fensterman, LLP are committed to providing you with the most current and accurate information and guidance. If you have any questions, please contact [Patrick Formato, Esq.](#), [Ayman Soliman, Esq.](#), [Michael Gurman, Esq.](#), [Jonathan Rogoff, Esq.](#), or any other attorney in our health law practice group.