

A large, light blue silhouette of a lighthouse tower is positioned on the left side of the slide, extending from the top to the bottom. The tower has a multi-tiered lantern room with a grid pattern.

# Surprise Billing Overview and Considerations

Amy Graham

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# Agenda:

- Webinar 1 Highlights
- State comparison to Federal Legislation
- Hospital comparisons
- Out-of-network impact on the hospital, provider and patient

# Webinar Series Part 1 Highlights

## Part One: Overview & Context

- What is Surprise Billing
- How does it impact healthcare economics
- What does this mean for my hospital

## Part Two: State View

- State comparison to Federal Legislation
- Hospital comparisons
- Out of network impact on the hospital, provider and patient

## Part Three: Legislative/Policy Changes

- Current Legislation Status
- Significant Provider Issues

# Department of Health & Human Services (DHHS) Announcement

"No patient should forgo care for fear of surprise billing," said DHHS Secretary Becerra.

"Health insurance should offer patients peace of mind that they won't be saddled with unexpected costs. The Biden-Harris Administration remains committed to ensuring transparency and affordable care, and with this rule, Americans will get the assurance of no surprises."



# Federal Register Definition:

“A surprise medical bill is an unexpected bill from a health care provider or facility that occurs when a covered person receives medical services from a provider or facility that, *usually unknown to the participant, beneficiary, or enrollee*, is a **nonparticipating provider or facility** with respect to the individual’s coverage.”

- Requirements Related to Surprise Billing; Part I, 86 Fed. Reg. 36874 (July 13, 2021)

# Where We Encounter Surprise Billing



Emergency or non-emergency care setting



- Patient requires emergency medical transport (road or air) from a nonparticipating provider to a participating facility



- Patient receives emergency care at a nonparticipating provider



- Patient receives ancillary services at a participating facility from a nonparticipating provider



Radiology



Laboratory



Anesthesia



# Part Two: State View

# Webinar Series in Three Parts

## Part One: Overview & Context

- What is Surprise Billing
- How does it impact healthcare economics
- What does this mean for my hospital

## Part Two: State View

- State comparison to Federal Legislation
- Hospital comparisons
- Out of network impact on the hospital, provider and patient

## Part Three: Legislative/Policy Changes

- Current Legislation Status
- Significant Provider Issues

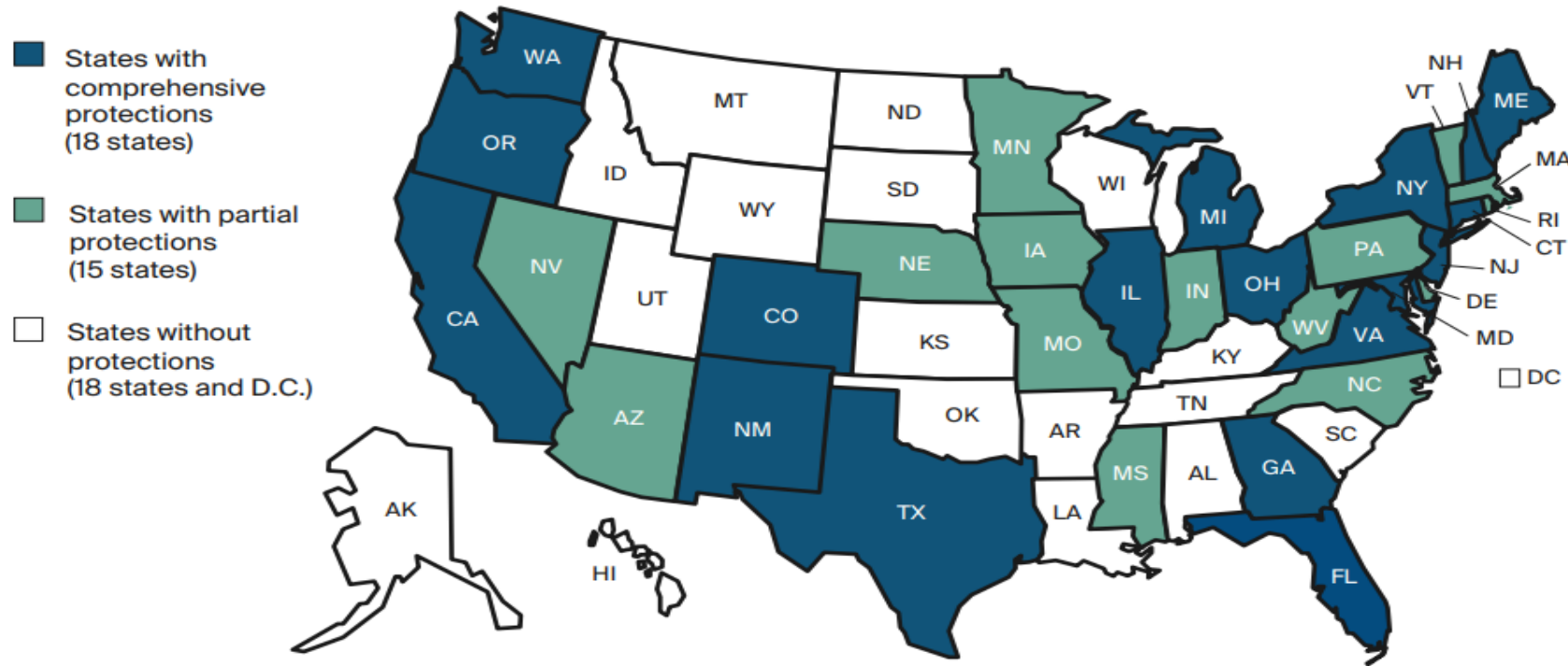




# West Virginia vs. Federal Legislation

# Current Surprise Billing Protections

State Laws Protecting Consumers Against Balance Billing,  
November 30, 2020



Data collection and analysis as of November 30, 2020 by researchers at the Center on Health Insurance Reforms, Georgetown University Health Policy Institute.



Source: Jack Hoadley, Maanasa Kona, and Kevin Lucia, "States Can Prevent Surprise Bills for Patients Seeking Coronavirus Care," *To the Point* (blog), Commonwealth Fund, Apr. 29, 2020.

# Which law prevails?



?



# WV Current Billing Protections

- Coverage of emergency services.
- Fairness in Cost-Sharing Calculation.
- Reciprocity with other service plans; payment authorized.
- Provider contracts.
- Evidence of coverage; charges for health care services; review of enrollee records; cancellation of contract by enrollee.
- Ambulance services.

# WV Protection on Provider Contracts

## Within an HMO

When a subscriber receives *covered emergency health care services* from a **noncontracting provider**, the health maintenance organization *shall be responsible for payment of the providers normal charges* for those health care services, exclusive of any applicable deductibles or copayments

# WV Prohibition on Balance Billing: Exceptions

To accept as payment in full for the delivery of such services the amount specified in plan or plans or as determined by the plan or plans. In such instances, the health care provider shall bill the division or department, or such other person specified in the plan or plans, directly for the services. *The health care provider shall not bill the beneficiary or any other person on behalf of the beneficiary and, except for deductibles or other payments specified in the applicable plan or plans, the beneficiary shall not be personally liable for any of the charges, including any balance claimed by the provider to be owed as being the difference between that provider's charge or charges and the amount payable by the applicable department or divisions.* The plan or plans may specify what sums are deductibles, copayments or are otherwise payable by the beneficiary and the sums for which the health care provider may bill the beneficiary: **In addition, any health care service which is not subject to payment by the plan or plans shall be the responsibility of the beneficiary and for those health care services which are not covered by the plans, there shall be no prohibition against billing the beneficiary directly.**

# Comprehensive Bills Submitted

- HB 2327 (Protecting consumers from surprise bills by health care providers) – introduced 2018
- HB 2380 (Protecting consumers from surprise bills by health care providers) – introduced 2019
- HB 2226 (Protecting consumers from surprise bills by health care providers) – introduced 2021
  - Defines surprise billing
  - Mandates additional provider and insurer disclosure
  - Provides general guidance for out-of-network coverage
  - Requires patients to assign benefits to the provider to allow provider to bill insurer
  - Mentions an undefined independent dispute resolution process



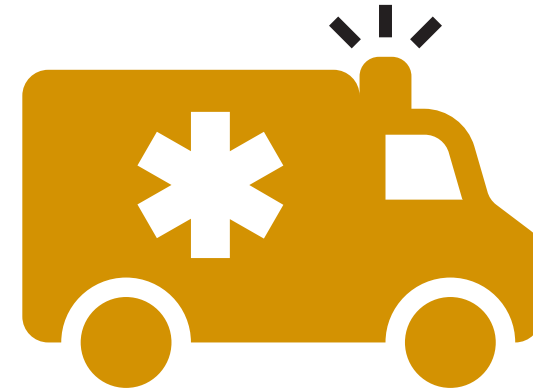
# Hospital Comparisons



# Hospital Pricing Comparisons

## Transportation by Ambulance Code A0428

Locations	In-Network Price	Out-of-Network Price
Charleston	\$635	\$955
Parkersburg	\$499	\$750
Morgantown	\$553	\$831
Bluefield	\$532	\$800



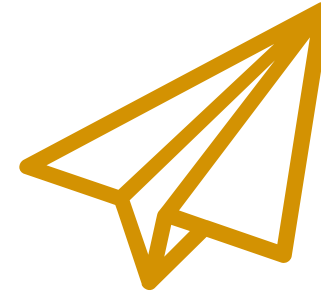
## X-Ray of forearm, 2 views CPT Code 73090

Locations	In-Network Price	Out-of-Network Price
Charleston	\$180	\$395
Parkersburg	\$138	\$302
Morgantown	\$131	\$288
Bluefield	\$160	\$375

# Air Ambulance Costs - United States

## Transportation by Air Ambulance Code A0430

Mean	In-Network	Out-of-Network
Charge	\$34,493	\$37,747
Allowed	\$34,493	\$17,522



- Less than ¼ of all transports by air ambulance are In-Network
- 2 in 5 transports resulted in Balance Billing
- Average Patient Co-Pay is between \$19K - \$21K

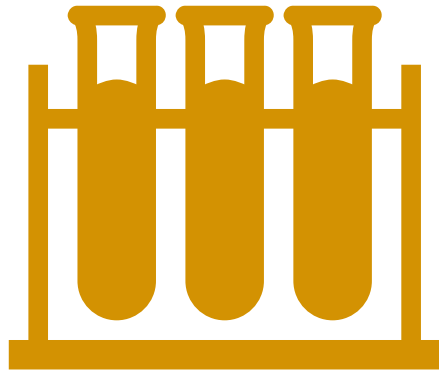
# Hospital Pricing Comparisons (cont.)

Diagnostic examination of the colon (Colonoscopy) CPT Code 45378

Locations	In-Network Price	Out-of-Network Price
Charleston	\$2,033	\$4,953
Parkersburg	\$879	\$2,190
Morgantown	\$1,703	\$4,147
Bluefield	\$2,148	\$5,265



Blood test, comprehensive group of blood chemicals (CMP)  
CPT Code 80053



Locations	In-Network Price	Out-of-Network Price
Charleston	\$95	\$317
Parkersburg	\$48	\$165
Morgantown	\$132	\$472
Bluefield	\$93	\$316

A large, stylized graphic of a lighthouse tower on the left side of the slide, rendered in a lighter shade of orange than the background. It features a multi-tiered lantern room with a grid pattern and a spiral staircase leading up to it.

# Out-of-network Impact on the Hospital, Provider and Patient

# Financial Impacts

- Payment for out-of-network services
- Contract negotiations with insurers
- Potential fees associated with dispute resolution
- Contractual allowance and bad debt implications
- Cost of compliance/fines for lack of compliance

# Hospital Impact

- Patient satisfaction will decrease if providers associated with the hospital are out-of-network
  - Identification of ancillary providers
  - Notification to patient at registration
  - Notification at time of service (i.e. ambulance services)
  
- New hospital providers – out-of-network until payer credentialing is complete

# Patient Impact

Improved Patient Protections – Balance Billing Prohibited

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For emergency services and most post-stabilization services

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For ancillary services by out-of-network providers at in-network facilities

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For non-emergency services from out-of-network providers at in-network facilities without notice and consent

# Potential Payer Impact

In Texas, the day before the state's Surprise Billing legislation went into effect, a payer kicked all of a Provider's affiliated emergency medicine clinicians out of their network and began reimbursing at less than half of the previously agreed upon rates

<https://news.bloomberglaw.com/health-law-and-business/texas-surprise-hospital-bill-ban-points-to-capitol-hill-clash>



# Call to Action

- Identify out-of-network situations at your facility
- Develop processes to proactively monitor payor communications between now and January 1, 2022
- Monitor State Legislations for passing of new comprehensive Surprise Billing plans

# Q&A



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# Join Us for Part 3

- Legislative/Policy Changes
  - Current Legislation Status
  - Significant Provider Issues

When:

Tuesday October 26, 2021

10:00am Eastern

*Registration required*



# Appendix

# West Virginia Code Sections

## West Virginia Code

- Code §33-24-7e & §33-25-8d. Coverage of emergency services.
- Code §33-24-7t & §33-25-8q. Fairness in Cost-Sharing Calculation.
- Code §33-24-11. Reciprocity with other service plans; payment authorized.
- Code §33-25A-7a. Provider contracts.
- Code §33-25A-8. Evidence of coverage; charges for health care services; review of enrollee records; cancellation of contract by enrollee.
- Code §33-25A-34. Ambulance services.
- Code §16-29D-4. Prohibition on balance billing; exceptions.