

May 31, 2019

Bipartisan health plan by top senators lays out policy options

A comprehensive bill to tackle health care costs by Sens. Lamar Alexander (R-Tenn.) and Patty Murray (D-Wash.), the top Republican and Democrat on the Senate HELP Committee, respectively, tackles a wide array of issues ranging from prescription drug prices to vaccine promotion.

But the plan's approach to one of the most contentious issues in health policy, surprise out-of-network billing, is largely noncommittal. The draft bill proposes three potential frameworks to end pricing disputes between providers and insurers, but the plan emphasizes that each proposal is merely an option on the table.

Sources: Senate HELP Committee; Health Affairs; PricewaterhouseCoopers; FDA Generic Drugs Program

How select proposed legislation would settle ‘surprise billing’ disputes

Legislation	Sponsors	Average allowed amount	Median in-network amount	“Baseball-style” arbitration	In-network facility guarantee
Protecting Patients From Surprise Medical Bills Act of 2018*	Sens. Bill Cassidy (R-La.), Chuck Grassley (R-Iowa), Todd Young (R-Ind.), Michael Bennet (D-Colo.), Tom Carper (D-Del.), Claire McCaskill (D-Mo.)	Yes, if higher amount	Yes, if higher amount	No	No
No Surprises Act of 2019	Reps. Frank Pallone (D-N.J.), Greg Walden (R-Ore.)	No	Yes	No	No
STOP Surprise Medical Bills Act of 2019	Sens. Bill Cassidy (R-La.) Todd Young (R-Ind.), Lisa Murkowski (R-Alaska), Michael Bennet (D-Colo.), Maggie Hassan (D-N.H.), Tom Carper (D-Del.)	No	Yes, as the default	Yes, as optional process	No
Lower Health Care Costs Act of 2019	Sens. Patty Murray (D-Wash.) Lamar Alexander (R-Tenn.)	No	Proposed as an option	Proposed as an option	Proposed as an option

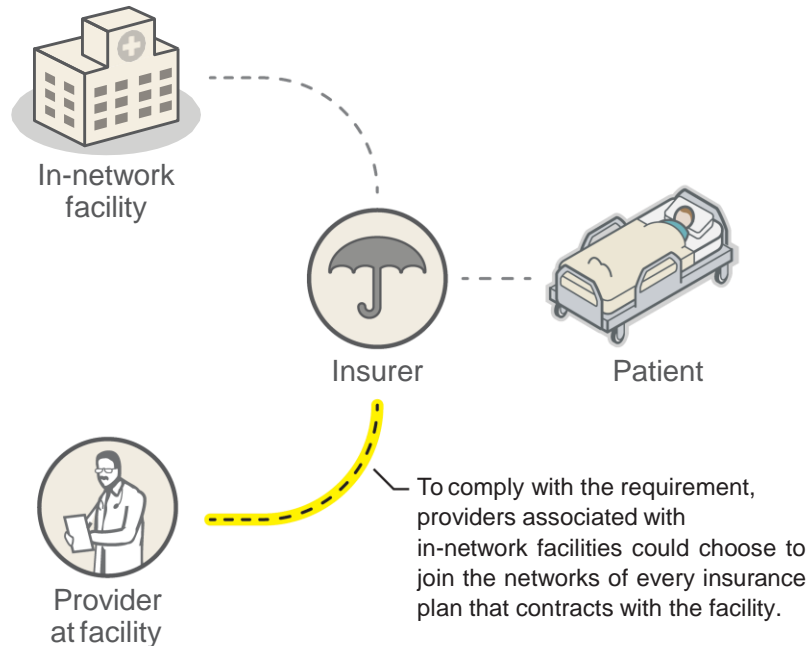
*Note: This bill is an earlier version of the STOP Surprise Medical Bills Act of 2019

How insurance contracting would work under the ‘in-network guarantee’

Under this option, surprise out-of-network bills would be prevented by giving physicians two pathways to integrate with their facility’s insurance network, as illustrated below. Once implemented, patients seeking to avoid out-of-network bills would only need to ensure that the facility they are visiting is in-network. If patients arrive at an out-of-network facility through the emergency room, their care would be considered in-network until they are stabilized and given the option to transfer.

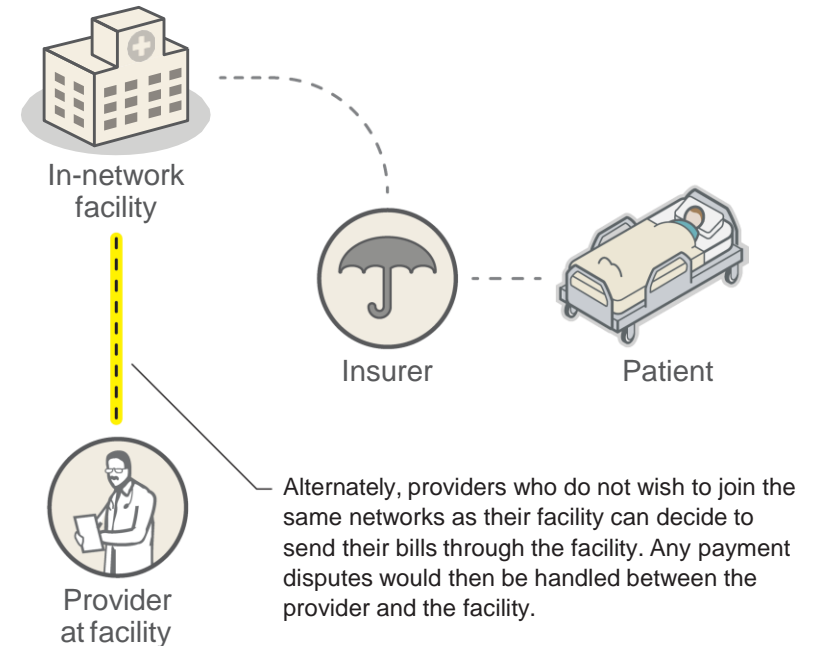
1 Provider joins all of their facility’s networks

----- Contractual relationships



OR

2 Providers agree to handle billing through facility



Monthly generic drug approvals by the FDA

