



April 1, 2019

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, DC 20515

The Honorable Mitch McConnell
Majority Leader
U.S. Senate
Washington, DC 20515

The Honorable Kevin McCarthy
Republican Leader
U.S. House of Representatives
Washington, DC 20515

The Honorable Charles Schumer
Democratic Leader
U.S. Senate
Washington, DC 20515

Dear Speaker Pelosi and Leaders McConnell, McCarthy, and Schumer:

On behalf of our member medical group practices, healthcare executives, and other healthcare leaders, the Medical Group Management Association (MGMA) is committed to protecting patients from out-of-network medical bills that result from unexpected gaps in healthcare coverage. We appreciate your leadership on this important issue and look forward to working with you and your colleagues to develop a solution that first and foremost protects patients and their access to care.

MGMA is the premier association for professionals who lead medical practices. Since 1926, through data, people, insights, and advocacy, MGMA empowers medical group practices to innovate and create meaningful change in healthcare. With a membership of more than 45,000 medical practice administrators, executives, and leaders, MGMA represents more than 12,500 organizations of all sizes, types, structures, and specialties that deliver almost half of the healthcare in the United States.

As Congress evaluates potential legislative solutions to provide relief to patients from healthcare costs their insurance will not cover, MGMA developed the enclosed policy framework that we encourage you to consider.

As the voice for the country's medical group practices, MGMA remains committed to promoting policies that enhance the ability of our members to provide high-quality, cost-effective care to the millions of patients they serve. Should you have any questions, please contact Anders Gilberg, Senior Vice President, Government Affairs at agilberg@mgma.org or 202-293-3450.

Sincerely,

/s/

Anders Gilberg, MGA
Senior Vice President, Government Affairs

PROTECTING PATIENTS AND PROVIDERS FROM SURPRISE INSURANCE GAPS


POLICY GUIDELINES

- **Limit patient financial responsibility.** Patients should be protected from the financial impact of unanticipated gaps in insurance coverage when accessing emergency services outside their network and do not have the ability to select such services from an in-network healthcare professional.
- **Protect patients from payment disputes.** Health plans should be responsible for paying the out-of-network provider directly so that patients are not burdened with payment rate negotiations.
- **Ensure network adequacy.** Overly narrow networks contribute significantly to the problem of unanticipated medical bills; thus any policy solution should ensure that health plans meet appropriate network adequacy standards, including access to hospital-based physician specialists.
- **Require health plan transparency.** Health plans must be transparent and proactive in informing patients about benefits and potential cost obligations. Health plans should also be required to regularly update and verify the accuracy of provider directories.
- **Preserve private negotiation.** In general, the government should not establish a fixed payment amount for out-of-network services. A fixed payment rate could undermine patient access to in-network care because health plans have less incentive to contract in-network clinicians if they can rely on a default out-of-network payment rate.
- **Pursue payment equity.** Any out-of-network payment guidelines pursued by policymakers should be based on reasonable physician charges for the same service in the same geographic area from an independently recognized and verified benchmarking database. In situations where the established minimum payment standard is insufficient, an alternative dispute resolution process should be available. Arbiters should not be required to consider in-network or Medicare rates when issuing final determinations on appropriate reimbursement.

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