

# New Protections from Surprise Medical Bills

You may have heard stories from friends or in the news about balance bills or surprise bills from health care providers. Starting in 2022, a new federal law, the No Surprises Act, will protect you from many types of surprise bills. Here are the basics about the new protections.

## What is balance billing?

Balance billing happens when a health care provider (a doctor, for example) or facility (a hospital, for example) bills a patient after the patient's health insurance company has paid its share of the bill. The balance bill is the difference between the provider's charge and the amount the insurance company pays, after the patient has paid any copays, coinsurance, or deductibles.

Balance billing can happen when a patient receives covered health care services from an out-of-network provider or an out-of-network facility.

In-network providers agree with an insurance company to accept the insurance payment in full, and don't balance bill. Out-of-network providers don't have this same agreement with insurers. Health plans in Alaska include coverage for out-of-network care, but the provider may still balance bill the patient if state or federal protections don't apply. A few plans in Alaska don't include coverage for out-of-network services and the patient is responsible for all the costs of out-of-network care (except in emergencies). Medicare and Medicaid have their own protections against balance billing. In limited situations, the No Surprises Act allows for some out-of-network providers and facilities to seek written consent from individuals to voluntarily waive protection against balance billing. These are called [notice and consent exceptions](#). The Department of Health and Human Services has developed standard [notice and consent forms](#) for medical providers and facilities to use.

## What is surprise billing?

Surprise billing happens when a patient receives an unexpected balance bill after they receive care from an out-of-network provider or at an out-of-network facility, such as a hospital. It can happen for both emergency and non-emergency care. Often, patients don't know the provider or facility is out-of-network until they receive the bill.

## What protections are in place?

A new federal law, the No Surprises Act, protects you from:

- Surprise bills for covered emergency out-of-network services, including air ambulance services (but not ground ambulance services), and
- Surprise bills for covered non-emergency services at an in-network facility.

The law applies to health insurance plans starting in 2022. It applies to the self-funded health plans that employers offer as well as plans from health insurance companies.

- A facility (such as a hospital or freestanding emergency room (ER)) or a provider (such as a doctor) may not bill you more than your in-network coinsurance, copays, or deductibles for emergency services, even if the facility or provider is out-of-network.
- If your health plan requires you to pay copays, coinsurance, and/or deductibles for in-network care, you're responsible for those.
- The new law also protects you when you receive non-emergency services from out-of-network providers (such as an anesthesiologist) at in-network facilities. An out-of-network provider may not bill you more than your in-network copays, coinsurance, or deductibles for covered services performed at an in-network facility.
  - You can never be asked to waive your protections and agree to pay more for out-of-network care at an in-network facility for care related to emergency medicine, anesthesiology, pathology, radiology, or neonatology—or for services provided by assistant surgeons, hospitalists (doctors who focus on care of hospitalized patients), and intensivists (doctors who care for patients needing intensive care), or for diagnostic services including radiology and lab services.
  - You still can agree in advance to be treated by an out-of-network provider in some situations, such as when you choose an out-of-network surgeon knowing the cost will be higher. The provider must give you information in advance about what your share of the costs will be. If you did that, you'd be expected to pay the balance bill as well as your out-of-network coinsurance, deductibles, and copays.

### **Are there exceptions to these protections?**

These protections don't apply in all situations.

- If you have a vision-, dental-only plan, or other limited benefit plan, the new billing protections established by the No Surprises Act generally don't apply to services these plans cover. But if you have a health plan that includes dental or vision benefits, these protections could apply to any dental or vision services covered by your health plan.
- The balance billing protections in the No Surprises Act generally don't apply to ground ambulance services.
- Some health insurance coverage programs already have protections against high medical bills. You're already protected against surprise medical billing if you have coverage through Medicare, Medicaid, Indian Health Services, Veterans Affairs Health Care, or TRICARE. The new No Surprises Act rules don't apply to these programs.
- The Alaska regulation requiring payment based no lower than the 80<sup>th</sup> Percentile does not apply to self-funded health plans typically established by large employers. Providers and payers of self-funded plans will be able to use negotiation and federal independent dispute resolution process to resolve payment disagreements. Consumers will not be impacted by such negotiations.

## Are all high medical bills considered surprise bills?

Cost-sharing charges can vary widely across insurance plans, which means that a person could still receive very high medical bills due to their plan's standard in-network cost-sharing charges being high. These kinds of bills are not considered surprise medical bills.

## What else should I know?

- Your health plan and the facilities and providers that serve you must send you a notice of your rights under the new law.
- If you've received a surprise bill that you think isn't allowed under the new law, you can file an appeal with your insurance company or ask for an external review of the company's decision. You also can file a complaint with the Alaska Division of Insurance or the federal Department of Health and Human Services (HHS). You can reach the Alaska Division of Insurance at (907) 269-7900 or complete a complaint online: <https://www.commerce.alaska.gov/web/ins/Consumers/Complaints.aspx>
- An independent dispute resolution (IDR) process, is available to settle bills if your health plan is **self-funded**. The IDR process is through the federal HHS at this website: <https://www.cms.gov/nosurprises/consumers/complaints-about-medical-billing>. You may also call the No Surprises Help Desk at 1-800-985-3059.
- For patients with fully insured plans, health care providers and insurance companies can use the provider complaint process available at the Alaska Division of Insurance to ensure your bill has been paid in compliance with applicable state law without putting you in the middle. 3 AAC 26.110 (80<sup>th</sup> percentile) is the Recognized State Law for out of network reimbursements under 42 USC 300gg-111(a)(3) for state regulated plans. You can reach the Alaska Division of Insurance at (907) 269-7900 or visit our website at [insurance.alaska.gov](http://insurance.alaska.gov).
- If you are a self-pay patient, you are entitled to receive a good faith estimate from your provider outlining expected charges for all services scheduled three days in advance or upon request if you are shopping for care (and not yet scheduling).
- A dispute resolution process is available for individuals who are uninsured, in certain circumstances, such as when the actual charges are much higher than the estimated charges. For more information on this federal process please visit: <https://www.cms.gov/nosurprises/consumers/complaints-about-medical-billing>
- Other protections in the new law require insurance companies to keep their provider directories updated. They also must limit your copays, coinsurance, or deductibles to in-network amounts if you rely on inaccurate information in a provider directory and subsequently obtain services from out-of-network medical providers.
- You can get more information about filing complaint with the state of Alaska Division of Insurance by calling (907) 269-7900 or reach out to federal agencies by calling 1-800-985-3059.