

“Balance Billing”

Understanding the real issues, both for the physicians and the patients

By Dr. Jayesh Shah, 2016 BCMS President



Recently, at the legislative committee meeting at the Bexar County Medical Society headquarters, there was a spirited discussion in relation to balance billing. The Texas Medical Association did extensive work last year to find out the best practices for Texas physicians and patients on the subject of balance billing and as a result TMA's socioeconomic committee came back with a consensus presentation.

Health insurance companies are beginning to narrow their networks and are setting limits on payments for services for out-of-network providers because of patients receiving unexpected medical bills. Physicians are concerned for their patients, some who earn less than \$10 per hour and end up with a bill for thousands of dollars after a visit to an emergency room. Patients are often surprised with the size of their bills that it causes undue hardship on them.

Physicians believe that patients have a right to be educated on narrow networks before they sign up and start paying premiums to these insurance companies.

TMA research clearly shows that narrow networks and other insurance practices are bearing down on patients in the form of unexpected, out-of-network balance bills. How can this be a physician billing problem?

In a recent TMA survey, about one-in-four physicians said they tried to join a network and, surprisingly, 29 percent received no answer to their request, 32 percent got a payment offer that was too low for them to accept, and only 39 percent received a contract to join the network. So how can this be a physician billing problem?

A 2014 survey of Texas physicians found that 61 percent of physicians found they were listed as being in a network when really they were not, and 56 percent of physicians found instances where they were not listed in a plan when they should have been listed. So who is responsible for inaccurate directories that mislead patients when are ready to buy particular insurance products?

In both 2014 and 2015 HMO report cards, the Office of Public Insurance Counsel (OPIC) found a growing number of consumer complaints about insurance companies' "failure to properly disclose provider networks" and "improperly expecting additional payment."

Appearing before House and Senate committees, the Chair of the TMA Council on Legislation, Ray Callas, MD, laid out medicine's solution for the surprise bill problem.

The following information is from the TMA website <https://www.texmed.org/surprise/>:

- Mandatory increases in state agency oversight of the adequacy of insurer networks.
- Expand the current \$500 balance bill threshold for mediation to include all out-of-network physicians, other health care professionals, facilities, and vendors.
- Prior to any preauthorized elective services, require the insurer to inform the patient "about the network status of the facility-based physicians and others who may participate in their care and bill for services."
- Similarly, physicians and providers should use a standard form to tell patients which physicians and providers who may be involved in their care "typically practice in the facility where the planned services will occur."
- Require insurers selling PPOs to include "a clear and conspicuous notice regarding the implications of using or receiving services from an out-of-network physician and the potential for balance billing" on their websites, policy documents, and directories.
- Require insurance brokers and agents to educate consumers on the inherent limitations of the plans they buy, especially their out-of-pocket responsibilities for care provided both in and out of network.

What can you do?

- TMA is asking the county medical societies to make contact with their legislators on this issue prior to September 30.
- Physicians should know and read all the terms of their contracts with insurance companies.
- Educate your patients about the real issue. TMA has developed educational materials for patients that can be printed from the following link-<https://www.texmed.org/surprise/>.

Regards, Dr. Jayesh Shah