

Twitter Thread by [Dan Choi, MD](#)

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THREAD - Doctors want to fix “surprise bills” more accurately called unpaid insurer bills but today’s “agreement” is NOT the right fix for patients

It’s just a big boost to insurer profits & will shutter independent physician practices & rural hospitals!

1/x

Just joined other House and Senate leaders in announcing a surprise billing agreement. Under this agreement, the days of patients receiving devastating surprise out-of-network medical bills will be over. <https://t.co/HELY6OiPtS>

— Rep. Frank Pallone (@FrankPallone) [December 12, 2020](#)

The Independent Dispute Resolution (IDR) in this compromise directs arbiter to consider “in network median rates” when settling disputes which is a sham arbitration & tantamount to benchmarking aka rate setting

Who dictates in network rates?

Insurers!

2/x

This bill prohibits use of charge data (aka usual & customary) which is another way of saying doctors must accept whatever poor contract terms or low balled payment offers insurers are jamming down their throats

This is just giving more power to profitable insurers

3/x

The reason why arbitration works in states like NY, TX is that it levels playing field, directs arbiters to consider independent price database like [@FAIRHealth](#) that can’t be manipulated by either side

Insurers have total control over “median in network” rates w their monopolies

When insurers have control over terms of arbitration, they will do everything in their power to do what any respectable publicly traded corporation will do: tilt the terms in their favor to increase profits

5/x

<https://t.co/NfgMrWNoq5>

In CA, insurers started terminating contracts with physician groups overnight to drive down in network median rates

Independent practices had to shutter their doors or join large health systems to survive. Consolidation drives up costs! Rural areas were hit hardest.

6/x

When out of network payments are tied to in network rates, there is literally no option for providers to fight back against unfair take it or leave it contracts that insurers design to ■■ profits

Tying arbitration to "median in network" rates gives insurers ALL the leverage

7/

We need to model federal bill like NYS where IDR is fair & based on charges

"From 2015-2018, the Out of Network Law saved NY more than \$400 mil in emergency services, reduced out-of-network billing by 34%, lowered in-network ED physician payments by 9%"

<https://t.co/HhqkTkB4Fe>

NYS surprise bill law has not caused any physician shortages as opposed to huge shortage exacerbated in CA

NY's surprise bill saved consumers \$400 mil per [@NYGovCuomo](#) [@NYDFS](#)

In CA consumer complaints re access to care skyrocketed after benchmarking implemented

9/x

Insurers even love the NY law. They even personally endorsed the law!

10/x

Remember Congress has a bill modeled after successful NY law that has a fair IDR

HR3502 by [@DrPhilRoe](#) [@Dr_RaulRuiz](#) already has 110 cosponsors but House and Senate leadership continues to ignore!

11/x

<https://t.co/c7t6qnsuXJ>

In conclusion, doctors want an end to unpaid insurer bills aka 'surprise' bills ASAP

This agreement though is unacceptable - benefits insurers only & will crush independent practices & rural hospitals. Will drive consolidation, ■■ cost, exacerbate access to care problems

12/x

We need to fix "surprise medical bills" the right way with a fresh start in January

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/end

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