

August 10, 2020

The Honorable Thomas R. Tillis United States Senate 113 Dirksen Senate Office Building Washington, DC 20510

Dear Senator Tillis:

You received correspondence earlier this year summarizing the North Carolina Medical Society's views on the issue of surprise medical bills. Since then, the COVID-19 pandemic has presented new and complex challenges for our county and its health professionals, and we thank you for the relief efforts you have enacted to protect our frontline providers and to reduce economic harm to independent practices and health care systems. Although we recognize that the current pandemic is rightfully the most pressing current legislative priority, we urge you to continue your efforts towards a proposal that effectively addresses the harm caused by surprise medical bills, holds patients harmless, provides fair compensation for services rendered, and protects access to care.

The issues related to surprise billing are complex and require a multipronged solution. The North Carolina Medical Society supports measures to protect patients from unanticipated bills due to non-network medical services, and we believe these harms are best addressed through up-front, equitable financial arrangements between health professionals and insurers established prior to the delivery of any service. We further believe the following action items should be considered when designing a potential legislative proposal:

- 1. Discontinue attempts to fix surprise bills on a case-by-case basis through any post-service reconciliation process for insured patients.
- 2. Require robust network adequacy standards and up-front arbitration of contracts between physicians/providers and insurers before services are rendered to prevent non-network medical bills for insured patients.
- 3. Maintain the existing shared principles of holding the patient harmless, providing fair compensation for medical services and protecting access to care for patients.
- 4. Study ways to address similar concerns for the uninsured

We encourage Congress to establish a framework for these goals to be achieved and eliminate out-ofnetwork billing by ensuring fair network participation agreements can be reached between providers and insurers.

As noted in previous correspondence, the health care community already manages significant administrative burden, and a legislative solution to surprise billing must not increase this burden by focusing on the process for resolving disputes between payers and health professionals on individual claims. Instead, the most appropriate approach proactively reduces the need for dispute resolution through upfront agreements.

We remain appreciative of the significant effort Congress is doing to eradicate the harm surprise medical bills cause to so many families, and we welcome the opportunity to work collaboratively with you to resolve this issue.

Sincerely,

Robert W. Seligson, MBA, MA Executive Vice President, CEO