

Lead^{the}Way

Surprise Billing

Protecting Patient Access



Trinity Health is one of the largest multi-institutional Catholic health integrated care delivery systems in the nation, serving diverse communities that include more than 30 million people across 22 states. We are building a health system that puts the people we serve at the center of every behavior, action and decision. This brings to life our commitment to be a compassionate, transforming and healing presence in our communities. We advocate for public policies that support better health, better care and lower costs to ensure affordable, high quality, people-centered care for all.

Protect Patients from Surprise Medical Bills

Trinity Health is committed to addressing the affordability of health care for all patients. Patients should not be balance billed for emergency care or services obtained in any in-network facility when the patient could reasonably assume the provider was an in-network provider. Patients should also have certainty regarding their financial obligations, which are based on an in-network fee. Trinity Health is supportive of efforts to protect patients by banning surprise medical bills.

A comprehensive solution that truly protects patients in out-of-network emergency situations would include a requirement of insurers to assign the patient's out-of-network benefits to the provider. When insurers make a benefit payment directly to a patient, the patient is placed in the middle of the insurer and provider dispute. Congress should address this practice in any legislation to end surprise billing.

Trinity Health's Commitment to Patients

Trinity Health is building comprehensive networks to ensure patients receive quality care without incurring additional costs. This includes requiring hospital-based physicians (emergency, radiology, anesthesia, hospitalist and trauma surgeons) to be in-network with the same health plans as our facilities as part of their contracts. Recently, Trinity Health Michigan hospitals sued an anesthesia group for breach of contract when it decided to go out-of-network with insurers. Additionally, Trinity Health is intentionally minimizing the number of voluntary medical staff that are not in-network and creating transparency to minimize the impact to patients.

Do Not Disrupt Insurer-Hospital Negotiation

Today, when hospitals have claims for emergency services provided to out-of-network members, hospitals and insurers either negotiate mutually agreeable out-of-network payment rates or resolve the dispute through legal means. This process should continue. Current legislative proposals that regulate how hospitals and insurers resolve out-of-network claims, including rate setting or arbitration, will have the unintended consequence of eroding hospitals' market competition.

Legislative proposals that mandate insurers to pay hospitals set payment rates based on median contracted, or benchmark rates, for services in a certain geographic area—when an out-of-network claim dispute arises—are not necessary to prevent surprise billing and will conversely limit patient in-network options. Currently, insurers and hospitals negotiate complex contracts that include many factors in determining payment rates, including an expectation to provide a full scope of services. For example, hospitals negotiate discounts with insurers based on the expected volume of patients and the ability to provide all services to the insurer's members. Benchmark rates do not account for these factors. A benchmark rate would remove the ability of hospitals to negotiate with insurers, especially in smaller and rural markets where insurers may decide not to contract with hospitals, leading to fewer options for patients.

Legislative proposals that mandate the involvement of an arbitrator when an out-of-network claim dispute arises between insurers and hospitals will likely lead to rate setting because arbitrators will ultimately rely on a benchmark rate. While there may be an opportunity to use arbitration with physician claims, there is no successful model for hospital arbitration today. The original arbitration model established in New York did not apply to hospitals. Further, early experience from the arbitration models being rolled out in New Jersey affirms this concern.

Mission

We, Trinity Health, serve together in the spirit of the Gospel as a compassionate and transforming healing presence within our communities.

Core Values

Reverence • Commitment to Those Who Are Poor
Safety • Justice • Stewardship • Integrity