



A Passionate Voice for Compassionate Care

October 10, 2019

The Honorable Robert “Bobby” Scott
Chairman
Committee on Education and Labor
2176 Rayburn House Office Building
Washington, DC 20515

The Honorable Virginia Foxx
Ranking Member
Committee on Education and Labor
2101 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Scott and Ranking Member Foxx:

On behalf of the Catholic Health Association of the United States (CHA), the national leadership organization of more than 2,200 Catholic health care systems, hospitals, long-term care facilities, sponsors, and related organizations, I am writing to share our views on surprise medical billing legislation with you. While we continue to support Congress’ work to ensure that patients are protected from surprise medical bills, we remain concerned about the rate-setting approach taken by your colleagues on the *No Surprises Act*, which was included in a bill that was approved by the Committee on Energy and Commerce this past summer (H.R. 2328).

CHA strongly supports protecting patients from surprise bills. Patients should not be subjected to financial consequences when they have unexpected and unavoidable encounters with out-of-network health care facilities and providers, and they should be removed from any subsequent payment negotiations between facilities, providers and insurers. However, we have significant concerns with how H.R. 2328 would resolve those payment issues.

We strongly oppose the establishment of a statutory payment rate outlined in H.R. 2328. The bill would require facilities and providers to accept an insurer-based benchmark payment based on median contracted rates for out-of-network emergency and post stabilization care, and for care provided by out-of-network ancillary providers at in-network facilities. We are also troubled by the bill’s option for arbitration.

Requiring hospitals and providers to accept an insurer-based benchmark payment for out-of-network care creates a long-term disincentive for insurers to negotiate with hospitals for in-network contracts and eliminates a hospital’s ability to bargain fairly for appropriate payment rates. Health plans and hospitals have a longstanding history of settling disputes over out-of-network payments, which can be resolved while holding the patient harmless. Dictating a rate-setting methodology creates an advantage for health plans and a contracting disincentive that may result in reduced in-network access to health care services for consumers.

Congress can and must do better on behalf of all those who rely on our hospitals and other health providers. We support legislative solutions that protect patients from ever receiving a surprise medical bill and remove them from any subsequent payment negotiations between facilities,

providers and health plans. However, we believe this can be accomplished without imposing a statutory payment rate or methodology for out-of-network care. We respectfully request that you oppose a rate-setting approach.

Sincerely,

A handwritten signature in black ink, appearing to read "Sr. Mary Haddad". The signature is fluid and cursive, with a large initial "S" and "M".

Sr. Mary Haddad, RSM
President and CEO

CC: Members of the House Education and Labor Committee