

July 1, 2020

The Honorable Mitch McConnell  
Majority Leader  
U.S. Senate

The Honorable Nancy Pelosi  
Speaker  
U.S. House of Representatives

The Honorable Chuck Schumer  
Minority Leader  
U.S. Senate

The Honorable Kevin McCarthy  
Minority Leader  
U.S. House of Representatives

Dear Majority Leader McConnell, Minority Leader Schumer, Speaker Pelosi and Minority Leader McCarthy:

As the nation responds to the twin emergencies of the COVID-19 pandemic and the economic downturn, we urge you to include comprehensive protections against surprise medical bills in the next relief package.

We appreciate current efforts to address the surprise billing problem, such as provisions in the HEROES Act (H.R. 6800) that build upon the Administration's actions to prevent health care providers receiving CARES Act funding from sending surprise medical bills to patients. While these are helpful first steps, they still leave millions of families and employees at risk for bankrupting surprise medical bills as this crisis continues. **As Congress works on the next COVID-19 relief bill, we hope you will include provisions to ensure *all* patients are protected from *all* surprise medical bills.**

Specifically, we urge you to end surprise medical billing for all patients through the implementation of fair, market-based payments for out-of-network charges. By aligning out-of-network reimbursement to local, privately negotiated amounts, Congress would address the root cause of the exorbitant surprise bills and lower health care costs for consumers, employers and taxpayers. According to the Congressional Budget Office, linking out-of-network reimbursement to the median in-network payment would save consumers and taxpayers nearly \$25 billion over the next ten years.

While unions, employers, public sector purchasers and health insurance providers have taken significant steps to ensure patients have expanded access to medically necessary COVID-19 care, the direct cost of COVID-19 medical care is increasing. [Hospital care alone for COVID-19 is estimated to cost more than \\$9-16 billion in 2020](#) according to Avalere Health. [The Kaiser Family Foundation reported](#) that on average, "1 in 5 in-network hospitalizations for pneumonia (one common complication of COVID-19) could result in at least one surprise bill from an out-of-network physician or other provider." Further, [FairHealth data](#) estimates that some patients could expect to see charges ranging anywhere from \$42,486 to \$74,310 for COVID-19 treatment.

We are increasingly concerned that the Administration’s regulatory changes will only provide a temporary stopgap from those providers who seek to balance bill COVID-19 patients. More importantly, these regulations only apply to providers who voluntarily agree to the terms of payment, leaving many patients exposed unnecessarily to exorbitant charges, even in instances related to COVID-19 care.

Additionally, private equity firms see an increased financial opportunity in acquiring physician practices and then taking those providers out of network – due to much of the country’s elective health care services being cancelled or indefinitely postponed. As [Bloomberg recently reported](#), executives on a recent call with investors described the current pandemic as a “time to shine” for private equity. Without a permanent solution to prohibit surprise bills coupled with market-based reimbursement, this increased consolidation, fueled by COVID-19, will drive up costs for patients, workers, and employers. While many Americans are facing devastating economic conditions as a result of the pandemic, [handing more money](#) to private-equity firms is the last thing hard-working taxpayers can afford right now.

With tens of thousands of patients now seeking care for COVID-19 or rescheduling postponed elective procedures, many are unknowingly seeing out-of-network providers, or being forced to do so, because of increased demand. That makes it more important than ever for Congress to prioritize banning this abusive practice. Enacting legislation protecting patients and holding down health care costs by using a local, market-based payment for surprise medical bills should be a top priority.

Sincerely,

AFL-CIO

AFSCME

American Benefits Council

American Health Policy Institute

Auto Care Association

Brotherhood of Railroad Signalmen

Business Group on Health

Business Health Care Group of Wisconsin

California Health Care Coalition

California Public Employees’ Retirement System

Central Penn Business Group on Health

Colorado Business Group on Health

Council for Affordable Health Coverage

Council of Insurance Agents and Brokers

Dallas-Fort Worth Business Group on Health

Economic Alliance for Michigan

Employers' Advanced Cooperative on Health Care (Arkansas)

Florida Alliance for Healthcare Value

Greater Philadelphia Business Coalition on Health

HealthCare21 (Knoxville, TN)  
Houston Business Coalition on Health  
HR Policy Association  
International Association of Machinists and Aerospace Workers  
Kansas Business Coalition on Health Care  
Lehigh Valley Business Coalition on Health Care  
Memphis Business Group on Health  
Mid-Atlantic Business Group on Health  
Midwest Business Group on Health  
National Alliance of Healthcare Purchaser Coalitions  
National Association of Health Underwriters  
National Education Association  
National Retail Federation  
Nevada Business Group on Health  
North Carolina Business Group on Health  
Pacific Business Group on Health  
Partnership for Employer-Sponsored Coverage  
Pittsburgh Business Group on Health  
Public Sector Healthcare Roundtable  
Retail Industry Leaders Association  
Rhode Island Business Group on Health  
Self-Insurance Institute of America, Inc.  
Silicon Valley Employers Forum  
Society for Human Resource Management  
St. Louis Area Business Health Coalition  
Texas Business Group on Health  
The Alliance (Madison, WI)  
The ERISA Industry Committee  
UniteHere  
Wyoming Business Coalition on Health