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3 **Title: Out-Of-Network Costs**  
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5 **Introduced by: Harvey W. Halberstadt, MD**  
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7 **Original Author: Harvey W. Halberstadt, MD**  
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9 **Referred to: Reference Committee A**  
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11 **House Action: No Action**  
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14 **Whereas, patients may be assigned to out-of-network physicians when they**  
15 **are in the emergency room or as hospital patients, and**

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17 **Whereas, patients are not informed that the fees of the out-of-network**  
18 **physicians may exceed the fees that the health insurers pay, and**

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20 **Whereas, if such fees are excessive, that creates a financial burden for the**  
21 **patients, and**

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23 **Whereas, the July 2012 issue of Consumer Reports provided an example of**  
24 **patients who were charged excessive fees, and**

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26 **Whereas, Consumer Reports gave an example of a patient who had surgery**  
27 **for Scoliosis and whose PPO paid \$8,090 of what the PPO considered an**  
28 **appropriate fee for the surgery leaving the patient legally responsible for paying**  
29 **the balance of \$480,000, and**

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31 **Whereas, traditionally, insurers have based their charges on the prevailing**  
32 **usual, customary and reasonable (UCR) rates for the services provided, and**

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34 **Whereas, these prices are often much less than what non-network doctors**  
35 **charge, and**

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37 **Whereas, most plans establish prices for out-of-network providers on a**  
38 **percentage of what Medicare pays for service, and**

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40 **Whereas, Medicare pays less than what these providers charge; therefore be**  
41 **it**

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43 **RESOLVED: That MSMS advocate that third party payers publish their**  
44 **subscribers' fees for services in a manner that allows their subscribers to compare**  
45 **these fees with those charged by out-of-network providers; and be it further**

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47 **RESOLVED: That MSMS advocate that out-of-network providers inform**  
48 **patients about their fees and the fees reimbursed by the patients' insurers.**

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51 **WAYS AND MEANS COMMITTEE FISCAL NOTE: NONE**

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