AMERICAN ASSOCIATION OF NEUROLOGICAL SURGEONS

KATHLEEN T. CRAIG, Executive Director 5550 Meadowbrook Drive Rolling Meadows, IL 60008 Phone: 888-566-AANS Fax: 847-378-0600 info@aans.org





CONGRESS OF NEUROLOGICAL SURGEONS

REGINA SHUPAK, CEO 10 North Martingale Road, Suite 190 Schaumburg, IL 60173 Phone: 877-517-1CNS FAX: 847-240-0804 info@cns.org

President
GANESH RAO, MD
Houston, Texas

President
CHRISTOPHER I. SHAFFREY, MD
Durham, North Carolina

May 20, 2019

The Honorable Bill Cassidy, MD U.S. Senate 520 Hart Senate Office Building Washington, DC 20010

The Honorable Maggie Hassan U.S. Senate 324 Hart Senate Office Building Washington, DC 20010

The Honorable Michael Bennet U.S. Senate 261 Russell Senate Building Washington, DC 20010

The Honorable Lisa Murkowski U.S. Senate 522 Hart Senate Office Building Washington, DC 20010

The Honorable Todd Young U.S. Senate 185 Dirksen Senate Office Building Washington, DC 20010

The Honorable Tom Carper U.S. Senate 513 Hart Senate Office Building Washington, DC 20010

SUBJECT: STOP Surprise Medical Bills Act

Dear Senators Cassidy, Bennet, Young, Hassan, Murkowski and Carper:

On behalf of the American Association of Neurological Surgeons (AANS) and the Congress of Neurological Surgeons (CNS), we appreciate your ongoing efforts to address the issue of surprise medical bills. Like you, we too are concerned when patients receive unanticipated medical bills, particularly as Americans continue to struggle with rising health care costs, including high deductibles and other out-of-pocket expenses. As such, addressing issues related to cost-sharing between health plans, physicians and patients is a priority for organized neurosurgery.

Your legislation, the STOP Surprise Medical Bills Act, is an important step in finding a workable, balanced solution to this problem, and we are encouraged that the overall framework reflects many of our principles. Although we have some significant concerns about several aspects of your bill, we are particularly pleased that the legislation does *not* embrace either the single medical bill/payment or network matching approaches that have been promoted by certain stakeholders, think tanks, commentators and policymakers. Rather, your legislation appropriately incorporates the use of baseball-style arbitration, using an independent dispute resolution (IDR) process, as a means of settling out-of-network payment disputes between health plans and providers.

Our principal concerns about the bill as drafted include:

- The use of the median in-network rate as a federal benchmark for resolving payment disputes between health plans and providers;
- Limiting the IDR entity's ability to consider in-network rates (and not charges) only when making award determinations; and
- Lack of reference to the use of a wholly independent database (e.g., FAIR Health) to determine market-based payments for out-of-network care.

We are also disappointed that the legislation does not tackle the issue of narrow networks, which is a central reason physicians practice out-of-network and is the root cause of many surprise bills. Unanticipated medical billing can only fully be addressed if health plans meet minimum standards of network adequacy.

Senators Cassidy, Bennet, Young, Hassan, Murkowski and Carper AANS/CNS Letter re STOP Surprise Medical Bills Act May 20, 2019 Page 2 of 2

Without addressing these issues, we fear that the legislation would further enhance the market dominance of health insurance companies, which already have the power to impose "take it or leave it" contracts on physicians, as well as other practices that limit patients' timely access to care, such as the overuse of prior authorization.

Moving forward, we hope the legislation can evolve to more closely align with New York's law — the legislative gold standard to address out-of-network/surprise medical bills — which is working very well since it went into effect in 2015. Fortunately, we do not think that we are too far apart and a few modifications to your bill will accomplish this goal.

On behalf of the neurosurgeons, thank you again for your leadership on this issue, We look forward to continuing to work with you on this and other health policy issues affecting neurosurgeons and their patients.

Sincerely,

Christopher I. Shaffrey, President American Association of Neurological Surgeons Ganesh Rao, MD, President Congress of Neurological Surgeons

Contact:

Katie O. Orrico, Director AANS/CNS Washington Office 25 Massachusetts Avenue, NW, Suite 610 Washington, DC 20001

Direct: 202-446-2024 Cell: 703-362-4637

Email: korrico@neurosurgery.org