

2018 Regular Session

HOUSE RESOLUTION NO. 208

BY REPRESENTATIVE TALBOT

A RESOLUTION

To urge and request the Department of Insurance to establish the Balance Billing Policy Assessment Task Force to research and make recommendations for proposed legislation and policy changes to address the issue of balance billing in Louisiana.

WHEREAS, consumers continue to struggle with healthcare costs which are greatly exacerbated by surprise gaps in their insurance coverage; and

WHEREAS, balance billing occurs when a physician or other healthcare provider who does not participate in a health benefit plan's network of providers bills a patient for the difference between the provider's billed charge and any amount paid to the provider; and

WHEREAS, the practice of balance billing arises with out-of-network providers because in-network providers generally are bound by network agreements that require the participating provider to accept the payment under the health benefit plan, in addition to any required cost-sharing payment, as full payment for the covered patient's obligations; and

WHEREAS, hospitals do not generally require all healthcare providers who work at the hospital to be participating providers in the same health benefit plans as the hospital; and

WHEREAS, providers of certain medical specialties, including emergency care and anesthesiology, often work in a hospital as independent contractors rather than as the hospital's employees; and

WHEREAS, studies published in Health Affairs and the New England Journal of Medicine have found that twenty percent of emergency department visits and resulting admissions at in-network facilities involved an out-of-network physician and that twenty-one percent of insured nonelderly adults have received care at a hospital they thought was in-network yet were billed by an out-of-network physician; and

WHEREAS, according to a 2016 Kaiser Family Foundation study, seventy percent of consumers with unaffordable out-of-network medical bills did not know their provider was out-of-network at the time they received care; and

WHEREAS, even when patients make every effort to see healthcare providers in their insurance network, situations may arise where they are treated by out-of-network providers without their knowledge and consent; and

WHEREAS, because out-of-network providers may charge higher rates but are not required to disclose this information, patients can find themselves recovering from a serious disease or illness and dealing with higher than anticipated out-of-pocket medical costs as a result; and

WHEREAS, these medical costs can result in aggressive collection activity targeted at patients and their families and harm consumers by damaging their personal credit ratings for years after treatment; and

WHEREAS, several states have passed laws to protect healthcare consumers from surprise insurance gaps; and

WHEREAS, these state laws provide protection for patients when they receive a balance bill due to a surprise insurance gap; and

WHEREAS, there is insufficient protection in Louisiana law from surprise insurance gaps relative to other states, and it would be beneficial to conduct a study into how these laws are working in other states and how these laws may be beneficial to Louisiana residents.

THEREFORE, BE IT RESOLVED that the House of Representatives of the Legislature of Louisiana does hereby urge and request the Department of Insurance to establish the Balance Billing Policy Assessment Task Force, hereafter referred to as the "task force", to research and make recommendations for proposed legislation and policy changes to address the issue of balance billing in Louisiana.

BE IT FURTHER RESOLVED that the task force shall be composed of representatives from any relevant and interested parties including but not limited to the following:

- (1) State agencies.
- (2) State medical and behavioral health services provider associations.

(3) Insurance companies, including health maintenance organizations, issuing health benefit plans in this state.

(4) Consumer advocate groups.

BE IT FURTHER RESOLVED that the purpose of the task force is to make a thorough study of all the issues related to balance billing, including but not limited to identifying causes for balance billing and the need for direct payment by health insurance companies and health maintenance organizations to out-of-network providers, and to evaluate the approaches taken by other states in order to recommend a comprehensive legislative solution that will best protect Louisiana consumers from balance billing by healthcare providers.

BE IT FURTHER RESOLVED that the task force shall do all of the following:

(1) Study the issues related to balance billing that must be addressed and other states' solutions to balance billing and the related issues.

(2) Assess the potential fiscal impact to this state of applying the various potential approaches used in other states.

(3) Assess the impact to commerce, including cost to consumers through balance billing and health insurance premiums, compliance cost for healthcare providers, and compliance cost for health insurers.

(4) Seek additional input from stakeholders in the healthcare system.

(5) Identify preferable legislative solutions for this state that best address the problem without a fiscal impact to this state.

BE IT FURTHER RESOLVED that the task force is assigned to the Department of Insurance, with staff support to be provided from existing personnel within the department.

BE IT FURTHER RESOLVED that the commissioner of insurance or his designee shall serve as chairman of the task force.

BE IT FURTHER RESOLVED that, at the first meeting of the task force, the members shall elect a vice chairman and other officers as the members deem appropriate.

BE IT FURTHER RESOLVED that members of the task force shall receive no compensation for their services and shall serve at no expense to the state.

BE IT FURTHER RESOLVED that the task force may conduct meetings at such places and at such times necessary or convenient to enable it to exercise fully and effectively its powers, perform its duties, and accomplish the objectives and purposes of this Resolution.

BE IT FURTHER RESOLVED that the task force shall submit a report of its findings and recommendations including proposed legislation to the House and Senate committees on insurance no later than sixty days prior to the convening of the 2019 Regular Legislative Session.

BE IT FURTHER RESOLVED that the legislative authority for the task force shall terminate on December 31, 2019.

BE IT FURTHER RESOLVED that the commissioner of insurance or his designee shall convene the task force for its first meeting no later than October 1, 2018.

BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the commissioner of insurance.

---

SPEAKER OF THE HOUSE OF REPRESENTATIVES