



Legislation Text

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Res. No. 1000

Resolution calling upon the United States Congress to pass, and the President to sign, legislation to protect citizens against surprise medical bills.

By Council Members Holden and Cornegy

Whereas, According to a study by the University of Chicago published in 2018, 57 percent of Americans have had problems with surprise medical bills; and

Whereas, According to the Health Care Cost Institute, one in seven patients, on average, across thirty-seven states, including New York, have received a surprise bill despite seeking care at an in-network hospital; and

Whereas, According to the Kaiser Family Foundation, about one in six emergency visits and hospital stays had at least one out-of-network charge in 2017; and

Whereas, Among New Yorkers with large employer coverage, 30 percent of emergency visits had at least one out-of-network charge in 2017; and

Whereas, According to the New York State Department of Health (DOH), 3,853,470 emergency visits occurred in New York City in 2014; and

Whereas, According to DOH, the adjusted rate of emergency department visits for New York City between 2012-2014 was 4,557.8 per 10,000 people; and

Whereas, According to the Health Care Cost Institute, even when patients seek care from in-network physicians, they are often unable to predict whether or not their entire team of physicians are in-network; and

Whereas, A common example of this is when one seeks surgery from an in-network physician at an in-

network hospital, yet their anesthesiologist is out-of-network; and

Whereas, The Health Care Cost Institute found that anesthesiology accounts for the largest share of out-of-network claims from in-network hospitals; and

Whereas, According to a 2016 survey by the Kaiser Family Foundation, seven out of ten people who received a surprise bill due to obtaining care from an out-of-network provider did not know that the provider was out-of-network at the time of service; and

Whereas, According to a report by the New York State Department of Finance published in 2012, the average surprise medical bill for insured patients who received care from an out-of-network physician was \$3,778; and

Whereas, According to National Public Radio (NPR), surprise bills are detrimental for hospitals, and in 2016 hospitals faced \$40 billion in uncompensated costs, in part due to patients who are unable to pay surprise bills; and

Whereas, Several legislators are concerned about this issue and have proposed ideas to address surprise medical bills; and

Whereas, The New York State Surprise Bills for Health Care Services Law, which went into effect in 2015, has reduced the percent of out-of-network emergency department services that were billed in the state from 20.1 percent in 2013 to 6.4 percent in 2015; and

Whereas, Despite these gains, individuals in New York State with self-funded health plans are not protected by New York State Law because self-funded plans are governed by federal law; and

Whereas, 54 percent of New Yorkers with employee provided health insurance are considered to have self-funded health plans, and are therefore not currently protected; and

Whereas, Senate Bill S. 1531, titled, “Stopping the Outrageous Practice (STOP) Surprise Bills Act of 2019,” sponsored by Senator Bill Cassidy, would prohibit surprise billing; and

Whereas, Senate Bill S. 1895, titled, “A Bill to Lower Health Care Costs,” sponsored by Senator Lamar

Alexander, would protect patients from surprise billing and reduce the price of prescription drugs; and

Whereas, The US House of Representatives has shown dedication to this issue by creating draft legislation known as, the “No Surprises Act” and holding a hearing to gain insight to the complex problem of surprise billing; and

Whereas, The President of the United States has issued an executive order requiring the Secretary of Health and Human Services to propose regulations for hospitals, health care providers and insurance companies to inform patients about out-of-pocket costs prior to receiving care; and

Whereas, Ensuring transparency and access to affordable health care is an important public health goal; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the United States Congress to pass, and the President to sign legislation to protect citizens against surprise medical bills.

MV/EB
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