



February 9, 2017

Representative Mitch Greenlick, Chair
House Committee on Health Care
Oregon State Legislature
Re: Support for HB 2339

Chair Greenlick and Members of the Committee:

Families USA is a national non-profit, nonpartisan organization dedicated to the achievement of high-quality, affordable health coverage and care for all. We work in partnership with states across the country to ensure that insurance consumers have the protections they need so that their coverage works to provide access to affordable, appropriate care.

To that end, Families USA strongly supports Oregon's enactment of protections against surprise medical bills for consumers who receive care from participating providers or facilities. The issue of "surprise" or "balance" bills is one that causes great mistrust in the health care system among consumers and jeopardizes their finances and wellbeing.

Insurance consumers who do their homework, identifying and seeking care from a participating facility, only to face a surprise bill due to no fault of their own currently have little recourse. The same is true for consumers who must receive care from the nearest facility without regard to network status in the event of an emergency.

This unfair situation can be very costly for consumers: A recent study of larger out-of-network emergency room bills, those that exceeded \$2500, found that the average amount of these bills was \$7000, with consumers balanced billed for nearly half the amount, or \$3800.ⁱ For people who earn low or moderate incomes, bills this high can be devastating to their finances, especially when they may already be struggling to pay the insurance premiums for coverage that is supposed to cover these health care costs. What's more, many surprise bills are much larger than those identified in this study, as people all over the country have been hit with bills that amount to tens of thousands of dollars.ⁱⁱ When consumers face bills of this magnitude, their ability to finance their other basic needs, including continued necessary health care, is severely compromised.

HB 2339 will provide critical protection by ensuring that an insurance enrollee is not responsible for paying costs beyond in-network cost-sharing for "emergency services or other inpatient or outpatient services provided to the enrollee at a participating health care facility." This is the financial protection and peace of mind that consumers expect and deserve when they purchase an insurance product. Importantly, HB 2339 also keeps consumers out of the dispute process between insurers and providers regarding balance bills.

Many states around the country have enacted comprehensive legislation to protect their residents from surprise medical bills, including Florida, California, and New York. Families USA strongly

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urges the Committee to enact surprise medical bill protections for Oregon residents, for the sake of their health and wellbeing. Thank you for consideration, and if you need further information please feel free to contact Claire McAndrew at cmcandrew@familiesusa.org or 202-628-3030.

Sincerely,

Claire McAndrew

Director of Campaign Strategy
Families USA

ⁱMark Hall, Paul Ginsburg, Steven M. Liberman, Loren Adler, Caitlin Brandt, and Margaret Darling, *Solving Surprise Medical Bills* (Washington: The Brookings Institution, October 2016), available online at: <https://www.brookings.edu/research/solving-surprise-medical-bills/>.

ⁱⁱ <http://www.kare11.com/news/minn-man-wins-battle-over-surprise-medical-bills/385353845>;
<http://sacramento.cbslocal.com/2017/02/06/call-kurtis-investigates-surprise-er-bills-that-can-financially-destroy-a-family/>; https://www.nytimes.com/2014/09/21/us/drive-by-doctoring-surprise-medical-bills.html?_r=0