



EDPMA ACTION ALERT: Weigh In on New Jersey Proposal to Extend Balance Billing Ban

The New Jersey Assembly's Appropriations Committee will consider problematic legislation tomorrow (Thursday, October 27) at 1pm. If you practice in New Jersey, please reach out to members of that committee (contact information is listed below) either today or early tomorrow. However, this bill is likely to change as it continues to move through the legislative process. So, it is OK if your message is received after 1pm tomorrow.

The committee is considering legislation (A1952) that:

- * extends the balance billing ban on emergency care. Currently, the ban impacts state regulated plans (about 30% of the market) and this bill would extend the ban to self-funded ERISA plans (the other 70% of the market),
- * requires that arbitration result in a reimbursement rate between 90% and 200% of Medicare, and
- * requires independent emergency groups to accept the insurance that is accepted by the hospital.

We are cautiously optimistic that the provision addressing the reimbursement rate will be amended later in the legislative process. So, at this time, we would like to focus this call-in campaign on the provision forcing independent emergency groups to contract with the hospital's insurers.

Here are some talking points for your calls and emails:

- Tell them your name and NJ address, which NJ hospitals you serve, and how many NJ patients your group serves each year. You are sharing this information so they understand that your viewpoint is important and they should pay attention to you.
- Tell them that you oppose the bill for many reasons, but you would like to focus on one issue today.
- Section 7(c)(2) provides that facilities ensure that "all health care professionals that are contracted with the facility to perform services in the facility are also in-network with respect to all health benefits plans with which the facility is in-network" In other words, **independent emergency groups could be forced to contract with insurance companies who offer unreasonably low reimbursement rates for emergency care.** This language creates an

incentive for insurers to offer unreasonably low reimbursement rates for emergency care because the insurers do not need to negotiate with any emergency physician groups when establishing rates. Insurers need only negotiate with the hospital. And, if the hospital is contracting with an independent emergency physician group, it is not financially impacted by unreasonably low reimbursement rates for emergency care. However, patients will be hurt if the reimbursement rates are not fair. Low rates threaten the very existence of emergency departments in New Jersey - a key part of the health safety net.

- It is important to remember this provision addresses reimbursement rates between two private parties. It does not address any government program. Thus, these provisions encourage **coercive contracting and arbitrary rate setting which are tantamount to "restraints of trade"**.
- Urge the legislators to express their opposition to this problematic provision during Thursday's meeting and work to have it removed from the bill as it moves through the legislative process.

Below is contact information for committee members and some other key players in the New Jersey Assembly. Note that the bill is sponsored by Democrats and Democrats control the NJ Legislature.

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New Jersey Assembly Republican Leader **Jon Bramnick (R)**: 908-232-2073

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