

**Provider & BCBS Proposal**  
**February 26, 2020**  
**S. 309 Study of Surprise Medical Bills**

**DFR SECTION 2 COMMENTS 3.11.20**

**Section 2: BCBS & Provider proposal:**

DFR shall report by January 15, 2021 to the Senate Committee on Finance and the House Committee on Commerce and Economic Development regarding the scope of unanticipated out-of-network costs for health care services borne by Vermonters with Vermont-issued health insurance and Vermont-based governmental plans<sup>1</sup> and possible solutions to reduce the impact on consumers and employers of such costs.

- (1) DFR shall review data provided by health insurers and governmental plans to provide analysis related to the following topics:
  - The scope and causes of unanticipated out-of-network medical bills<sup>2</sup> for Vermont consumers and employers;
  - Trends in unanticipated out-of-network bills received by Vermont consumers and/or employers, including a breakdown, to the extent feasible, by types, specialties, and/or locations of providers associated with such bills (including whether such providers are located out of state);
  - The extent to which unanticipated out-of-network bills are associated with referrals from in-network providers;
  - The number of Vermonters receiving unanticipated out-of-network bills, the average and total amounts of such bills, and the impact of such bills on the Vermont health insurance system as a whole; and
  - Any current Vermont laws or rules that may mitigate or exacerbate the scope of unanticipated out-of-network bills.
  
- (2) DFR shall convene a group of stakeholders, including representatives of the Office of the Health Care Advocate, health insurers, health care provider organizations, governmental plans, and self-funded employer organizations<sup>3</sup>, to discuss mechanisms for reducing patient and employer financial liability for unanticipated out-of-network medical bills. The working group shall discuss and provide feedback to DFR on the benefits and drawbacks to Vermont consumers, employers, providers, and insurers of the following topics:
  - The accessibility and usefulness of provider directories and their impact on out-of-network referrals;
  - Laws that have been enacted in other states to address unanticipated out-of-network medical bills;
  - Congressional surprise billing proposals being considered and the potential interaction between Congressional proposals and existing or potential State laws and rules addressing surprise billing; and
  - Any recommended changes to Vermont laws or rules to address unanticipated out-of-network medical bills.

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<sup>1</sup> As such term is used in ERISA.

<sup>2</sup> Bills from out-of-network providers for charges that exceed a consumer's health insurance plan's allowed amount for a covered service

<sup>3</sup> If any self-funded employer organizations are willing to participate.