

**CENTER FOR MEDICAL CONSUMERS**  
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**MEMORANDUM OF SUPPORT**  
**S.4241/A.7611**

**IN SENATE, BILL 4241. INTRODUCED BY SENATOR SEWARD**

**IN ASSEMBLY, BILL 7611. INTRODUCED BY MEMBERS OF ASSEMBLY CAHILL,  
SEPULVEDA**

**AN ACT** to amend the financial services law, in relation to establishing protections from excessive hospital emergency charges

**SUMMARY OF PROVISIONS:**

The bill expands the scope of current law, which has established an independent dispute resolution process for conflicts over charges for emergency services, to hospitals. Current law provides that process for disputes over fees related to emergency services provided by physicians.

**STATEMENT OF OPPOSITION:**

In 2014, New York enacted a new law intended to protect consumers from surprise out-of-network fees. The law focused specifically on the fees charged by doctors providing emergency services who did not participate in the consumer's health insurance plan provider network. As part of the law, an independent dispute resolution process was created to resolve disputes over such charges.

The independent dispute resolution process in essence took the consumer out of the dispute between the consumer's insurance company and the doctor providing emergency services. The dispute resolution process is run by outside experts who are charged with resolving any dispute over the appropriate physician fee for the emergency services provided. The consumer is essentially protected from paying for surprise out-of-network fees by this process.

However, this law did not cover emergency services fees charged by the hospitals themselves.

This omission creates continued exposure for consumers who receive emergency services in non-participating hospitals. The legislation merely expands the current consumer protections to fees charged by hospitals and creates a dispute resolution process that ensures that patients receiving emergency services are insulated from costly surprise fees.

**Our organizations urge you to SUPPORT this legislation.**