



MEMO IN SUPPORT

Patient Protection Legislation — S.3171-A (Krueger) / A.264-B (Cahill)

As a coalition of organizations representing consumers, health, labor, and business we strongly support S.3171-A/A.264-B to end “surprise” hospital bills by subjecting out-of-network hospital emergency care charges to the existing Independent Dispute Resolution (IDR) process.

Individuals with health coverage should feel protected from the possibility of experiencing financial ruin because of an emergency hospital visit. However, today that is far from the truth for a patient that, for example, enters a hospital emergency room to treat burns from a spilled cup of coffee and is then stunned by a “surprise” emergency hospital bill upwards of \$184,000 for out-of-network charges. For a patient whose health insurance policy requires them to pay 10% of the total cost, this could mean taking on \$18,400 in debt.

Without implementing the IDR process on “surprise” hospital bill for out-of-network emergency care services there will continue to be no formal process to control for the cost of such hospital services including, but not limited to, patient processing, IV fluids and blood transfusions—all billed when a patient is least able to review or object.

On the flip side, these same exorbitant “surprise” emergency hospital bills can mean increased health care coverage costs for labor and businesses. Because health insurance companies are required to cover some-to-all of the excessive out-of-network hospital charges, this translates into costlier health insurance for us to purchase and negotiate in subsequent years. Often this can lead to other tough employment decisions including foregoing raises or cutting down on other benefits.

In 2014, New York State took the lead by becoming the first state to implement an IDR process to put an end to “surprise” emergency billing by out-of-network physicians. Since then, a Yale University study found that the New York law resulted in a substantial drop in out-of-network billing for emergency doctor services, even as the billing remained steady in neighboring states without a similar protection.

It is only reasonable for New York State to take the lead once again and similarly put an end to “surprise” hospital bills for out-of-network emergency care charges. New York families should not be gouged by hospitals when they are most vulnerable in an emergency situation; New York businesses and labor organizations should not be subject to tough employment decisions due to rising health care costs that we can curtail. We urge you to support this legislation to put an end to “surprise” hospital emergency bills.

OVER

For the aforementioned reasons, we strongly support this legislation to end “surprise” hospital bills.

Organizations in Support

32BJ SEIU
AARP New York – American Association of Retired Persons
AFSCME New York
ATIC – American Transit Insurance Company
Captains Endowment Association
Consumer Reports
Correction Officers’ Benevolent Association
CSA – Council of Supervisors & Administrators
CEA Local 1000
Detectives’ Endowment Association
District Council 37 AFSCME
District Council of Carpenters
Doctors Council SEIU
Health Care for All New York
International Union of Operating Engineers Local 30
Lieutenants Benevolent Association
Municipal Labor Committee (MLC)*
NFIB - National Federation of Independent Business
NYC Accountant Statisticians & Actuaries Local 1407
NYC Administrative Employees Local 1180, CWA
NYC Lifeguard Supervisors Local 508
NYS Association of PBA’s
NYS Building and Construction Trades Council
NYSCOP - New York State Conference of Blue Cross and Blue Shield Plans
NYSNA – New York State Nurses Association
NYSTLA – New York State Trial Lawyers Association
NYSUT – New York State United Teachers
Organization of Staff Analysts
PCNY – Police Conference of New York
PSC – Professional Staff Congress CUNY
Sanitation Officers Association, SEIU Local 444
SEIU Local 246
Social Service Employees Local 371
Teamsters Local 237
The Business Council
UFOA – Uniformed Fire Officers Association Local 854
UFT – United Federation of Teachers
Uniformed Sanitationmen’s Association, Teamsters Local 831
Unshackle Upstate

*The 22 Executive Board members of the MLC are listed, however, MLC represents a total of 102 public sector unions, 413,000 New York City employee members and, with retirees and dependents, over 1.1 million covered lives.