



February 13, 2020

The Honorable Richard Neal, Chair  
Committee on Ways and Means  
U.S. House of Representatives  
1102 Rayburn House Office Building  
Washington, DC 20515

The Honorable Kevin Brady, Ranking Member  
Committee on Ways and Means  
U.S. House of Representatives  
1139 Longworth House Office Building  
Washington, DC 20515

Dear Chairman Neal and Ranking Member Brady,

On behalf of our member medical group practices, healthcare executives, and other healthcare leaders, the Medical Group Management Association (MGMA) thanks you for drafting balanced legislation to end out-of-network billing or “surprise” medical bills. MGMA supports the “Consumer Protections Against Surprise Medical Bills Act of 2020” and agrees with the Committee that mediation without a qualifying threshold is a fair and equitable approach for all parties, and most importantly, a solution that protects the patient.

MGMA is the premier association for professionals who lead medical practices. Since 1926, through data, people, insights, and advocacy, MGMA empowers medical group practices to innovate and create meaningful change in healthcare. With a membership of more than 55,000 medical practice administrators, executives, and leaders, MGMA represents more than 15,500 organizations of all sizes, types, structures, and specialties that deliver almost half of the healthcare in the United States.

This framework is a welcomed improvement over other legislative approaches currently under consideration and MGMA particularly appreciates that the following principles were incorporated:

- Protecting patients from out-of-network medical bills that result from unexpected gaps in insurance coverage and only holding them accountable for in-network cost sharing amounts;
- Allowing physicians and health plans to negotiate payment terms for remaining costs and, if necessary, avail themselves to an independent, third-party mediation process;
- Ensuring there is no qualifying threshold to qualify for mediation; and
- Streamlining the mediation process by permitting physicians to bundle claims.

We offer suggestions on ways to improve certain provisions that, as currently drafted, could result in unintended consequences as explained below. We sincerely appreciate consideration of these matters as the Committee moves forward in the legislative process.

1. **Add clarifying language to the provision outlining what factors may be considered during the mediation process.** We are concerned that the bill could result in mediators disproportionately weighting median contracted rates since the mediator is prohibited from taking into account usual and customary rates and charges billed by the provider or facility for an item or service. To mitigate disproportionate deference to this factor, we suggest the Committee include language that provides additional, specific examples of other elements independent entities may consider in mediation, such as the complexity of the patient’s medical condition, special expertise required, comorbidities, and other relevant economic and clinical factors. Additionally, MGMA recommends adding a provision that supports use of an independent



commercial payor claims data base containing commercially reasonable rates for comparable services in the same geographic region.

2. **Improve the negotiation process by taking a less prescriptive approach.** MGMA appreciates the Committee established an open negotiation process but has concerns that certain requirements could have unintended consequences. For example, the bill would require plans and physicians to exchange information on median contract and reimbursement rates. MGMA believes this requirement could impose significant administrative burden on physicians. We suggest that final language be less prescriptive and allow health plans and providers to conduct negotiations in a manner that best suits those involved.

MGMA appreciates the measured and thoughtful approach the Committee has taken to protect patients from unanticipated medical bills. As the voice for the country's medical group practices, MGMA remains committed to promoting policies that enhance the ability of our members to provide high quality, cost-effective care to the millions of patients they serve. Should you have any questions, please do not hesitate to contact Mollie Gelburd at [mgelburd@mgma.org](mailto:mgelburd@mgma.org) or 202-293-3450.

Sincerely,

/s/

Anders Gilberg, MGA

Senior Vice President, Government Affairs