

# **SURPRISE BILLING LEGISLATION IN MISSOURI (SENATE BILL 982)**

The Missouri General Assembly and Governor Mike Parson signed into law legislation to protect patients against surprise billing. Highlights of the bill include the following.

## **OUT-OF-NETWORK BILLING (EFFECTIVE JANUARY 1, 2019)**

- Legislation applies to a subset of patient encounters — “services delivered by an out-of-network practitioner in an in-network facility from the time the patient presents with an emergency medical condition until the time the patient is discharged.”
- Legislators focused on surprise billing stemming from unanticipated emergency treatment with no effective choice of provider.

## **ADJUDICATION PROCESS**

- The practitioner submits claim within 180 days of date of service.
- Health insurer offers to pay a reasonable reimbursement rate within 45 days. If the practitioner participates in any of the insurer’s plans, the rate offered will be the highest in-network contracted commercial rate.
- If the practitioner declines, claims unresolved after a 60-day negotiation period are subject to arbitration.

## **ARBITRATION PROCESS**

- The process can be initiated by either the insurer or practitioner.
- Arbitration can encompass multiple claims, but they must represent similar circumstances and services provided by the same practitioner.
- State insurance department randomly selects an arbitrator for each case using criteria established in state regulation.
- Arbitration costs are to be equally shared.  
Arbitrator determines a fair payment rate that is between 120 percent of the Medicare allowed amount and the 70th percentile of the usual and customary rate. The decision may consider the practitioner’s training, education, experience, circumstances and complexity of the case, and average contracted rate for comparable services.
- Arbitrator’s final decision is binding on all parties.

## **PATIENT PROTECTIONS**

- A practitioner cannot bill the patient more than what the patient would have paid if the service was provided by an in-network health care professional.
  - Cost-sharing obligations are established by agreement or arbitration.
  - In-network deductibles and out-of-pocket maximums apply to unanticipated out-of-network claims.
- The patient is not required to participate in the arbitration process.