



Pennsylvania
MEDICAL SOCIETY®

ADVOCATE. EDUCATE. NAVIGATE.

Danae M. Powers, MD
President

September 4, 2019

Lawrence R. John, MD
President Elect

Dear Representative:

Michael A. DellaVecchia, MD, PhD, FACS
Vice President

You may soon be asked to vote on the merits of H.R. 3630, the “No Surprises Act”, a proposal that the Pennsylvania Medical Society along with the American Medical Association currently has concerns with.

John P. Gallagher, MD
Chair

This legislation aims to resolve payment disputes between physicians and insurers by setting out-of-network payments at the median amount each insurer pays for in-network care. This is referred to as “benchmarking”, which is a “one size fits all” system that disregards variable costs of healthcare. This proposal would result in physicians and other caregivers ultimately being underpaid for the care that they provide.

Erick J. Bergquist, MD, PhD
Secretary

Martin P. Raniowski, MA
Executive Vice President

Insurance companies are incentivized to keep their networks narrow since if a policyholder’s care, particularly in emergency situations, happens to be out of network, the deductible is likely significantly higher. This shifts the majority of the cost of care to the patient, instead of the insurer. Due to high deductibles and complicated health plan designs patients often find themselves with no protection from their insurance provider even after paying their costly insurance premiums.

While we appreciate efforts to address the issue of surprise billing, we encourage you to find another solution to this issue. Benchmarking will create a healthcare marketplace that reduces access to emergency care and other critical specialties, especially in rural communities. We support efforts to protect patients from surprise medical bills so long as the solution prevents government price setting or influencing the negotiations between two private parties.

As you work to address surprise billing, we urge you to reconsider the approach that is taken in H. R. 3630. We would be more than happy to discuss with you alternatives to benchmarking that we believe would better serve both patients and providers than the provisions contained within HR 3630.

777 East Park Drive
PO Box 8820
Harrisburg, PA 17105-8820

Membership Inquiries
855-PAMED4U
(855-726-3348)

Tel: (717) 558-7750
Fax: (717)-558-7840
Email: KnowledgeCenter@pamedsoc.org
www.pamedsoc.org

Sincerely,

John P. Gallagher, MD
PAMED Board Chair