News Release

Consumers Union and Health Access California

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ON STRONG BIPARTISAN VOTE, CALIFORNIA ASSEMBLY PASSES AB533 TO STOP "SURPRISE MEDICAL BILLS"

SACRAMENTO, CA – On a bipartisan vote (69-1), the California Assembly today passed a key bill to help protect patients from unfair "surprise medical bills" when they go to an in-network hospital or facility and get charged extra from out-of-network doctors. The legislation comes in response to complaints from many Californians facing bills of hundreds or thousands of dollars from out-of-network doctors, even when they go to in-network facilities.

"The Assembly took a bold step to stop surprise bills from imperiling the family finances of California patients. Californians who do the right thing under their health plan and go to an in-network hospital should not face hundreds or thousands of dollars in bills from out-of-network doctors," said Anthony Wright, executive director, Health Access California, the statewide health care consumer advocacy coalition, and the sponsors of the bill. "Once patients go to an in-network hospital, they shouldn't be penalized for the radiologist, anesthesiologist, or other doctor that serve them that they never chose and in some cases never even met. AB 533 will protect patients from unexpected and unfair medical bills."

Julia Silas, senior attorney for Consumers Union, the policy and advocacy arm of Consumer Reports, said, "Health insurance coverage should provide consumers protection against overwhelming medical bills and debt. AB 533 ensures that consumers who seek care at an in-network facility never end up paying more than the in-network copays, co-insurance, or deductible – even if the contracting doctors providing that care are out-of-network."

A <u>recent survey</u> by Consumer Reports National Research Center showed that nearly 20% of Californians were charged at an out-of-network rate when they thought a provider was in-network.

The legislation is part of a package of bills to prevent unfair out-of-pocket costs for consumers. "The pending legislation would take another positive step in helping provide economic security to Californians once covered. The point of paying premiums for coverage is to protect against these surprise shocks to a family's finances," said Wright.
