

September 16, 2021

New Rules Protect Patients From Surprise Billing

On January 1, 2022, the federal No Surprise Act will go into effect and ban surprise medical bills for emergency services, nonemergency services from nonparticipating providers at participating facilities and air ambulance services from nonparticipating providers of air ambulance services, under certain circumstances.

By way of background, on July 1, the Department of Health & Human Services (HHS), the Department of Labor and the Department of the Treasury issued interim final rules (IFR) dated July 1 titled "[Requirements Related to Surprise Billing; Part I.](#)" The IFR will restrict excessive out-of-pocket costs to consumers from surprise billing and balance billing. Surprise billing happens when people unknowingly get care from providers that are outside their health plan's network and can happen for both emergency and nonemergency care. Balance billing, which is currently prohibited by both Medicare and Medicaid, happens when a provider charges patients the remainder of what their insurance does not pay.

In a statement provided by HHS Secretary Xavier Becerra, the intent of this IFR was for no patient to forgo care for fear of surprise billing and unexpected costs. While many states have their own version preventing surprise medical bills, they may or may not apply to federal payers such as Medicare. However, there remains much disagreement with the proposed terms of the federal legislation, so stay tuned.

For additional information about the No Surprise Act and IFR, fact sheets from the Centers for Medicare & Medicaid Services can be found [here](#) and [here](#).

Would you like to receive our *Day Pitney C.H.A.T. Newsletter*? Sign up [here](#).

Authors



Erin Magennis Healy
Partner

Parsippany, NJ | (973) 966-8041
ehealy@daypitney.com



Mindy S. Tompkins
Partner

Hartford, CT | (860) 275-0139
mtompkins@daypitney.com



Susan R. Huntington
Partner

Hartford, CT | (860) 275-0168
Washington, D.C. | (202) 218-3909
shuntington@daypitney.com



Thomas A. Zalewski
Partner

Parsippany, NJ | (973) 966-8115
tzalewski@daypitney.com