

**IDAHO MEDICAL ASSOCIATION HOUSE OF DELEGATES**

**AUGUST 3-5, 2018**

RESOLUTION 206 (18)

SUBJECT: NETWORK ADEQUACY AND OUT OF NETWORK PAYMENTS

AUTHOR: IMA BOARD OF TRUSTEES

SPONSORED BY: IMA BOARD OF TRUSTEES

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1 WHEREAS, Idaho's health plans are creating increasingly more narrow  
2 networks of physicians and other providers to save money, and  
3 there is a lack of regulatory or statutory guidance on network  
4 adequacy standards to ensure patient access to necessary care in  
5 local communities; and

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7 WHEREAS, Some physicians choose not to join networks due to unfavorable  
8 contract terms, and some physicians want to join networks and are  
9 prevented from doing so because Idaho's Any Willing Provider  
10 statute does not apply to networks; and

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12 WHEREAS, Patients often do not receive clear and timely information from  
13 health plans about whether or not a physician or hospital is in or  
14 out of network, nor what allowable benefits, deductibles and  
15 copays the patient might expect when receiving care from out of  
16 network (OON) physicians; and

ADOPTED AS AMENDED

1 WHEREAS, When local hospitals are in networks, but the physicians providing  
2 care in those facilities are not, it causes problems for patients,  
3 especially in emergency situations when health plans do not  
4 adequately cover care provided by OON physicians. In these  
5 situations, patients with a surprise lack of coverage are left with the  
6 financial responsibility for the OON physicians' services; and

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8 WHEREAS, Health plans should honor their commitments to provide coverage  
9 for patients and establish a mechanism for providing reasonable  
10 reimbursement to OON physicians so that patients are held  
11 harmless for amounts owed over and above copays and  
12 deductibles. The OON payment system must not be derived from  
13 government or health plan fee schedules because they do not  
14 reflect the cost of providing care; and

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16 WHEREAS, If health plans fail to provide an adequate OON reimbursement  
17 system, physicians should have access to an arbitration process to  
18 determine appropriate payment for services rendered; therefore be  
19 it

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21 RESOLVED, In order to facilitate more fully informed decisions by patients, the  
22 Idaho Medical Association urges Idaho physicians to clearly  
23 disclose their fee schedules to patients upon request prior to care  
24 whenever possible, to be transparent about the health insurance

1 products and networks in which they participate, to join networks  
2 when feasible, and to bill in a way that reflects the cost of providing  
3 care. Idaho Medical Association opposes unethical practices of  
4 inappropriately billing patients; and be it further

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6 RESOLVED, Idaho Medical Association adopt policy in support of requirements  
7 for health plans: 1) to maintain strong, measurable network  
8 adequacy standards that provide patients with timely access to  
9 and choice of providers; 2) to the degree possible to standardize  
10 the way in which they market and describe their out-of-network  
11 coverage to provide transparency for patients; 3) to be responsible  
12 for informing patients in a timely manner whether or not a  
13 physician or hospital is in network or out of network based on the  
14 patient's individual plan, and estimates of the allowable benefit for  
15 care, deductible and copay so patients may accurately assess  
16 their financial exposure; 4) to provide reasonable reimbursement  
17 to out of network physicians using an index of fair market values  
18 for services rather than payor fee schedules; and 5) to engage in  
19 arbitration with physicians to determine adequate reimbursement  
20 for out of network services; and be it further

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22 RESOLVED, Idaho Medical Association engage with the Idaho Department of  
23 Insurance to insist insurance companies comply with appropriate  
24 network adequacy standards in all situations, and participate in a

1 coalition of physician, hospital and patient advocates and  
2 associations to work with the Department of Insurance to adopt  
3 rules and guidelines, or if necessary, to sponsor and advocate for  
4 the passage of legislation to ensure that health plans: 1) maintain  
5 strong, measurable network adequacy standards that provide  
6 patients with timely access to and choice of providers; 2) to the  
7 degree possible to standardize the way in which they market and  
8 describe their out-of-network coverage to provide transparency for  
9 patients; 3) to be responsible for informing patients in a timely  
10 manner whether or not a physician or hospital is in network or out  
11 of network based on the patient's individual plan, and estimates of  
12 the allowable benefit for care, deductible and copay so patients  
13 may accurately assess their financial exposure; 4) to provide  
14 reasonable reimbursement to out of network physicians using an  
15 index of fair market values for services rather than payor fee  
16 schedules; and 5) to engage in arbitration with physicians to  
17 determine adequate reimbursement for out of network services.

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19 EXISTING IMA POLICY: The IMA will oppose HB 495 to prohibit balance billing.

20 (BOT, Feb 2018)

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22 IMA adopted policy in support of health care reform in 2009 and  
23 part of that policy outlines support for, "Allowing balance billing and  
24 private contracting." (HOD, July 2009)

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IMA opposes HB 710, prohibition on balance billing for emergency

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services, which would prohibit non-participating physicians from

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balance billing a patient if services were provided in a hospital that

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participates with the patient's insurer. (BOT, Feb. 2004)

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The IMA supports SB1457 which clarifies Idaho law regarding the

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practice of balance billing to state that physicians may balance bill

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except for services covered under written contractual acceptance.

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(BOT, February 1998)

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12 IMA FISCAL NOTE: \$\$\$\$

13 STATE OF IDAHO FISCAL NOTE: N/A

14 IMA RESOURCE ALLOCATION: High

15 DEGREE OF DIFFICULTY: High