

**Missouri State Medical Association
House of Delegates**

Resolution #11
(A-20)

Introduced by: MSMA Council
Subject: Surprise Billing
Referred to: Reference Committee A

1 WHEREAS, the issue of “surprise” medical billing has become a problem both state-wide in Missouri and
2 nationally, is the subject of resolutions currently before Congress, and contributes strongly to public
3 dissatisfaction with physician services and billing; and
4
5 WHEREAS, in an emergency situation, patients may not be in a position to go to an in-network hospital
6 for necessary medical services¹; and
7
8 WHEREAS, Commercial Health Insurers have the right to designate narrow networks of Hospitals and
9 healthcare providers^{1, 2}; and
10
11 WHEREAS, The Missouri Statute allows commercial healthcare insurance companies to take up to 60
12 business days for completion their credentialing process of healthcare providers³; and
13
14 WHEREAS, some hospitals are in-network with certain commercial health insurers, but have some
15 medical staff members that are either out-of-network healthcare providers with certain commercial
16 health insurers or are waiting for certain commercial health insurers to complete their credentialing
17 process⁴; and
18
19 WHEREAS, commercially health insured patients that receive care at in-network hospitals may receive a
20 “surprise bill” from medical staff members that are either out-of-network healthcare providers or are
21 awaiting the credentialing process¹; and
22
23 WHEREAS, hospitals are required to complete a thorough primary verification process for each applicant
24 to their medical staff⁵; and
25
26 WHEREAS, delays in healthcare provider credentialing by commercial health insurances are
27 economically detrimental to medical practices, and financially distressing to patients⁶; and
28
29 WHEREAS, Blue Cross Blue Shield of Kansas City processes out-of-network hospital based provider
30 services delivered at in-network hospitals as in-network provider services⁷; and
31
32 WHEREAS, effective December 1, 2019 Blue Cross Blue Shield of Kansas City made the decision not to
33 credential Hospital based physicians and will reimburse these same physicians for their services as in-
34 network providers from the date of acquisition of their hospital privileges; therefore be it
35
36 RESOLVED, that Missouri Healthnet & all Commercial Health Insurers of Missouri shall not require
37 credentialing of exclusively hospital based healthcare providers (both hospital employed and non-

38 hospital employed) at in-network hospitals, and shall reimburse the services of these same healthcare
39 providers from the date of acquisition of their hospital privileges at fair market-value in a timely fashion
40 and with independent dispute resolution as described by current AMA policy listed below:

41 “The out-of-network payment shall be keyed to the market value of physician services and that
42 maintains a level playing field for future in-network contract negotiations. Any payment process
43 for out-of-network care should ensure that timely (i.e. within 30 days of claim submission), upfront
44 payment is made from the insurer that is of an amount that is commercially reasonable and in line with
45 the services provided by the physician. Legislation should provide for a robust independent dispute
46 resolution (IDR) mechanism that incentivizes all parties to act fairly and reasonably from the start in
47 setting charges and payment amounts, without ever needing to be invoked. Then for those
48 circumstances where the insurer’s up-front payment is insufficient (whether due to factors such as the
49 complexity of the patient’s medical condition, the special expertise required, comorbidities, or other
50 factors unique to that provider or geographic area), the IDR process itself will allow for a quick, efficient,
51 and easy resolution, without the need for attorney involvement or costs to the federal government.”⁸;
52 and be it further

53
54 RESOLVED, that Missouri Healthnet & all Commercial Health Insurers of Missouri shall immediately
55 provide limited credentialing for all non-exclusively hospital based healthcare providers (both hospital
56 employed and non-hospital employed) that provide services for patients admitted through the
57 emergency department at in-network hospitals, and shall reimburse the services of these same
58 healthcare providers from the date of acquisition of their hospital privileges at fair market-value in a
59 timely fashion and with independent dispute resolution as described by current AMA policy listed
60 below:

61 “The out-of-network payment shall be keyed to the market value of physician services and that
62 maintains a level playing field for future in-network contract negotiations. Any payment process
63 for out-of-network care should ensure that timely (i.e. within 30 days of claim submission), upfront
64 payment is made from the insurer that is of an amount that is commercially reasonable and in line with
65 the services provided by the physician. Legislation should provide for a robust independent dispute
66 resolution (IDR) mechanism that incentivizes all parties to act fairly and reasonably from the start in
67 setting charges and payment amounts, without ever needing to be invoked. Then for those
68 circumstances where the insurer’s up-front payment is insufficient (whether due to factors such as the
69 complexity of the patient’s medical condition, the special expertise required, comorbidities, or other
70 factors unique to that provider or geographic area), the IDR process itself will allow for a quick, efficient,
71 and easy resolution, without the need for attorney involvement or costs to the federal government.”⁸

Fiscal Note:

Current Policy:

References

1. Van Way III, Charles W. Surprise Medical Bills: Insurance Plans’ Narrow Provider Networks and the Search for Legislative Solutions. *Kansas City Medicine*. 2019; 5(4):4-5.

2. Insurance Carriers and Access to Healthcare Providers: Network Adequacy. 2018. National Conference of State Legislatures.
<https://www.ncsl.org/research/health/insurance-carriers-and-access-to-healthcare-providers-network-adequacy.aspx>
3. Missouri Revised Statutes. Section 376.1578 Credentialing Procedure, health carrier duties – violations, mechanism of reporting. MO Rev Stat § 376.1578 (2013).
<https://law.justia.com/codes/missouri/2013/title-xxiv/chapter-376/section-376.1578/>
4. Stantz, Renee. Billing for noncredentialed providers. Medical Economics. 2011.
<https://www.medicaleconomics.com/category-47287/billing-noncredentialed-providers>
5. National Association of Insurance Companies. Health Care Professional Credentialing Verification Model Act. 1996.
<https://www.naic.org/store/free/MDL-70.pdf>
6. UnitedHealth Group. UnitedHealthcare Credentialing Plan Regulatory Addendum. 2019; 33-34.
<https://www.uhcprovider.com/content/dam/provider/docs/public/resources/join-network/Credentialing-Plan-State-and-Federal-Regulatory-Addendum.pdf>
7. Blue Cross Blue Shield Association. Surprise Billing Statement for House Energy and Commerce Subcommittee on Health Hearing. 2019.
[https://s3.amazonaws.com/cdn720/bcbsprogresshealth/Surprise%20Billing%20Statement%20for%20House%20EC%20Health%20Hearing_6.11.19%20\(002\).pdf](https://s3.amazonaws.com/cdn720/bcbsprogresshealth/Surprise%20Billing%20Statement%20for%20House%20EC%20Health%20Hearing_6.11.19%20(002).pdf)
8. September 4, 2019 Letter addressed to The Honorable Richard Neal, The Honorable Kevin Brady, The Honorable Bobby Scott, & The Honorable Virginia Foxx from The American Association of Neurologic Surgeons, The American Association of Orthopaedic Surgeons, The American college of Emergency Physicians, The American College of Radiology, The American College of Surgeons, The American Medical Association, The American Society of Anesthesiologists, The American Society of Plastic Surgeons, The College of American Pathologists, and the Congress of Neurological Surgeons.
<https://www.acep.org/globalassets/new-pdfs/advocacy/specialty-letter-to-waysmeanslabor---09.04.2019.pdf>