

TELL ALBANY:
CHARTERS WORK

CHARTERS
WORK.org

Paid for by Families for Excellent Schools

CAPITAL PRO

CITY HALL | ALBANY | MEDIA | **CAPITAL PRO** | | | | |

Lawsky: 'Very active' talks to end surprise medical bills



By Laura Nahmias 1:02 p.m. | Mar. 24, 2014

[FOLLOW THIS REPORTER](#)

ALBANY—Legislative leaders were up late last night working on a plan to end surprise medical bills for consumers, Department of Financial Services superintendent Ben Lawsky said during a press conference in the state's Capitol on Monday.

"I'll just say they're very active negotiations right now, three-way negotiations, they were happening as late as, I was getting updates at 12:30 last night," Lawsky said of discussions to reform the way doctors and insurers handle patients' out-of-network medical bills.

Governor Andrew Cuomo proposed a plan in his executive budget that would remove consumers from disputes between insurers and health care providers over surprise out-of-network medical bills, and would require doctors, insurers and hospitals to preemptively disclose whether or not doctors belong to a health plan, and how much they will charge patients.

Both the Senate and Assembly included versions of the proposal in their one-house budget resolutions, with some marked differences from the governor's plan. For example, the Senate would reimburse doctors for out-of-network services at a higher rate than the governor's proposal. And the Assembly proposes a different, potentially longer-term form of mediation than the baseball-style arbitration in Cuomo's budget, in the event of disputes between insurers and doctors.

MORE ON CAPITAL

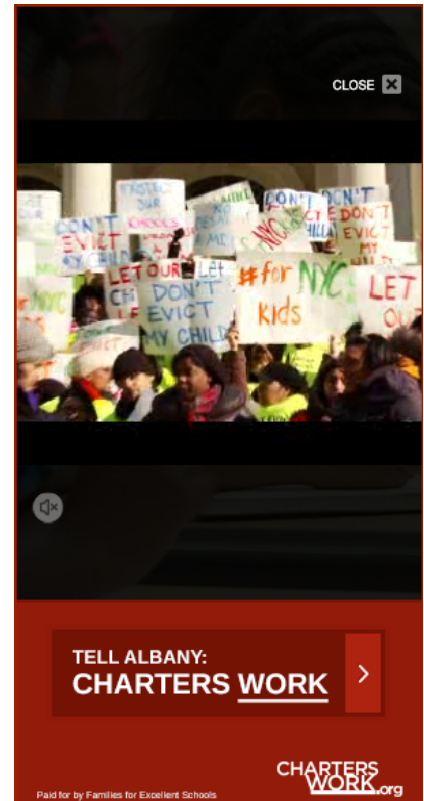
- Skelos doesn't rule out campaign finance in budget
- Silver: Charters would get 'just money' in state budget
- DiNapoli withholds judgment on Cuomo's tax freeze

Lawsky said the leaders were still discussing differences in the legislative proposals for how much to reimburse doctors.

"I think that's still being worked out," he said, adding, "that piece may have been worked out actually last night in the negotiations."

Insurers are closely watching the negotiations, because the legislation would significantly alter the methodology insurers use to calculate payments to doctors and establish a minimum price doctors must be paid for out-of-network services.

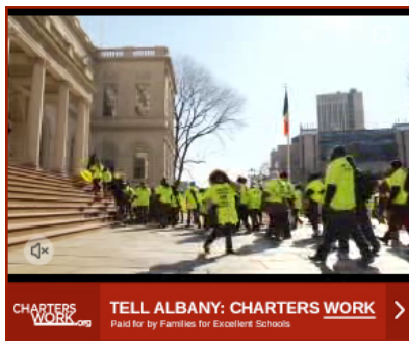
In recent years, insurers have been basing payments to doctors for out-of-network services



MOST POPULAR

- 1 State demands answers from crude-oil shipper
- 2 Council forms budget negotiating team
- 3 Cuomo admin on de Blasio homeless request: 'Too late'
- 4 Caucus urges Silver to press Cuomo for school aid
- 5 Accused by Jezebel of 'erasing' women from history, state ed says curriculum still in progress

ADVERTISEMENT



on a percentage of the federal Medicare payment rate. That rate is typically much lower than what doctors bill to patients.

The Governor and Senate's proposals in this year's state budget would mandate that insurers pay doctors based on a percentage of something known as the "usual and customary rate," an average of how much doctors in a region bill for

a particular service. The "usual and customary rate" is frequently much higher than the Medicare rate for any given service. Changing the way doctors are reimbursed could lead to premium payment increases for all consumers, insurers argue.

"Each of the proposals under consideration will increase health insurance premiums to varying degrees," said Deborah Fasser, a spokeswoman for the New York State Conference of Blue Cross and Blue Shield Plans, in an emailed statement.

Troy Oechsner, a special assistant to Lawsky, said Monday that any premium increases that result from the legislation would be minor.

"I'd argue that there is not going to be a huge increase," Oechsner said, noting that insurers are already required by federal law to pay higher rates for out-of-network emergency medical bills.

"There are so many other factors driving insurance premiums, and what you're doing is really taking consumers out of it, so all of these out-of-pocket costs that consumers are experiencing, they won't be facing," Oechsner said.

MORE: [ALBANY](#) [2014 STATE BUDGET](#) [ALBANY](#) [ANDREW CUOMO](#) [BEN LAWSKY](#) [HEALTH CARE](#) [INSURANCE](#) [OUT OF NETWORK](#) [TROY OECHSNER](#)



Author: Laura Nahmias

[FOLLOW THIS REPORTER](#)



[MORE IN ALBANY](#)



Skelos doesn't rule out campaign finance in budget

AROUND THE WEB

Sponsored Content by Taboola



Rachael Ray Dishes Up
Exciting Way To Color Hair
[The Colorist](#)



12 Tips for Curbing
Impulsive Shopping
[Health Central](#)



Voyajo - Online Road Trip
Planner. Plan Your Travel
Route For Free!
[Voyajo](#)



Trulioo to Bring Smartphone
Student IDs to Universities
[Techvibes.com](#)

MORE FROM CAPITAL



State demands answers from crude-oil shipper



Caucus urges Silver to press Cuomo for school aid



King to schools: Correct misinformation about testing



NYCLU: Private-school tax credit is unconstitutional

CAPITAL

[ABOUT US](#)

[ADVERTISE](#)

[CONTACT](#)

[PRIVACY POLICY](#)

[TERMS AND CONDITIONS](#)

