

California Legislature

November 7, 2019

The Honorable Nancy Pelosi
1236 Longworth House Office Building
Washington, DC 20515

The Honorable Kevin McCarthy
2421 Rayburn House Office Building
Washington, DC 20515

Dear Madam Speaker and Minority Leader McCarthy:

As fellow California lawmakers, we share your commitment to protecting Californians and improving health care affordability. That's why we introduced AB 72 during the 2015-16 legislative session - to protect patients from surprise medical bills when they follow the rules of their health plan by going to an in-network hospital, lab, imaging center, or other health care facility. No patient should pay for a surprise bill or be forced into bankruptcy because of a complicated and unfair billing system.

The California measure was approved, with strong bipartisan support, because it struck a compromise between insurance companies and doctors that put patients first and created the strongest consumer protection law in the nation.

Three years after passing this legislation, we continue to see positive results. Despite claims that the law would lead to the narrowing of networks, the opposite has happened.

A recent USC-Brookings Schaeffer Initiative for Health Policy analysis found that compared with the period before the law was enacted, the percentage of anesthesiologists, pathologists, assistant surgeons, radiologists, and neonatologists whose work was covered by insurance increased by an average of 17 percent. A separate study published last month in the American Journal of Managed Care also found that the number of California doctors in their networks had increased – by about 16 percent since AB 72 became law.

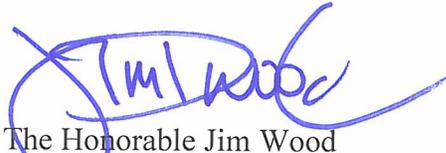
Simply put, AB 72 has proven to be highly effective when it comes to stopping surprise medical bills. As Congress works to pass national surprise billing safeguards, our efforts in California should serve as a model. AB 72 has been highly successful in protecting patients from surprise medical bills and concerns recently raised by care providers about unintended consequences relating to provider-payer dispute resolution can be addressed and should not diminish the value of this groundbreaking legislation. We respectfully urge Congress to look into adopting legislation designed to stop surprise medical bills through fair, local, benchmark rates. In addition to protecting patients, it's better for the health care system. The nonpartisan Congressional Budget Office reported that local, market-based benchmarks tied to negotiated rates between health plans and providers would save \$25 billion over 10 years.

We cannot let entities that use surprise medical billings as a business model dilute real reform to protect patients and improve health care affordability in our state and nationwide. Congress should do everything it can to adopt legislation that reflects the principles laid out in AB 72 so that all Americans can experience the same benefits we see in California.

Respectfully,



The Honorable Rob Bonta
Assemblymember, 18th District



The Honorable Jim Wood
Assemblymember, 2nd District



The Honorable Brian Maienschein
Assemblymember, 77th District



The Honorable Miguel Santiago
Assemblymember, 53rd District



The Honorable Lorena Gonzalez
Assemblymember, 80th District



The Honorable Brian Dahle
Senator, 1st District