

## When Red Tape Comes with a Hefty Price Tag

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While the *No Surprises Act* is successfully safeguarding patients from surprise medical bills, some providers are flooding the independent dispute resolution (IDR) process with ineligible claims, driving up costs for patients, employers, and the broader health care system. With the [number of claims](#) going through arbitration significantly exceeding original projections, the cost of the process overall is being borne by employers and consumers.

### Adding Up Arbitration's Fees

The *No Surprises Act* [requires](#) both health plans and providers to pay a **non-refundable administrative fee of \$115 each** to participate in arbitration. While this may seem minor, it's just the beginning. Beyond administrative fees, the losing party in a dispute must also cover additional fees charged by certified IDR entities (IDREs). In 2025, these [fees](#) vary based on claim type and range from **\$375 to \$1,150**. For batched claims exceeding 25 dispute line items, IDREs charge an extra **\$85 to \$250** per additional set of 25 items.

**The financial impact is substantial.** In 2023 alone, the Centers for Medicare & Medicaid Services (CMS) [collected](#) over \$68 million in IDR administrative fees and over \$94 million in IDRE compensation. Worse, in 2023, CMS found an average of 23% of claims ineligible for arbitration, wasting over \$15 million on fees for ineligible claims.

With arbitration disputes continuing to arise, these costs will only grow, placing increasing financial strain on health plans and employers. The Coalition Against Surprise Medical Billing [has urged](#) the Trump Administration to curb these excessive costs by making the arbitration process more efficient and limited in its scope to reduce unnecessary expenses and protect employers, patients, and families. Key changes include:

- Mandating that IDREs provide employers and health plans all the relevant information needed to process payment determinations;
- Preventing ineligible claims—including Medicare, Medicaid, state-arbitration claims, in-network claims, and claims that have already been through arbitration—from being entered into the arbitration portal and prohibit IDREs from issuing payment determinations on these ineligible claims;
- Establishing timely processes for correcting or addressing errors on non-eligible claims;
- Ensuring clear and timely communications to all parties involved with IDR via a dynamic portal maintained by CMS;

- Requiring and enhancing training and oversight for IDREs on the *No Surprises Act* statute and guidance to ensure compliance and mitigate instances of abuse or misuse; and
- Mandating timely and transparent disclosures on IDR utilization by individual providers, as well as transparency on IDREs' performance to ensure objective decision-making.

For more information on the *No Surprises Act*, visit <https://stopsurprisebillingnow.com/>.