

## PRESS RELEASE

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### BILL TO GIVE CONSUMERS NOTICE OF UNREASONABLE PREMIUM RATE HIKES PASSES ASSEMBLY FLOOR

- *SB 908 (Hernandez) to Give Consumers Notice of Unreasonable Rates Passed off the Assembly Floor on a 43-24 Vote.*
- *The Legislation is Part of a Package of Bills Moving Through the Legislature Aimed at Protecting Patients' Rights.*
- *The Bill Now Heads Back to the State Senate for a Concurrence Vote Before it Can Be Sent to the Governor.*

SACRAMENTO, CA—Today, the California State Senate officially passed high-profile legislation on a vote of 35-1 to prevent patients from facing surprise out-of-network medical bills. The issue has been debated in the legislature for decades, with a close vote last year, culminating in a bi-partisan compromise that brought many opponents, including the California Medical Association, to neutrality. The bill is now sent to the Assembly for final votes in the last two days of the legislative session.

"After decades of legislative gridlock and two years of intense negotiation, California consumers are very close to finally getting this relief from surprise out-of-network bills, patient protections that they demand and deserve. No patient who follows the rules of their health plan and goes to an in-network facility should be hit with these unexpected bills of hundreds or thousands of dollars," said Anthony Wright, executive director for Health Access California, the California's health consumer advocacy coalition, a co-sponsor of the legislation along with the California Labor Federation. "California consumers can't bear another year of allowing medical procedures to turn into a financial catastrophes because of the bills from an out-of-network provider."

AB 72 (Bonta, Bonilla, Dahle, Gonzalez, Maienschein, Santiago, and Wood) seeks to break the logjam from last year's AB 533 which was headed to the Governor's desk stalled by just three votes on the last night of session. After months of negotiations among lawmakers, advocates, and insurers, AB72 includes even stronger consumer protections to stop these surprise bills while paying doctors at least 125% of Medicare or average contracted rate, rather than 100% of

Medicare as proposed in AB533, the previous iteration of the bill. The joint authors of AB72 include members of both parties, and members who both supported and opposed AB533 last year.

Surprise out-of-network bills continues to be a problem for California consumers. In 2015, the Consumer Reports National Research Center conducted a survey of consumer problems with insurance bills. The survey showed that almost 1-in-4 Californians have received a bill for which the insurer paid less than expected (23%); of those, nearly 1-in-5 were charged at an out-of-network rate when they thought the provider was in-network (18%); and most Californians (63%) assume doctors at an in-network hospital are also in-network.

“If passed, this bill will give consumers some of the strongest protections against surprise out-of-network medical bills in the nation, while ensuring providers are paid fairly,” continued Wright. “AB 72 takes patients out of the middle of payment disputes between doctors and insurers--and makes it clear that patients who go to in-network hospitals would only be responsible for in-network cost sharing for all the care they receive.”

AB 72 now heads back to the Assembly for concurrence in Senate Amendments. The bill will be heard by the Assembly Health Committee before it goes to a vote by the full body. All legislation must be acted on by midnight on August 31st.

Reference materials:

[AB 72 fact sheet](#)

[Surprise medical bills consumer stories](#)

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*About Health Access California*

*Health Access California is the statewide health care consumer advocacy coalition, advocating for the goal of quality, affordable health care for all Californians. We represent consumers in the legislature, at administrative and regulatory agencies, in the media, and at public forums. For more information, please visit [www.health-access.org](http://www.health-access.org).*

