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PRESS RELEASE

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CA SENATE VOTES TO PASS LANDMARK LEGISLATION TO PROTECT PATIENTS FROM SURPRISE MEDICAL BILLS

- Senate Votes to Pass AB 72 (Bonta, Bonilla, Dahle, Gonzalez, Maienschein, Santiago, and Wood); Initial Broad and Bipartisan Vote and Still "On Call" For Added Votes. Upon Passage, Will Head to the Assembly for Final Votes.
- Intense High-Stakes Negotiations Finally Brought California Medical Association and CA Association of Health Plans to Neutrality.
- AB 72 Includes Some of the Strongest Consumer Protections Against Surprise Medical Bills in the Nation, to Prevent Californians Who Go to In-Network Hospitals/Facilities From Getting Outof-Network Bills of Hundreds or Thousands of Dollars.
- The Bill Seeks to End Logjam from Last Year's AB 533 Which Stalled by Only Three Votes on Last Night of Session Last Year. Joint Authors Include Leaders of Both Parties & Four Who Didn't Support AB533 Last Year.

SACRAMENTO, CA—Today, the California State Senate voted to pass high-profile legislation to end the practice of surprise out-of-network medical bills. The issue has been debated in the legislature for the last two years, culminating in a bi-partisan compromise that brought many opponents, including the California Medical Association, to neutrality. In the initial vote, the State Senate affirmed the consumer protection legislation on a bipartisan 28-1 vote, before being placed on call for additional add-ons later today. Once final passage is done today, it will be sent to the Assembly for its final votes in the last two days of the legislative session.

"California consumers are one step closer to getting the protection against surprise out-ofnetwork bills that they deserve. No person 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. "A medical procedure should not turn into a financial catastrophe because of the bills from an out-of-network provider."

AB 72 (Bonta, Bonilla, Dahle, Gonzalez, Maienschein, Santiago, and Wood) seeks to remove 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, the revised legislation will include even stronger consumer protections to stop these surprise bills while paying doctors 125% of Medicare rather than 100% of Medicare as proposed in AB533, the previous iteration of the bill.

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 outof-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.

