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PHYSICIAN GROUPS SUPPORT AMA/AHA LAWSUIT TO STOP REGULATORS' UNFAIR NO SURPRISES ACT DISPUTE RESOLUTION APPROACH

A broad coalition of physician organizations, led by the Physicians Advocacy Institute (PAI), American Association of Neurological Surgeons (AANS) and Congress of Neurological Surgeons (CNS), and joined by seven national medical societies and 16 state medical associations, filed an amicus curiae brief supporting the American Medical Association (AMA) and American Hospital Association's (AHA) lawsuit filed in the U.S. District Court for the District of Columbia challenging federal regulators' approach to dispute resolution under the No Surprises Act. Neither the amicus brief, nor the lawsuit which it supports, would change the No Surprises Act's critical patient protections, which physicians strongly support.

"Physicians have an obligation to reinforce for the court just how far federal regulators walked away from the No Surprises Act's balanced approach to resolving payment disputes and explain how bypassing the law will unfairly empower insurers at the expense of patients and their physicians," said Dustin Corcoran, president of PAI and chief executive officer of the California Medical Association. "If the court allows this damaging example of regulatory overreach to stand, patients and physicians will pay the price."

The statutory language of the No Surprises Act established a balanced process to resolve payment disputes between physicians and insurers for certain unanticipated out-of-network medical bills fairly, using a number of different criteria. Instead, federal regulators issued a rule that effectively upends the law, giving insurers an unfair advantage by relying almost exclusively on one factor, the insurers' self-determined median in-network billing rate, to resolve billing disputes instead of considering the multitude of factors called for under the law.

Numerous physician and health care organizations warn the regulators' approach will drive down payment rates to physicians and encourage insurers to shrink their physician networks. The end result is more health care consolidation, less patient choice, and higher costs for out-of-network services not covered by the law, jeopardizing access to care.

"This deeply flawed regulation represents an approach Congress dismissed because it recognized that failure to consider multiple factors before deciding a payment dispute would make it harder and more costly for patients to access physicians, particularly for specialty care," said John K. Ratliff, MD, FAANS, a practicing neurosurgeon at Stanford University and chair of the AANS/CNS Washington Committee. "The patients my colleagues and I take care of suffer from painful and life-threatening conditions such as brain tumors, head and spinal trauma, and stroke. Without timely access and adequate neurosurgeons in health plans' networks, they may face permanent neurologic damage, and sometimes death."

Groups joining the amicus brief include the Physicians Advocacy Institute, American Association of Neurological Surgeons, Congress of Neurological Surgeons, American Academy of Otolaryngology-Head and Neck Surgery, American Association of Orthopaedic Surgeons, American College of Surgeons,

American Osteopathic Association, American Society of Hematology, American Society of Plastic Surgeons, North American Spine Society, California Medical Association, Connecticut State Medical Society, Medical Association of Georgia, Illinois State Medical Society, Kentucky Medical Association, Massachusetts Medical Society, Michigan State Medical Society, Nebraska Medical Association, Medical Society of New Jersey, Medical Society of the State of New York, North Carolina Medical Society, Oregon Medical Association, South Carolina Medical Association, Tennessee Medical Association, Texas Medical Association, and the Washington State Medical Association.

Earlier, PAI filed an <u>amicus brief</u> supporting the Texas Medical Association in a <u>similar lawsuit</u>, which is being considered by the U.S. District Court for the Eastern District of Texas.

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About The Physicians Advocacy Institute

The Physicians Advocacy Institute, Inc. (PAI) is a not-for-profit 501(c)(6) advocacy organization established in 2006 whose mission is to advance fair and transparent payment policies in order to sustain the profession of medicine for the benefit of patients.

About The American Association of Neurological Surgeons and Congress of Neurological Surgeons
The American Association of Neurological Surgeons (AANS), founded in 1931, and the Congress of Neurological
Surgeons (CNS), founded in 1951, are the two largest scientific and educational associations for neurosurgical
professionals in the world. These groups represent over 8,000 neurosurgeons worldwide. Neurological surgery is the
medical specialty concerned with the prevention, diagnosis, treatment and rehabilitation of disorders that affect the
entire nervous system, including the spinal column, spinal cord, brain and peripheral nerves.