

# WHAT CONSUMERS NEED TO KNOW ABOUT SURPRISE MEDICAL BILLING

The Michigan Department of Insurance and Financial Services (DIFS) is reminding consumers of important protections against surprise medical bills.

## HEALTH INSURANCE AND SURPRISE BILLING OVERVIEW

Many health insurance policies require that you use an in-network medical provider, or the policy may require you to pay a different deductible or other out-of-pocket cost for out-of-network services. Before getting a health care service, it is important to know what your policy requires and whether your medical provider is in your insurer's network.

Surprise billing (sometimes called "balance billing") may occur because you may not have known that a medical provider was not in-network and that your health insurer would not cover the health care services at the agreed to in-network rate. For example, an in-network medical provider may have referred you to an out-of-network provider, or you may have received services at a facility, such as a hospital, that is in your health insurer's network but you received services from an out-of-network provider. Out-of-network providers typically have not agreed with your health insurer to accept certain reimbursement rates for the health care services provided to you. A surprise bill occurs when you were not made aware that the provider was not in-network and then bills you for some or all of the cost of the health care service that your health insurer did not cover, other than any applicable copay, coinsurance, deductible, or other cost-sharing.

It is important to note that Michigan's surprise billing law does not apply to ground ambulance services. You should refer to your insurance policy and contract language for coverage details.

## WHAT ARE THE CONSUMER PROTECTIONS UNDER MICHIGAN'S SURPRISE MEDICAL BILLING LAW?

Under certain circumstances established in Michigan's surprise medical billing law, out-of-network providers are not allowed to bill you for an amount greater than your applicable in-network coinsurance, copay, or deductible. Instead of billing you, the out-of-network provider must submit a claim to your insurer for an amount that is established in the law.

Generally, the prohibition on surprise billing applies to covered health care services provided to you by an out-of-network provider in an emergency situation. Additionally, out-of-network providers are prohibited from surprise billing you in a non-emergency situation if you are treated at a participating health facility and if you did not have the ability or opportunity to choose an in-network provider.

Out-of-network providers must give you a disclosure before providing the non-emergency health care service. The disclosure must notify you that your health insurer may not provide coverage for all of the scheduled health care services and that you may be responsible for the cost of the services. The disclosure must also state that the provider will give you a good faith estimate of the cost of the health care services and inform you of your right to request an in-network provider and to contact your insurer for information on in-network services.

If the out-of-network provider fails to give you the disclosure before your non-emergency service, as required under the law, the out-of-network provider is prohibited from billing you for any amount greater than your applicable in-network coinsurance, copay, or deductible.



## DOES MICHIGAN'S SURPRISE MEDICAL BILLING LAW APPLY TO MY HEALTH INSURER?

Michigan's surprise medical billing law applies to insurers that are regulated by DIFS.

Self-funded group health plans offered by private employers are not regulated by DIFS and are not subject to Michigan's surprise medical billing law. However, those plans are generally required to comply with surprise billing protections established under the federal No Surprises Act (NSA). To learn more about consumer protections available under the NSA, visit [CMS.gov/NoSurprises](https://www.cms.gov/NoSurprises).

Contact your health insurer or employer's benefit office for more information on what type of coverage you have.

### CONSUMER TIPS

- Review your health insurance policy. Know whether your policy has a network of providers and what your out-of-network benefits are, including the applicable deductible, copay, or coinsurance.
- Talk to your medical provider. Ask your provider if they participate in your health insurer's network and whether the facility where the health care service will be performed participates in your health insurer's network. You may also ask for information regarding your provider's billing practices, such as whether they send a bill to the patient or the patient's health insurer.
- Talk to your health insurer. You have the right to request that a covered health care service is provided by a medical provider who participates in your health insurer's network and to contact your insurer to make arrangements and receive information regarding in-network providers and services.
- Review all documents given to you by your medical provider. If your medical provider is out-of-network, they are required to provide you notice that a health insurer may or may not provide coverage for your non-emergency health care service. They must also give you a good faith estimate of the cost of the service. If you sign this disclosure, and otherwise had the ability and opportunity to choose an in-network provider, you may be waiving your surprise billing protections applicable to non-emergency health care services. If the surprise billing protections are waived, the out-of-network provider is generally allowed to balance bill you for the charges that the health insurer did not pay.
- Review your bill and your health insurer's Explanation of Benefits. Review any medical bill you receive and any information provided in your health insurer's Explanation of Benefits.

DIFS can help you with health insurance questions and complaints and can provide general information about Michigan's surprise medical billing law. Contact DIFS Monday through Friday from 8 a.m. to 5 p.m. at 877-999-6442 or visit the DIFS website to file a complaint at [Michigan.gov/DIFScomplaints](https://Michigan.gov/DIFScomplaints).

You may make complaints against medical providers by contacting the Michigan Department of Licensing and Regulatory Affairs (LARA), Bureau of Professional Licensing. You can find information about LARA's complaint process on its website at [Michigan.gov/LARA/Bureau-List/BPL/Complaint](https://Michigan.gov/LARA/Bureau-List/BPL/Complaint).