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**FOR IMMEDIATE RELEASE**  
December 3, 2008

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## **COURT UPHOLDS BALANCE BILLING REGULATIONS**

*Statement from California Association of Health Plans CEO Christopher Ohman*

The California Association of Health Plans CEO Christopher Ohman issued the following statement following today's Sacramento Superior Court ruling upholding the California Department of Managed Health Care's (DMHC) recent balance billing regulations through California Medical Association (CMA) et al. v. California Department of Managed Health Care and Cindy Ehnes.

"The California Association of Health Plans is pleased to see the courts agree that consumers need to be protected from the predatory practice of balance billing," said CAHP CEO Christopher Ohman. "Insured patients who are playing by the rules should not be used as leverage in billing disputes between health care providers and insurers."

"The DMHC regulations on balance billing are a good first step toward an outright ban on balance billing," Ohman said. "We ultimately need to ban balance billing and take the next step of establishing a fair process in which health plans and providers can resolve billing disputes through an independent party."

"Balance billing is just not fair," added Ohman. "It adds hundreds of millions of dollars in excess costs at a time when health care costs are already growing 2-to-3 times faster than economy. We need to work on lowering costs, not adding to them."

Balance Billing is the practice where an uncontracted medical provider unfairly places a financial burden on the patient by billing them for all charges not paid for by the patient's insurance plan, even if those charges are above the plan's usual and customary rate or are considered medically unnecessary. In October of 2008 the DMHC issued regulations declaring balance billing as an unfair billing practice, which was promptly challenged by the California Medical Association

According to a 2007 study commissioned by CAHP, more than 1.76 million insured Californians who visited Emergency Rooms in the last two years received Balance Bills on top of their co-pays and deductibles.

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The average bill was \$300, meaning Balance Billing is a \$528 million burden on insured patients.

Copies of the tentative and final ruling are attached.

*The California Association of Health Plans is a statewide trade association representing 40 health plans that provide health coverage to more than 21 million Californians. The Association's mission is to improve the health of California's communities by promoting the growth of health plans dedicated to providing high-quality, affordable, accessible health care to their members.*

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