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## **SUPREME COURT BANS BALANCE BILLING**

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

The California Association of Health Plans (CAHP) CEO Christopher Ohman issued the following statement following today's California Supreme Court unanimous ruling in Prospect Medical Group vs. Northridge Medical Center in which the court expressly prohibits emergency room doctors from directly billing patients if they want a payment that is higher than what the health plan pays. CAHP filed an amicus curiae ("friend of the court" brief) in support of the plaintiffs. Our brief is attached, and you may see more information about the case at:

[http://appellatecases.courtinfo.ca.gov/search/case/mainCaseScreen.cfm?dist=0&doc\\_id=416528&doc\\_no=S142209](http://appellatecases.courtinfo.ca.gov/search/case/mainCaseScreen.cfm?dist=0&doc_id=416528&doc_no=S142209)

"The California Association of Health Plans has been a leader in the fight against the predatory practice of balanced billing and is extremely pleased the Supreme Court delivered this huge victory today to insured patients," said CAHP CEO Christopher Ohman.

"Our view is simple – it's just not fair for physicians to put patients in the middle of payment disputes with health plans. Today the California Supreme Court has gone one step further and said it is against the law.

"Today's ruling will help ensure consumers have the peace of mind they should have with health insurance. They will no longer face the threat of receiving bills from emergency room doctors who want more than the fair payment a health plan is willing to cover.

"Balance billing 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 be working on lowering health care costs."

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. 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.

*The California Association of Health Plans is a statewide trade association representing 39 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.*

For more information about CAHP please visit [www.calhealthplans.com](http://www.calhealthplans.com)

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