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**CAHP CALLS FOR BAN ON “BALANCE BILLING”**

*1.76 Million Insured Californians Victimized by Unfair Practice in Last 2 Years*

BURBANK, CA – Representatives of the California Association of Health Plans (CAHP) testified at a Department of Managed Health Care (DMHC) hearing in Burbank, CA, today urging a ban on “Balance Billing” – an abusive practice that places insured patients in the middle of health care disputes that ought to be handled between health plans and medical providers.

Balance Billing is the practice where a 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.

“CAHP supports protecting consumers by banning balance billing,” said Chris Ohman, President and CEO of CAHP. “Patients who are insured and are playing by the rules should not be used as leverage in disputes between providers and insurers.”

According to a recent 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.

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

“That’s just not fair,” added Ohman. “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 work on lowering costs, not adding to them.”

Gretchen Lachance, Vice President of Legal and Regulatory Affairs for CAHP, testified that CAHP supports a fair process for resolving disputes between health care plans and medical providers that does not put consumers in the middle.

“A dispute resolution without a ban on Balance Billing would still be unfair to insured patients and their families and place them at financial risk,” Lachance said. “If providers are not prohibited from Balance Billing the insured patient, the dispute process would be worthless. Patients and their families could still be unfairly billed for unpaid amount of

their bill during the dispute. That's why CAHP supports linking any independent dispute resolution process to a ban on Balance Billing.”

“CAHP is committed to a health care system that keeps costs down and is affordable and available to all Californians,” Ohman added. “To get there, we need to make sure we examine all of the cost drivers involved, including Balance Billing. The sooner we ban this abusive practice, the healthier our system will become.”

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.

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

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