



Balance and Out-of-network Billing

Health insurers continue to reduce reimbursements to healthcare providers in an effort to increase competition, narrow provider networks and give insurers the upper hand in contract negotiations. When reimbursement rates are too low, providers will choose not to contract with a health insurance provider. This may create situations where a patient receives treatment from an out-of-network provider.

In non-emergency situations, patients typically have the ability to choose their provider and determine whether they are in or out of their insurance network. If the provider is out-of-network, the insurer may choose to pay a portion or none of the provider's fee. In such instances, the American Association of Oral and Maxillofacial Surgeons (AAOMS) supports allowing providers to bill the remaining balance of their services to the patient in order to recover any usual and customary fees. This is a fair arrangement when the patient made a conscious decision to receive out-of-network care.

In emergency situations, patients are typically unable to select their provider, much less determine if the provider rendering care is considered in-network. In such situations, the insurer may choose to pay only a portion of the provider's fee (or, in some cases, none at all) and – depending on state law – the patient may be subject to an out-of-network bill.

AAOMS recognizes the unique situation of emergency care and, as the only dental specialist providing trauma care, appreciates the importance of OMSs' services to patients. As such, AAOMS supports legislation that would require insurers in emergency situations to pay an out-of-network provider in accordance with the provider's usual and customary fee or a reasonable in-network rate for the geographic area if the insurer directs payment to the provider instead of the patient, a benefit typically reserved for in-network providers.

AAOMS further supports the ability to dispute any reimbursement offered by an insurer in such instances – either through arbitration or a process determined by the state Department of Insurance. In emergency situations, AAOMS also supports removing any financial onus on the patient beyond what would be required had the care been rendered by an in-network provider. However, AAOMS urges states to remove any limitations on balance billing by the out-of-network provider once the patient is stabilized and able to make conscious choices regarding his or her care.

Amended March 2020, AAOMS Committee on Governmental Affairs

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