

Transcript: How to Get a Surprise Bill on Your Way to the Hospital

Dan: Hey there--

I have been following the world of medical bills for more than four years now -- which makes me still a newbie, really. And here's one thing that's surprised me-- beyond how much there is to know, and how deep the problems go.

It's this: Sometimes, some things do actually change for the better.

Like, when I started, one of the most outrageous problems was something called Surprise Bills:

That's when you go someplace, like a hospital, that takes your insurance, and then, SURPRISE! You get a bill from somebody there who says they DON'T take your insurance, and they feel free to charge you ANY ridiculous amount they want, and your insurance may cover a LITTLE of it, or none of it.

I was like, "I will be making episodes about this outrage for a long time."

Except, at the end of 2020, about two years in for me, Congress actually did something about this outrage. They passed a law called the No Surprises Act.

It said, if you went somewhere in-network -- someplace your insurance covers-- then any bill you get from anybody there? You should be covered as if they were in network. They don't take your insurance? Not your problem. They've gotta work something out with your insurer. If they can't, an arbitrator steps in.

The law went into effect at the beginning of 2022. And: Surprise! In a lot of ways it's working. One study shows that it's preventing a million of these surprise bills every month. Every month.

Except, of course, nothing's perfect. There are a lot of nuances we could look into, but one thing really stands out: there's actually a hole written into the law that you could drive an ambulance through.

We're gonna look at how that hole got there, what it means, and what MAYBE could get done about it.

This is An Arm and a Leg, a show about why health care costs so freaking much and what we can maybe do about it. . I'm Dan Weissmann. I'm a reporter and I like a challenge. So our job on this show is to take one of the most enraging, terrifying, depressing parts of American life and bring you something entertaining, empowering and useful.

And today we're talking about ambulances. With help from producer Emily Pisacreta.

Emily: wee-oo-wee-oo

Dan: Haha! Emily you have spent the last few weeks looking at this whole deal with ambulances. Why don't you take it away.

Emily: Here's a story that illustrates how weird ambulance bills can be. It's a totally wild installment of Bill of the Month, the series from NPR and our co-producers KFF Health News.

I talked to the KFF reporter who did the story, Bram Sable-Smith, a midwest correspondent there.

Bram Sable-Smith: I kind of focus on issues that face consumers, people who are, you know, living their lives.

Emily: One person who was just living her life was a woman named Peggy.

Bram Sable-Smith: She's 55 years old. She works in a fine jewelry store in the Chicago suburbs. And her two siblings, Jim and Cynthia, were coming to visit her.

Emily: So Peggy and her siblings are in the car. They're driving out into the country, going to see some horses. They're out on this country road, they come up to an intersection and all of sudden, bam, the car gets hit by a truck.

Bram Sable-Smith: It spun around and slammed into an electrical box right there on the side of the highway.

Emily: They survive, but they do get pretty banged up. Someone calls 911, and ambulances arrive. And here's where the story goes from being scary to kinda weird. Peggy and her brother and sister need to go to the hospital.

But because an ambulance is not a bus, with seats for everyone, each sibling needs their own ambulance, and: each of those ambulances is run by a different ambulance service. They end up at the same hospital, they get billed for the exact same serviceS

Bram: They were all charged for a life support fee and they were all charged a mileage fee.

Emily: However

Bram: Months later when the bills came for the three of them, they got billed three very different amounts for the exact same services.

Emily: And the bills were all out of network, and all pretty substantial. Especially Peggy's. Cynthia's bill was \$1250, Jim's \$1415, and poor Peggy? Who invited her siblings on this ill-fated drive?

Bram Sable-Smith: Peggy's bill was for \$3,606.

Emily: That's almost three times what her sister got charged. And these are all heavy duty bills. Higher than what research shows is the average out-of-network ambulance bill.

But the fact that they're out-of-network, like not billed to their insurance? That's not an outlier. It's estimated that 71% of ambulance bills are out-of-network on commercial plans. Which means 71 percent of the time

Bram Sable-Smith: ambulances are essentially able to charge whatever they want.

Emily: Result? These random ass charges.

Dan: Hold up. So this is exactly the kind of thing the No Surprises Act was supposed to prevent: out of network bills from someone you didn't pick yourself. Like an ambulance. And you're saying ambulances are especially unlikely to be covered by your insurance.

But they're not governed by the No Surprises Act.

Emily: That's right.

Dan: Ok so why did Congress leave ambulances out of the No Surprises Act?

Emily: I mean, I had the same question. It's like... Congress was able to juggle all the demands of the insurance lobby and health care providers including, I should mention, AIR ambulance companies

Dan: That's helicopter rides.

Emily: Yep. Helicopters, air ambulances, that were charging tens of thousands of dollars a ride. Congress dealt with them here, but like... not regular degular ambulances? So yeah, why not?

And the answer has to with who actually runs ambulances in the US. And how they get their funding.

That story starts decades ago. You ready for this?

Dan: What, a ride in the Wayback Machine? Yeah, I mean have you met me? I was born ready for this.

Emily: OK, seatbelts on. Once upon a time, about 60 years ago...

Patricia Kelmar: we really didn't have an emergency transportation system for medical care in the us.

That's Patricia Kelmar. She runs health care campaigns at a consumer-advocacy organization called the Public Interest Research Group. She lobbied for the No Surprises Act, and she knows a lot about ambulance history.

Because everything has an origin story. She says a national ambulance system started with, a big federal report. In 1966. And here's what it said:

Patricia Kelmar: we were losing a lot of people who were having medical emergencies at home or out in the community and didn't get to the hospital fast enough.

Emily The report identified accidental injuries as the leading cause of death for Americans in the first half of their lifespan. It said more Americans died from motor vehicle accidents in 1965, than American troops in the Korean War.

Patricia Kelmar: So this report really opened the eyes of public health officials, and there was a movement in the early seventies to create a national emergency transportation system.

Dan: This reminds me of a show that was on when I was a kid called Emergency with an exclamation point.

[theme]

Emily: Yeah totally!

[Emergency! sound]

Paramedic 1: We have a male patient here, age 17. He has, uh, acute abdominal pains due to a hyper distension of the stomach. Oh. Patient's, uh, ingested two loaves of Rod Doe standby

Emily: That first aired in 1971. It was really a whole cultural moment.

[Emergency! sound]

Emily: And lawmakers had a vision to match. In 1973, Congress passed the Emergency Medical Services Systems Act, to bring high quality emergency care to every part of the country.

Patricia Kelmar: It was developed thinking about regions so that we didn't have too many ambulances, but we had enough ambulance to serve different populations, and the best part was there was federal funding to make this happen.

Emily: But then in the 80s... the structure of that funding changed. Now states would get block grants, big chunks of federal health care dollars that they would decide for themselves how to use.

Patricia Kelmar: And so every community then throughout our country responded to this change in the funding system by. Understanding. We still need ambulances, but funding it in different ways,

Emily: which is why in some places you'd never get a bill for an ambulance. The local city or county governments owns and operates it, and a mix of funding streams, including local taxes just cover it.

And in other places, you certainly would get a bill. And it wouldn't be from the county, but it'd be from a hospital, or a for-profit EMS company. Because they run about 40% of this landscape too, and some of those companies are even owned by private equity.

And still in other places, you get volunteer ambulance companies running bakesales or even raising money on Go FundME.

In the case of Peggy and her siblings, just by virtue of where they got into the accident, they ended up in publicly run ambulances from three different jurisdictions, each with their own funky funding, each with their own unique pricing scheme.

Dan: So that's where things stood with ambulances when Congress was cooking up the No Surprises Act. Coming right up: Why that led Congress to punt, and what might come next.

[midroll]

Dan: OK.. So since the 60's, we've ambulance care around the country that meets certain standards. That's great. But how the ambulances get funded, who owns them, and how much you get billed after it drops you off, all these things depend on location -- not so great.

But, you know: hospital funding, hospital bills... that's not standard across the country, either. Why did Congress apply the No Surprises Act to hospitals, but not ambulance rides? Emily, looking at you here.

Emily: Hey, look, even experts have a tough time with that one. Here's an economist named Loren Adler from the Brookings Institution. He researches health insurance and he watched the whole No Surprises Act take shape.

I asked him: no ambulances. Why's that?

Loren Adler: So I'm not sure I can give you a super satisfactory answer. I don't really think there's a great reason. Uh, I can give the sort

Emily: don't have to, you certainly don't have to defend

Loren Adler: Yeah, um, that's true.

Emily: Actually he did have a couple of reasons. He started with: Who actually runs ambulance services most of the time.

Loren Adler: about 60% of emergency ground ambulance transport is actually billed by local governments or fire departments.

Dan: So Big Ambulance Incorporated didn't steamroll congress?

Emily: Not according to Loren.

Loren Adler: as much as observers might think that lobbyists and sort of stakeholder industry have a lot of say over Congress, I'm not objecting to that characterization. Uh, you know, calls from local lawmakers and mayors and fire department chiefs have even more weight.

Dan: So OK. We're talking local public servants. Leslie Knope from Parks and Rec. If she were a fire chief.

Emily: Yeah, and as Loren might say: A high ambulance bill looks like an outrage to you, but to her it looks like something else.

Loren Adler: it is effectively a source of local government revenue.

Dan: So Congress was hearing from Leslie Knope, "Are you trying to bankrupt my little town of Pawnee?" And they were like, "OK, no ambulances then."

Emily: Right. Loren also sees a much nerdier factor at play.

Dan: Hit me.

Emily: Remember, whether it's Leslie Knope or Big Ambulance Inc running them, local ambulance services are *overwhelmingly* out of network.

And so according to Loren, the mechanisms that make the No Surprises Act work would be hard to apply.

Loren Adler: the sort of structure of the no surprises act. Is all kind of based around this median in network price,

Emily: Did you catch that? Median in-network price.

That is, Congress had to decide: If we're gonna make a law where an out-of-network provider can't just charge Whatever They Want anymore in these situations, then... what are they supposed to get paid? ? Congress said

Loren: we're gonna tell insurers you have to pay whatever your sort of average in network price was for the service.

Emily: But with so few in-network providers, there is no reliable, average in-network price.

Dan: OK. That was super-nerdy. And I'm gonna note that even if Leslie Knope and a bunch of nerds led the charge here, Big Ambulance Incorporated got the benefit too. So what now?

Emily: Well, Congress did recognize that they were leaving this giant sign up at the door that said Welcome Surprise Ambulance Bills And they said, ok, we can't figure this shit out now. But let's have a bunch of experts get together and let's have them write us some recommendations for later. They told the Department of Health and Human Services, go form a committee.

And now Loren is on that committee. So is Patricia Kelmar -- the consumer advocate we heard from earlier.

Emily: the advisory committee, it's called like G A P B, right?

Is it, does it have a

Patricia Kelmar: nickname? Like, yeah. No, it's so. the advisory committee is called the Ground Ambulance and Patient Billing Advisory Committee. If that's not a mouthful, I don't know.

Yeah. Yep. But it's, it's probably indicative of how complicated finding solutions to surprise billing can be

Emily: patricia and the Panel, that's the nickname I wanna give them, they first met in early May, and the law says they have 180 days after that to come up with some policy recommendations for lawmakers to take under advisement. After that, it'll be up to Congress to take action again.

Dan: And not to be a cynic, but it took years to get the No Surprises Act passed. What if I decide not to hold my breath until Congress does something about ambulances?

Emily: You'll be forgiven, my dude

Dan: So, where does that leave us? Scrounging for in-the-meantime advice, right?

Emily: Yep. Patricia has some tips.

Patricia Kelmar: The first thing we recommend is that you talk to both your insurer and the ambulance company and try to negotiate better coverage or lowering of the bill.

Emily: If you get your insurance through work, your HR department may be able to help.. Let them know what happened and see whether they can get insurance to pay it off.

If that's not an option, try to negotiate with the ambulance provider.

Patricia Kelmar: Always explain your financial situation. Try to work out something. I have. Patients who called me about their ambulance bills, and when they call and explain, sometimes they get a discount.

Emily: And finally, there might actually be state local laws in your area that pertain to balance bills, that include ambulances.

Dan: Ooh, I've got one more tip!

Emily: Yeah?

Dan: It's from our pal Jared Walker. He runs a group called Dollar For, and their whole thing is helping people get financial assistance, or charity care: Nonprofit hospitals are required to give price breaks to at least SOME people with low incomes

He says: Ambulance companies aren't required to have those kinds of policies, but A LOT OF THEM DO.

And he says: You should look them up. Because they have funny names, like "Compassionate Care Policy." And if you don't ask for them by name, the person you call may pretend they don't know what you're talking about.

Emily: Cool cool cool. But none of these solutions work for everyone. Peggy, the woman who got into an accident with her siblings? Her bill went to

collections, and she had a hell of a time fighting back. The bill disappeared only after her story aired on national radio.

Dan: That's definitely not gonna work for everybody.

Emily: No. Which reminds me of another thing Patricia told me.

Patricia: For the ambulance committee, there's a public portion. People can log in, they can listen, people can share their stories, tell us something about what they want us to do, and if they don't get called on that time, they can just write a note, and let us know.

Dan: Wherever you're listening to this, we'll post information about how you can chime in.

AND: I found a list of ten states that have surprise-billing protections for ambulances -- including Illinois, Ohio, New York, Colorado. We'll have a link to the list of all ten states as well.

Emily, thank you so much for telling us all about ambulances.

Emily: My pleasure.

Dan: And I've got a request here. Something I could use everybody's help with:

We are planning an upcoming episode about AI. We're wondering: Can we train Chat GPT to make it easier to appeal stupid insurance denials?

And we're gonna need... some raw material. Some stupid insurance denials.

If you've gotten one recently, and you'd like some help from a chatbot--and an actual human expert that we will recruit-- , can you please get in touch? Go to arm and a leg show dot com, slash, contact.

Lemme know the story, and include the relevant documents. We won't share your personal information without your OK, but if we use your story we will want to talk with you, maybe put your voice on the show.

Are you game? Or: Do you know somebody who might be? Let's get our new robot overlords working for us, while we can.

And besides: I'm pretty sure the folks at the insurance companies are already trying to do the same. Let's start catching up.

Again: the place to share is: arm and a leg show, dot com, slash, contact.

Thank you so much. This should be fun.

We'll have another episode for you in a few weeks.

Till then, take care of yourself.

We'll be back with another episode in a few weeks. Till then, take care of yourself.

This episode of An Arm and a Leg was produced by Emily Pisacreta -- with help from Lucy Little, Bella Cjaskowski, and me, Dan Weissmann-- and edited by Ellen Weiss.

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Thank you!