



California  
CHAPTER

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## LEGISLATIVE REPORT #288

### Governor Signs AB 72 (Bonta) - Balance Billing Prohibition on Out-of-Network Non-emergency Medical Services

**September 23, 2016:** Governor Brown signed AB 72 along with a group of other bills he described as consumer protection bills. CA-ACC remained Opposed to this bill to the end.

AB 72 was a follow up to AB 533 (Bonta) which was killed on the Assembly Floor last year. AB 72 is meant to address the issue of balance billing patients when they receive non-emergency medical services from an out-of-network physician at an in-network facility.

Below is a table to show the different versions of bills on this topic along with the main provisions of the bill. Although the bill was signed and I understand our disappointment and concern in what the future will hold, due to our advocacy efforts, we were able to limit the damage. Many of the changes made from AB 533 to the final version of AB 72 were the result of our involvement.

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	<b>AB 533</b>	<b>Pre-AB 72</b>	<b>AB-72 – Final Version</b>
<b>Pmt. Standard</b>	100% of Medicare	Greater of 125% or Avg. Cont. Rate	Greater of 125% or Avg. Cont. Rate
<b>Avg. Contract Rate</b>	NO CPI adjustment	CPI adjustment included	CPI adjustment included
<b>Network adequacy</b>	Nothing	Nothing	Regs to define for inpatient and specialty care
<b>Avg. Contract Rate – Stakeholder group</b>	Nothing	Nothing	Group added to provide input into how rate methodology is set
<b>Balance bill patient</b>	Consent 72 hours in advance	Consent 24 hours in advance	Consent 24 hours in advance
<b>Consent agreement</b>	Must be provided in language spoken by patient	Must be provided in language spoken by patient	Must be provided in languages as required by Medi-Cal
<b>Estimate</b>	Provided to patient without ability to adjust if complications arise in procedure	Provided to patient without ability to adjust if complications arise in procedure	Allows physician to adjust if complications arise in procedure
<b>IDRP</b>	Largely undefined	Conflict of interest, shared fees	Conflict of interest, shared fees
<b>Prompt pay req.</b>	Nothing	Nothing	Prompt pay language added
<b>Bill effective date</b>	Immediately at beginning of year	Immediately at beginning of year	Six month delayed implementation