

CALIFORNIA ADVOCATES, INC.



June 24, 2015

TO: Members, Senate Health Committee

FROM: Julianne Broyles 
On Behalf of California Association of Health Underwriters

SUBJECT: **AB 533 (BONTA)--BAR TO BALANCE BILLING: OUT-OF-NETWORK PROVIDERS – SUPPORT SET FOR HEARING: JULY 1, 2015**

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The California Association of Health Underwriters (CAHU) is pleased to **SUPPORT AB 533 (Bonta)**, as amended April 23, 2015, that will protect consumers from unexpected balance billing if they are treated by an out-of-network provider at an in-network facility.

As amended, **AB 533** now specifically includes a provision that strictly prohibits balance billing so that consumers are thoroughly protected and taken out of the middle of disputes between plans and providers required if the services were provided by a participating provider. **AB 533** also limits a patient's cost-sharing for such out-of-network services to the amount the health care consumer would have paid to an in-network provider and counts the cost-sharing payment towards an individual's out-of-pocket maximum and deductible.

Sizeable, unexpected bills can cause financial havoc for the health care consumers. CAHU believes that **AB 533** will help protect health care consumers from getting an unexpected bill from an out-of-network provider when they appropriately used an in-network facility to receive their care. We appreciate the strict bar to balance billing by an out-of-network provider that has recently been added to the bill.

The California Association of Health Underwriters is the state's largest association of health insurance agents, brokers and other health insurance industry professionals. Our members help millions of individual Californians and businesses evaluate, select, purchase and use their health care coverage plans, resulting in greater health and financial security. CAHU agents and brokers also act as advocates for policyholders and their families when coverage disputes arise. CAHU agents and brokers also perform many functions for small employers with respect to managing their employee benefits program--at no additional cost to the small employer

For this reason, CAHU urges an "AYE" vote on **AB 533 (Bonta)** when it comes before you for consideration.

cc: The Honorable Rob Bonta
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Joe Parra and Tim Conaghan, Senate Republican Caucus
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