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**TO: MEMBERS OF THE LONG ISLAND JEWISH
ORGANIZED MEDICAL STAFF**

Our state has a comparatively new statute concerning so-called “surprise bills” and medical care which should be carefully understood by physicians.

HMO insureds had been previously covered and the new law is directed to other assureds. In this regard the private practice physician must inform the patient as to the insurance networks of any other person with whom they are working in the care of the patient-assured.

The primary question is what, exactly, comprises a “surprise” billing:

- 1. Is the patient insured? If yes we move on.*
- 2. Was the service performed in or out of a network facility?*
- 3. If service is in network the next question is whether the physician was in or out of network. The bill is a surprise if an in network person was unavailable and the patient was not so informed and unforeseen circumstances had arisen during the care rendered. There is no surprise if the patient chose to see an out of network physician.*
- 4. A surprise bill occurs when the patient is referred to an out of network person in the absence of a written consent by the patient acknowledging the circumstances.*

If it is found that the billing is, in fact a “surprise” under the circumstances outlined above the patient/assured has the right to disclaim responsibility for being responsible for any payment for the services rendered. In place of the individual’s responsibility the patient

simply assigns any rights he or she may have under the policy of insurance to the treating physician. If the physician and insurance carrier cannot come to a resolution of the payment the matter is then determined by an arbitrator.

The New York State Department of Health has begun an audit of some 50-60 hospitals to determine compliance with the standards imposed by the statute.

Respectfully submitted,

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