

KOEHLER FITZGERALD

| REFERENCE-BASED PRICING NEWSLETTER |

Koehler Fitzgerald

Koehler Fitzgerald LLC provides highly specialized legal services to TPAs and Plan Sponsors offering reference-based medical plans.

Central to those services are the defense of balance billing claims, from provider billing to jury trial, utilizing the firm's highly rated trial lawyers, nationally recognized experts and affiliated local counsel throughout the U.S.

Koehler Fitzgerald's multilingual services are supported by the use of a proprietary and customized database to track and support group calendaring, task management, contact management, conflicts checking, integrated document assembly and customized weekly reports of the status of claims and activity.

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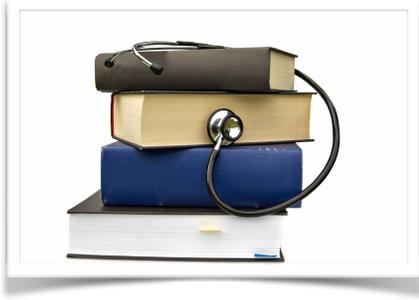
The Cost of a Partial Repeal of the ACA

In December 2016, the Robert Wood Johnson Foundation ("RWJF") released estimates of a partial repeal of the Affordable Care Act ("ACA") assuming the enactment of legislation like that enacted in January of 2016 and vetoed by then President Obama. The 2016 legislation would have eliminated the ACA's mandates, eliminated expansion of Medicaid, and eliminated the marketplace tax credits and cost-sharing reductions. However, the ACA's prohibition on pre-existing condition exclusion, guaranteed issue, essential health benefits, and modified community rating would have remained. First, RWJF estimated that 29.8 million people would lose their medical insurance.

"The newly uninsured would seek \$88.0 billion in additional uncompensated care in 2019 ..., \$24.6 billion of that amount from hospitals. From 2019 to 2028, the newly uninsured would seek \$1.1 trillion in additional uncompensated care, including \$296.1 billion in hospital care."

RWJF estimated "that if the ACA remained in place, about \$1.7 trillion would be spent by insurers (public and private) and households on health care for the nonelderly in 2019. Under the anticipated reconciliation bill, health care spending by these payers would be \$145.8 billion lower, for a total of \$1.6 trillion. About \$59.1 billion less would be spent on services provided by hospitals, \$20.0 billion less on services





Georgia Docs Focus on ER Balance Billing

The Medical Association of Georgia, the Georgia College of Emergency Physicians and the Epilepsy Foundation of Georgia are promoting legislative efforts designed to protect consumers from balance bills arising from emergency room visits.

These efforts included a January 2017 rally in the Georgia Capital Rotunda, the release of a video highlighting the issue, statewide advertising, and promotion in social media.

The objective is to secure legislation that would hold patients harmless for out-of-network ER care by the creation of an "appropriate and fair reimbursement standard" based on a database of service prices in a geographic area maintained by an independent non-profit organization.

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provided by office-based physicians, \$34.7 billion less on other health care services, and \$32.1 billion less on prescription drugs."

RWJF next estimated the "increase in the amount of uncompensated care sought by the uninsured, with no obvious source of funding. ... We estimate that under the ACA, \$19.8 billion of uncompensated care would be unfunded by government programs and delivered to the uninsured by health care providers in 2019. State and local governments would fund \$14.1 billion in uncompensated care, and federal government programs would fund an additional \$22.6 billion. ... The uncompensated care would be distributed as follows: \$16.4 billion in services provided by hospitals, \$7.1 billion in services provided by physician offices, \$21.8 billion in other services, and \$11.3 billion in prescription drugs.

RWJF concludes, "If federal, state, and local governments do not allocate additional funding, the cost of financing the estimated increase in uncompensated care sought would be more than four times the cost of uncompensated care expected to be financed by providers under the ACA. Given the large expected increase, it is unlikely that providers could internalize these costs while remaining financially viable. Without additional government spending, the reconciliation bill would lead to bigger financial losses for providers and even larger increases in unmet health care needs among the uninsured."

"Impact of Partial ACA Repeal on Providers," Robert Wood Johnson Foundation, http://www.rwjf.org/content/dam/farm/reports/issue_briefs/2017/rwjf433621.

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