



## The Threat of Surprise Medical Bills during COVID-19 Is Even Greater, and New Administrative Protections Haven't Solved the Problem

Now more than ever, families are vulnerable to unexpected health care costs due to both the spread of COVID-19 and rising unemployment rates. Americans should not have to fear or manage the financial impact of receiving a surprise medical bill for putting the health of themselves, their family members, and all in our nation first. Moreover, according to a recent poll, one out of every seven U.S. adults report that they would avoid seeking care for COVID-19 because of concerns about the cost of care.<sup>1</sup> When the sick avoid seeking care, the outbreak is prolonged, and everyone's health is at greater risk.

### COVID-19 Will Increase the Likelihood of Surprise Medical Bills

The press reports that families are receiving large medical bills—some for thousands of dollars—in relation to COVID-19 testing and care.<sup>2</sup> Additionally, **the Department of Health and Human Services and many experts believe that surprise billing during the COVID-19 pandemic is even more likely.** First, many families are being pushed to out-of-network facilities for health emergencies or routine care because hospitals are focused on treating COVID-19 patients.<sup>3</sup> Second, some hospitals are hiring out-of-network providers to meet increased need for health services.<sup>4</sup>

### Congressional Protections in the COVID-19 Legislation Are Not Comprehensive

Although the Families First Coronavirus Response Act passed in March 2020 ensures patients are not liable for the cost of the COVID-19 test, **families may still be charged for related testing services**, such as other tests to rule out COVID-19, ground ambulance fees, out-of-network lab fees, or out-of-network facilities fees. **And these protections do not cover treatment for COVID-19**, which can cost hundreds of thousands of dollars depending on the intensity of the case.<sup>5</sup>

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### **The Administration's Recent Actions Provide Very Limited Surprise Billing Protections**

Most recently, HHS stipulated that hospitals and providers receiving emergency pandemic funding from the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) cannot balance bill patients who have a presumptive or actual case of COVID-19.<sup>6</sup> However, these safeguards are not comprehensive. They do not apply to all providers. They do not apply to patients who may have COVID-19 but do not meet the presumptive requirements. These protections do not apply to conditions that are related to COVID-19, such as potential damage to the kidneys, heart, and liver.<sup>7</sup> The safeguards also are not statutory or regulatory, meaning families who try to challenge surprise medical bills could face extensive litigation.

Finally, none of the protections described above have an impact on care not related to COVID-19, so **for families accessing care for any other medical emergency or needed services, surprise medical bills remain legal and likely.**<sup>8</sup>

As policymakers consider solutions to lower barriers to health care and to mitigate the economic impact of the recession caused by the pandemic, **they should end surprise billing to ensure that families do not face further financial burdens and can prioritize seeking necessary care at this critical time.**

## Endnotes

<sup>1</sup> Dan Witters, “In U.S., 14% With Likely COVID-19 to Avoid Care Due to Cost,” Gallup, April 28, 2020, [https://news.gallup.com/poll/309224/avoid-care-likely-covid-due-cost.aspx?mod=article\\_inline](https://news.gallup.com/poll/309224/avoid-care-likely-covid-due-cost.aspx?mod=article_inline).

<sup>2</sup> Sarah Kliff, “Kept at the Hospital on Coronavirus Fears, Now Facing Large Medical Bills,” *New York Times*, February 29, 2020, updated March 10, 2020, <https://www.nytimes.com/2020/02/29/upshot/coronavirus-surprise-medical-bills.html>; Lisa Riordan Seville and Andrew W. Lehren, “Got Coronavirus? You May Get a Surprise Medical Bill, Too,” *NBC News*, April 22, 2020, <https://www.nbcnews.com/health/health-care/got-coronavirus-you-may-get-surprise-medical-bill-too-n1187966>.

<sup>3</sup> Elizabeth Rosenthal and Emmarie Huetteman, “Analysis: He Got Tested for Coronavirus. Then Came the Flood of Medical Bills,” *Kaiser Health News*, April 1, 2020, <https://khn.org/news/covid19-coronavirus-test-surprise-medical-bill/>.

<sup>4</sup> Katelyn Burns, “Governors Plead with Other States for More Health Care Workers to Fight Coronavirus,” *Vox*, March 31, 2020, <https://www.vox.com/policy-and-politics/2020/3/31/21201281/coronavirus-staffing-shortage-governors-health-care-workers-help>.

<sup>5</sup> Howard Forman, interview with James Hamblin and Katherine Wells, “Listen: How Much Does It Cost to Get COVID-19?,” *The Atlantic*, April 27, 2020, <https://www.theatlantic.com/health/archive/2020/04/how-much-does-it-cost-to-get-covid-19/610813/>.

<sup>6</sup> U.S. Department of Health and Human Services, “Terms and Conditions for Provider Relief Fund Distributions,” HHS.gov, last reviewed April 30, 2020, <https://www.hhs.gov/coronavirus/cares-act-provider-relief-fund/terms-conditions/index.html>.

<sup>7</sup> Kelly Servick, “For Survivors of Severe COVID-19, Beating the Virus Is Just the Beginning,” *Science*, April 8, 2020, <https://www.sciencemag.org/news/2020/04/survivors-severe-covid-19-beating-virus-just-beginning>.

<sup>8</sup> Jack Hoadley, “The Provider Relief Fund: How Well Does It Protect Patients from Surprise Medical Bills for COVID-19 Related Services?,” *CHIRblog*, Georgetown University Health Policy Institute Center on Health Insurance Reforms, April 30, 2020, <http://chirblog.org/the-provider-relief-fund-how-well-will-it-protect-patients/>.



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