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Labor, Business, and Consumer Groups Call On NJ Legislative Leaders To Pass The Out-of-Network Consumer Protection Bill

Highland Park, NJ – A letter signed by 34 groups, including major health care consumer groups, unions and employers who provide coverage for their members and employees, was sent today to Assembly Speaker Vincent Prieto and Senate President Stephen Sweeney. The groups call on both leaders to support the Out-of-Network Consumer Protection, Cost Containment, Transparency and Accountability Act (A1952/S1285) that has been stalled in the legislature.

Maura Collinsgru, Health Care Program Director for New Jersey Citizen Action said, “We are frustrated by the rhetoric of those who say we must protect consumers, yet are not supporting this bill, one of the strongest out-of-network consumer protection bills in the nation. We must prioritize consumers over profits and pass a bill that expands protections while reining in costs.”

The letter calls for leadership to support the legislation, which will save New Jerseyans nearly $1 billion annually and result in an estimated $140 million in savings to the State Health Benefits Plan. This would account for more than half of the $250 million in savings the Governor has demanded from the State Health Benefits plan this year. All of the unions who sit on the State Health Benefit Design Committee/State Education Health Design Committees signed onto the letter and unanimously support the bill.

Jean Otersen, Chief of Staff for HPAE who signed onto the letter said, “Health care workers continue to see patients hit with high medical bills they never expected to receive from their providers. As health care workers, we support this legislation to better inform patients and give them the information they need to avoid surprise medical bills while helping to provide needed savings in the State Health Benefits Plan.”

The bill was introduced early in the year and has been stalled in both the Assembly and Senate since June.

Out-of-network charges are driving costs higher for both individual consumers and businesses. Mary Beaumont, Vice-President of New Jersey Business and Industry
Association said, “Health care costs are a number one concern of our members. This legislation will help bring those costs under control. Consumers and businesses should not have to face the continual threat of ever higher premiums and medical bills for involuntary out-of-network services from providers not in their networks.”

Chuck Bell, Programs Director for Consumers Union, who has been collecting stories of New Jersey consumers impacted by these surprise out-of-network bills said, “Consumers overwhelmingly want to be taken out of the middle of disputes between their health plan and provider. Every day more families are being harmed. We strongly urge legislators to pass this carefully-developed, comprehensive legislation now, so consumers don’t have to wait another year or more for these vital new protections to take effect.”

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