

A report to congressional committees

For more information, contact: John E. Dicken at dickenj@gao.gov

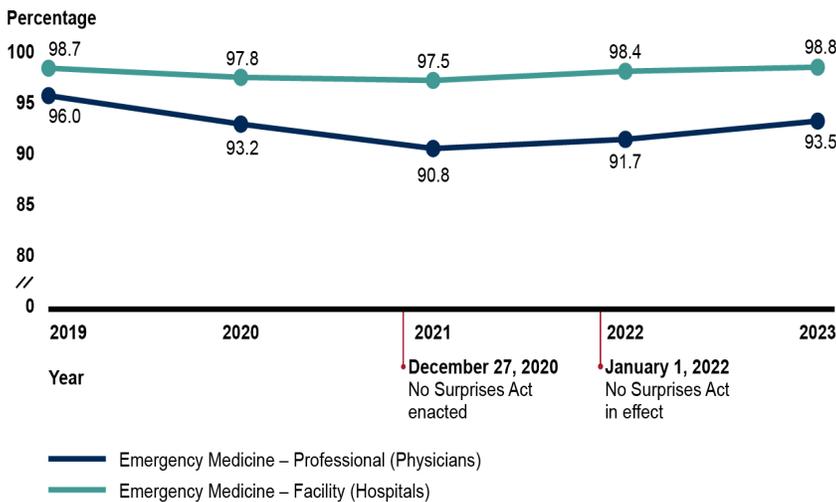
What GAO Found

The No Surprises Act, among its provisions, generally prohibits providers from balance billing in certain circumstances—such as emergency services—for individuals with private health insurance. Balance billing is when insured patients receive a bill from an out-of-network health care provider for the amount above any applicable cost-sharing that exceeds the health plan or issuer’s payment. An unexpected balance bill is referred to as a surprise bill.

GAO analyzed the percentage of claims that were in-network for selected specialties to examine potential changes in network participation after the act’s implementation. Increases in the percentage of in-network claims may indicate increases in provider participation, while decreases may indicate reduced participation.

Among specialties likely to be affected by the No Surprises Act protections—emergency medicine, radiology, anesthesiology, and air ambulance—the percentage of in-network claims increased for three of the four specialties after the act took effect. For example, GAO found the percentage of in-network facility claims (typically submitted by hospitals) and professional claims (typically submitted by physicians) for emergency medicine declined before the No Surprises Act took effect, then increased afterward.

Percentage of In-Network Facility (Hospital) and Professional (Physician) Claims for Emergency Medicine, 2019–2023



Source: GAO analysis of data from the Komodo Research Dataset. | GAO-26-107169

Payment changes for the selected services largely reflected continuations of trends prior to the No Surprises Act taking effect. For example, the inflation-adjusted payment for in-network emergency medicine services billed by facilities increased in 2022 and 2023, continuing the trend since 2019. Meanwhile, the inflation-adjusted payment for in-network emergency medicine services billed by physicians or their practices decreased in 2022 and 2023, continuing previous trends.

Why GAO Did This Study

Health plans or issuers contract with certain providers by negotiating payment rates to create provider networks that serve their patients. In-network providers accept negotiated payment rates (including any applicable patient financial responsibility) as full payment. Providers outside of that network do not have such contracts and have not agreed to a payment rate with the issuer. This can cause financial strain for patients if the providers bill them for the charges exceeding the issuer’s payment.

The No Surprises Act was enacted on December 27, 2020. The act’s protections against surprise bills took effect beginning January 1, 2022.

The Consolidated Appropriations Act, 2021, includes a provision for GAO to review the effects of the No Surprises Act. This report describes (1) changes in network participation, as measured by the percentage of in-network claims billed, for selected provider specialties before and after the No Surprises Act went into effect and (2) changes in payments for selected services before and after the No Surprises Act went into effect.

GAO analyzed a large dataset that included health insurance claims, specifically looking at four specialties most likely to be affected by the No Surprises Act’s prohibition on balance billing. GAO examined trends in in-network claims and payments from 2019 through 2023. GAO also interviewed representatives from 20 stakeholder groups, including specialty provider associations, issuers, and state insurance departments, to discuss changes in network participation and payment rates after the No Surprises Act took effect. The Department of Health and Human Services and Department of Labor provided technical comments, which we incorporated as appropriate.