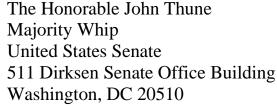


The Honorable Mitch McConnell Majority Leader United States Senate 317 Russell Senate Office Building Washington, DC 20510











Reports suggest that some Members have reached a potential compromise to address surprise medical bills, but while we await further details, what is known thus far raises alarms.



Surprise bills are a problem faced by millions of Americans each year. It's commendable that Congress is looking for solutions, but we, the undersigned organizations dedicated to promoting free markets, limited government, and constitutional principles, urge you not to rush to pass ill-considered proposals, especially as a 'rider' to a must-pass, year-end spending bill.



Any solution to the problem of surprise medical bills must recognize the reality of the health care market. High and opaque prices, for instance, are symptoms of a market heavily distorted by existing government interventions. Piling on with yet more heavy-handed regulation, such as with rate-setting through a benchmark payment for out-of-network providers, will only further complicate and distort the health care market. Furthermore, rate-setting will incentivize narrowing of networks, which undermines the goal of reducing surprise bills, and drive some doctors out of business.



Rather than reinvent the wheel, Congress should learn from the experiences of the states—our laboratories of democracy—that have already begun addressing surprise billing. Specifically, contrast the











results of California's embrace of price controls with New York's adoption of independent dispute resolution.

In California, declining resources for doctors is fueling consolidation while physician networks are shrinking and harming patient access. On the other hand, New York reports a 34 percent reduction in out-of-network billing and \$400 million in savings for consumers over 4 years.

We recognize that compromise is often necessary to move important legislation, but that doesn't mean that any compromise will do. Ratesetting will exacerbate dysfunctions in the healthcare market and can't be even a component of a bill to address surprise billing. If that means Congress must work a little longer on the issue, so be it. Patients will thank you for taking the time to get it right.

Sincerely,

Andrew F. Quinlan ~ President, Center for Freedom and Prosperity
Jason Pye ~ Vice President of Legislative Affairs, FreedomWorks
Jeffrey Mazzella ~ President, Center for Individual Freedom
Peter Ferrara ~ Senior Advisor, National Tax Limitation Committee
Andrew Langer ~ President, Institute for Liberty
Chuck Muth ~ President, Citizen Outreach
Sean Noble ~ President, American Encore
Judson Phillips ~ President, Tea Party Nation
Rick Manning ~ President, Americans for Limited Government
Norm Singleton ~ President, Ron Paul's Campaign for Liberty
Seton Motley ~ President, Less Government
Matthew Kandrach ~ President, Consumer Action for a Strong
Economy