

ASA survey shows health insurers abruptly terminating physician contracts

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A new national survey from the American Society of Anesthesiologists (ASA) finds physician anesthesiologists are being forced out of network as insurance companies terminate their contracts, often with little or no notice.

Initial results find 42% of respondents had contracts terminated in the last six months. Additionally, 43% of respondents experienced dramatic payment cuts from insurers, both mid-[contract](#) and at renewal, in some cases by as much as 60%. Some of the impacted contracts were signed less than six months ago.

The informal, non-scientific survey, which was distributed earlier this month, received responses from 76 practice groups in 33 states. It confirms anecdotal complaints that proposed surprise medical [bill](#) legislation has coincided with a significant number of [insurance](#) contract terminations and unilateral lower payment adjustments by [health insurance companies](#).

"This survey appears to confirm what we have been hearing from our members: that insurers may be forcing more physicians to be out of network to shore up their profits while negatively impacting patients," said ASA President Mary Dale Peterson, M.D., MSHCA, FACHE, FASA. "ASA is committed to ending surprise [medical bills](#) and is extremely disappointing to hear that insurance companies may be taking advantage of current legislative efforts to hurt patients and physicians."

Survey respondents came from a variety of groups of different sizes, from 35-member [physician](#) groups to large national groups. The responses also indicated that United Healthcare Insurance Company was noted as the insurer most associated with these changes, but Aetna, Cigna, and Blue Cross Blue Shield also were mentioned.

While the timing alone suggests insurance companies are motivated by factors related to anticipated legislative changes on surprise medical bills, some survey respondents reported they were specifically told by insurers this was the case.

This trend is why ASA supports a solution to surprise medical bills that does not further empower insurers to engage in these outrageous negotiating techniques—techniques that create more out-of-network physicians. ASA believes any solution should include a fair, market-based mechanism for physician anesthesiologists to be paid for their life-saving health care services, including a robust independent dispute resolution process where payment disputes between insurers and physicians can be resolved without the involvement of the patient.

"Currently, a very small percentage—approximately 8% - of anesthesiologist claims, nationwide, are out of network, often for reasons outside the control of the physician" added Dr. Peterson. "ASA will continue to closely monitor the activities of these insurance companies to track how their actions will exacerbate the public's exposure to surprise medical bills. Clearly, giving more power to the insurance companies is not the answer."

One respondent noted an [insurance company](#): "abruptly terminated our longstanding contract a few months ago. A few days later we were offered a new contract with a 60% reduction in our professional fees. We were advised by our consultant that commercial payers are emboldened to force anesthesiology groups into accepting severe pay

reductions in the face of new Surprise Medical Billing laws."

Another respondent noted: "We have been in network with all carriers for the last 30 years" until an insurance company "offered without negotiation a greater than 60% reduction in rate or we had to go out of network. We were, therefore, forced out of [network](#). We are making every effort to ensure that our patients do not get caught in the middle of this nefarious insurance practice." The insurance [company](#) "mentioned the balance billing (or surprise medical bills) legislation in our discussions."

Provided by American Society of Anesthesiologists

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