

A baby spent 36 days in an in-network NICU. Why did the hospital next door send a bill?

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Brenna Kearney was seven months pregnant in December 2019 when she experienced what she thought were bad flu symptoms.

Her husband, Casey Trumble, drove her from their Chicago home to her OB-GYN's office at Northwestern Medicine Prentice Women's Hospital downtown. With suddenly elevated blood pressure and protein in her urine, she was diagnosed with preeclampsia, a potentially fatal but treatable pregnancy complication. Doctors admitted her to the hospital, saying she could expect to stay up to six weeks and have an induced delivery.

Then Kearney developed a bad headache and her blood platelet count plummeted, signs she was experiencing a rare, dangerous type of preeclampsia and requiring an immediate delivery by cesarean section.

Kearney's daughter, Joey, born at 31 weeks, was placed on a ventilator and moved to the hospital's neonatal intensive care unit. Small but healthy, she slowly began breathing on her own and eating normally. She was discharged in late January 2020, after 36 days in the NICU.

Then the bill came.

The Patient: Josephine "Joey" Trumble, now 3, was covered by her mother's health plan through her employer, an advertising agency. For 2019, it was an Aetna plan, and for 2020, it was a plan from Blue Cross and Blue Shield of Illinois. Both policies were fully insured plans governed by Illinois laws.

Medical Service: Neonatology physician services provided in January 2020. Joey needed tube feeding and ventilator care to provide oxygen.

Service Provider: Ann & Robert H. Lurie Children's Hospital of Chicago, whose staff physicians treated Joey at Northwestern Medicine Prentice Women's Hospital. Ownership-wise, Lurie is independent of Northwestern Medicine, but it is physically connected to Prentice Women's by an enclosed walkway. Lurie has a collaboration agreement

with Northwestern Medicine to provide neonatology and pediatric physician services to Prentice Women's patients.

Total Bill: Aetna paid for nearly all of Joey and her mother's hospital and physician charges in December, while Blue Cross picked up nearly all of Joey's hospital charges in January. Physician charges from Lurie in January totaled \$14,624.55, of which the family was asked to pay \$12,531.58 after payments from Blue Cross.

What Gives: It took Kearney months of calls to Blue Cross and the two hospitals to find out why Lurie billed more than \$14,000 for physician services: The physicians treating her daughter at Prentice Women's—an in-network hospital under her health plan—actually worked for a separate, out-of-network hospital.

Illinois law bars insurers from charging patients out-of-network rates for neonatal care at in-network hospitals.

Kearney said no one had told her or her husband that Lurie doctors were treating their daughter. She said the family never signed an agreement consenting to receive care from out-of-network doctors.

Though it did not happen here, many patients unknowingly sign broad financial agreements—saying they'll pay for almost anything their insurance doesn't cover—in the piles of paperwork they receive upon admission to a hospital. In many cases, they are simply asked to sign on a screen, without seeing the document.

Blue Cross agreed to pay Lurie the in-network rate for the doctors' services, reducing the bill to about \$12,500—which Lurie expected the family to pay.

In November 2020, Kearney started receiving letters from ICS

Collection Service, a collection agency.

"Talking to Blue Cross was impossible, and Lurie said it's not their problem and just wanted to put us on a payment plan," Kearney said.

Joey's 36-day stay in the NICU happened before the [federal government](#) implemented the No Surprises Act barring surprise out-of-network billing. A [state law](#) prohibiting it, though, was in effect.

Since 2011, Illinois law has prohibited insurers from charging out-of-network rates for neonatologists, anesthesiologists, and certain other physicians when patients are treated at in-network hospitals.

Kearney said she repeatedly mentioned the law to Lurie and Blue Cross representatives, who denied knowledge of the provision.

"It definitely appears that under the 2011 law, Brenna can only be billed for in-network cost sharing," said Kathy Mikos, a registered nurse and patient advocate with the Navocate Group in Woodridge, Illinois, who is not involved with Kearney's case.

In December 2020, an insurance broker working for Kearney's employer persuaded Blue Cross to pay the full out-of-network charges for the Lurie doctors, leaving the family owing \$289.63 for coinsurance, which they promptly paid.

Having spent nearly the first year of her daughter's life fighting [medical bills](#) from her birth, Kearney thought the ordeal was over.

Then, last month, she got a call from the collection agency, which again demanded payment at the full out-of-network rate for Lurie physician services provided to her daughter three years ago—the bill she believed Blue Cross had paid.

It took five hours on the phone for Kearney to piece together what had happened. Blue Cross had indeed paid the out-of-network charges in December 2020—but, two days later, had taken back the money, ultimately paying Lurie's doctors only the in-network rate.

A Lurie representative said Kearney and her husband still owed thousands of dollars. A Blue Cross representative suggested she set up a payment plan.

"I was at wits' end, and I didn't know how to fight this anymore," Kearney said.

Lurie, Blue Cross, and Northwestern Medicine did not respond to numerous requests from KHN for comment. Lurie cited patient privacy, despite receiving a release from Kearney regarding the federal Health Insurance Portability and Accountability Act, or HIPAA, which authorized the hospital to discuss Joey's case with KHN.

The Resolution: After KHN contacted Lurie and Blue Cross, a Lurie representative called Kearney offering to accept payment at the in-network rates after all.

Kearney said Tracy A. Spicer, manager of consolidated services at Lurie, told her Lurie has a "long-standing policy" of accepting in-network rates for Lurie physician services provided at Prentice Women's. Spicer subsequently described it as a "long-standing courtesy," then explained that acceptance of in-network rates was subject to "case-by-case consideration," Kearney said.

Spicer said the family owed about \$3,000 for their coinsurance share and offered to set up a payment plan.

A day later—following additional requests by KHN for

comment—Spicer called Kearney and said she would remove all physician charges for her daughter's care. Spicer did not return KHN's call seeking comment.

"I'm certain I'm not the only person still dealing with this" kind of predicament, Kearney said.

Kearney has filed complaints with the Illinois Department of Insurance and the Illinois Attorney General's Office. The attorney general's office told KHN it had never enforced the 2011 law barring certain out-of-network billing.

Presented with the facts of Kearney's case, state Sen. Ann Gillespie, who sponsored a 2022 state law expanding consumer protections against out-of-network bills, told KHN she plans to contact Lurie, Blue Cross, and Northwestern Medicine to ask about their billing arrangement and whether they are in compliance with state law.

"We'll see if it was a pattern and whether they need to look back and see if refunds are warranted," Gillespie said.

The attorney general's office told KHN it will investigate Kearney's complaint, including whether Lurie violated the state Consumer Fraud and Deceptive Business Practices Act by telling her it was extending a "courtesy" by charging her only in-network rates, when that is what the 2011 law required. The insurance department also said it would investigate the complaint.

The Takeaway: Even resourceful consumers who appear to have the law on their side, like Kearney, may find themselves in a losing, time-consuming battle with medical billing bureaucracies and facing collection actions.

Gillespie, the state senator, said Lurie, Northwestern Medicine, and Blue Cross should have known about the state law. She said patients who believe they have been improperly charged should file complaints with their state's insurance department, which can trigger a broader investigation.

The federal No Surprises Act, which took effect last year, prohibits medical providers or insurers from billing patients for out-of-network physician charges at an in-network hospital, unless the patient formally consents to an out-of-network doctor. To be safe, patients should ask treating doctors whether they are in or out of network, even at an in-network hospital.

While the federal law offers patients new protections from out-of-network bills, many Americans still face problems from before the law took effect, said Loren Adler, associate director at the USC-Brookings Schaeffer Initiative for Health Policy. Illinois is one of relatively few states that had prior laws to protect consumers.

Also, some out-of-network physicians continue to bill patients, despite the new federal protections. So know your rights. Cite the new law. And don't write the check.

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