



International Union of Operating Engineers

AFFILIATED WITH THE AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS

April 22, 2020

JAMES T. CALLAHAN
GENERAL PRESIDENT

Speaker Nancy Pelosi
1236 Longworth House Office Building
Washington, DC 20515

Minority Leader Charles E. Schumer
322 Hart Senate Office Building Capitol
Washington, DC 20510

RE: Surprise Medical Billing Legislation

Dear Speaker Pelosi and Leader Schumer:

The International Union of Operating Engineers requests that you enact a responsible solution that brings an end to the practice of surprise medical billing – a solution that removes patients from the middle of disputes between insurers and healthcare providers. Bipartisan legislation (H.R. 3502 and S. 1531) has been introduced in both chambers that would provide an independent dispute resolution process. We encourage you to pass this legislation once the immediate crisis of the novel coronavirus has subsided.

The International Union of Operating Engineers (IUOE) represents over 400,000 working women and men across North America in a range of industry sectors, from heavy equipment operators and mechanics in the construction sector to stationary engineers who maintain and operate schools, energy facilities, hospitals, hotels, and large commercial buildings, as well as other occupations.

Major health insurance companies and their allies support legislation that purports to end the scourge of surprise medical billing, but the IUOE is concerned that they would impose devastating cuts to frontline medical providers and tilt the playing field in favor of insurers. We believe that these proposals were ill-advised before COVID-19. Today, as hospitals and healthcare workers face unprecedented financial strain, they seem especially irresponsible. The proposals would give insurance companies outsized power to set artificially low reimbursement rates, reducing revenue that physicians and clinicians across the country depend on to keep the doors open. This policy would likely lead to physician shortages and even facility closures in many vulnerable rural and underserved communities, just as these critical providers are desperately needed.

This month, one major insurance company, United Health, beat its quarterly profit expectations as its stock price soared and its corporate executives continued to thrive. Meanwhile, hospitals and medical practices have been forced to cut hours, furlough healthcare workers, and, in some cases, close due to financial strain. There are better solutions to fix surprise billing that do not put the nation's healthcare safety net or patients' access to care at risk.

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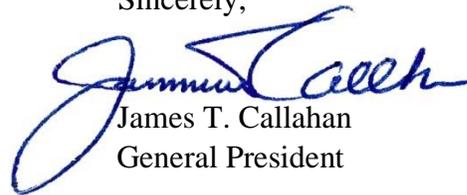


In fact, there are successful models developed at the state level, which demonstrate that it is not necessary to hamstring providers and hospitals in order to rein in surprise medical billing. The State of New York's law, which creates an independent resolution process to mediate billing disputes, has saved residents more than \$400 million and reduced out-of-network billing by 34% since its implementation in 2015 – all while protecting the providers who today are fighting on the frontlines and saving lives at the epicenter of the COVID-19 outbreak in the United States.

The International Union of Operating Engineers requests your support for both H.R. 3502 and S. 1531, bipartisan legislation to end surprise medical billing.

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read "James T. Callahan". The signature is stylized with a large initial "J" and a long horizontal stroke.

James T. Callahan
General President