

**NEWS RELEASE**

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**California's Physician Groups Applaud Supreme Court's Decision to  
Declare Balance Billing Practices as "Illegal"**

***Decision will protect patients from unfair medical billing practices***

**LOS ANGELES, CA** – The California Supreme Court issued its opinion yesterday in *Prospect v. Northridge Emergency Medical Group et al*, and declared that balance billing of HMO enrollees who receive emergency healthcare services from non-contracted providers is illegal under California law.

"This is phenomenal news for every patient in California. It will ensure that patients don't get stuck with the bill when their medical providers can't agree on a sensible payment solution," said Donald Crane, President and CEO of the California Association of Physician Groups, which represents groups that employ or contract with nearly 60,000 California doctors and provide care to 15 million Californians.

"The court decision sends a strong message to anyone engaged in balance billing that this sharp practice has been officially declared to be illegal and that these cynical billing practices must end immediately. We have long sought a prohibition on balance billing because we believe that patients should never have to worry if their medical bill will be paid as they are coping with an emergency situation," said Crane.

Balance billing occurs mostly as a result of unscheduled emergency room visits. Even though a hospital may be contracted with an insurance carrier for use of the facility, the ER physician or specialist performing the procedure may not have such a contract. Their price for the service is often much higher than what is reasonable and customarily paid to physicians under insurance contracts. In many cases, non-contracted physicians are charging more than double the customary rate. Faced with aggressive billing practices, including threats of being pursued by bill collectors, many patients feel pressured to pay whatever charges they are billed, despite the fact that they have insurance.

"As long-time opponents of balance billing, this unequivocal court decision will remove the patient as a pawn in billing disputes and shift financial negotiations to where they ought to be – between emergency providers and payers," said Crane.

**About CAPG**

The California Association of Physician Groups (CAPG) is committed to improving health care for Californians. CAPG supports a progressive and organized system of health care delivery which focuses on coordinated treatment plans and comprehensive coverage, including the most current preventive services and exams. This allows physicians to focus on illness prevention and proactive management of patients in order to maintain their optimum level of health. [www.capg.org](http://www.capg.org).

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