

Fast Facts: Involuntary Out-Of-Network Medical Bills Lead to Crushing Costs for Many New Jerseyans

This Fast Facts is a summary of NJPP Senior Policy Analyst Raymond Castro's full report, which is available at njpp.org/reports

- About 168,000 New Jerseyans are surprised each year to receive \$400 million in medical bills, mainly from doctors who they did not know were out-of-network.
- Balance bills sent to consumers can result in financial stress or even crisis for families.
- Almost half of New Jerseyans have insurance that does not have state mandated out-of-network protections.
- Most hospitals are in-network with all insurers and do not deliberately go out-of-network as a way to charge insurers exorbitant rates – but some providers game the system by doing so, billing insurers about \$1 billion in extra charges, which are mainly passed on to millions of New Jerseyans through higher premiums.
- Out-of-network charges to insurers can range between four and thirteen times the usual Medicare rate.
- These bills contribute to New Jersey's biggest health care problem: unaffordability.