



The New Hidden Fee That is Surprising Patients with Excessive Medical Bills

Description

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There is a new billing scheme that is misleading Texas patients with hidden costs—facility fees. These excessive hospital-based fees, often in the thousands of dollars for very basic services, have long come under criticism from patients and consumers for creating surprise medical bills that Texans cannot afford. But it's not only hospitals that are charging these hidden fees anymore. The out-of-control expansion of these unreasonable fees is driving up the cost of premiums and out-of-pocket costs for Texas families and employers.

In Texas, Freestanding ERs have been abusing these fees for years. It is also becoming common to see these hidden fees surprising patients when they visit their physician after a hospital or private equity firm takes over their physician's practice.

Now, these fees have expanded to telemedicine, which is obviously not facility-based care. [In Colorado](#) , a mother received an \$847 fee after

already paying an over \$600 medical bill for a 2-hour telehealth appointment to determine if her child needed speech therapy. She was shocked to later receive a bill that went well above the cost of the assessment, as it included a facility fee. The entire assessment was done via a Zoom call in her home.

In a previous [story reported by the same news outlet](#) , a father was charged a \$793 facility fee for an in-person psychologist visit for his son. While this visit was in-person, it required no special facilities or care. As Adam Fox, the deputy director at the Colorado Consumer Health Initiative put it, “It’s really concerning because it feels very much like a surprise bill.”

This isn’t a problem limited to one state though. It’s a nationwide outrage. Patients have learned that they will be charged for simply walking into a facility, [even when the doctor doesn’t show up](#) . In Texas, we rank in the [top 15 states when it comes to the average facility fee across](#) categories and notoriously saw these excessive facility fees inappropriately added to [COVID test bills making them as expensive as a Tesla](#) .

So far, legal challenges to these fees have been unsuccessful but proposed legislative solutions may help stop these new surprise bills. The [National Academy of State Health Policy](#) has proposed legislation that “prohibits site-specific facility fees for services rendered at physician practices and clinics located more than 250 yards from a hospital campus.” Basically, if the care isn’t happening at an actual hospital facility, then the patient can’t be charged a facility fee.

The increasingly controversial fees often come without warning, as hospitals and physicians are not required to inform patients of it ahead of time. At a minimum, Texans deserve transparency when these fees will be charged. [Patients are demanding to at least be informed](#) of these fees in order to make the best decisions about their care. Once billed, patients have a hard time discerning what the fees are for. As one patient put it, “ [I’m an accountant by trade and I can’t understand the bills](#) .”

Texas took a first step toward addressing outrageous facility fees by [banning freestanding ERs from charging them for drive-thru COVID testing](#)

and other drive-thru services.

With so much outrage building against facility fees, especially as COVID-19 highlights absurd examples, now is the time for lawmakers to address these dangerous surprise bills.

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