

Employers, Insurers Call for Agency Help on Surprise Bill Arbitration

Feb 24, 2026, 5:00 AM

Summary by Bloomberg AI

More than three dozen employers, insurers, and patient advocacy groups are asking the Trump administration to intervene in the arbitration process for surprise medical bills due to dysfunction under the No Surprises Act.

- The groups say that more transparency and accountability is needed for companies that oversee arbitration, and that entities with unusually high rates of rulings on clearly ineligible or out-of-scope cases should face corrective action.
- Arbitration is being used too often for planned procedures at in-network facilities, and the groups wrote that the IDR process must serve as a backstop—not a pricing mechanism or profit-seeking tool.

More than three dozen employers, insurers, and patient advocacy groups are **asking** the Trump administration to intervene in the arbitration process for surprise medical bills.

Dysfunction under the No Surprises Act has flooded the courts with cases of alleged fraud on both sides. Insurers accuse providers of knowingly submitting ineligible claims to the arbitration process, while providers allege insurers are misleading arbitrators on key payment metrics.

Health insurance companies and employers are losing the vast majority of cases under the law. Data from the Centers for Medicare & Medicaid Services, which oversees the arbitration process, show that **providers are winning** 88% of the time. But courts are largely siding with insurers when providers allege they aren't paying up, saying that enforcement resides with the CMS.

The Office of Management and Budget is reviewing a final rule to improve the independent dispute resolution process, which requires arbitrators to settle out-of-network bills between doctors and insurers. The rule has languished since the Department of Health and Human Services first **proposed it** in November 2023 as a series of legal challenges from the Texas Medical Association unfolded in the courts.

More transparency and accountability is needed for companies that oversee arbitration, the ERISA Industry Committee, American Benefits Council, Business Group on Health, Elevance Health, union 32BJ Health Fund, and others said in a letter Tuesday.

“Entities with unusually high rates of rulings on clearly ineligible or out-of-scope cases should face corrective action, suspension, or loss of certification,” the groups wrote to Health and Human Services Secretary Robert F. Kennedy Jr., Treasury Secretary Scott Bessent, and Labor Secretary Lori Chavez-DeRemer.

Arbitrators have **said** they could benefit from better information and more flexibility in determining the proper payment amount.

Arbitration is also being used too often for planned procedures at in-network facilities, the groups wrote.

“The IDR process must serve as a backstop—not a pricing mechanism or profit-seeking tool,” they said. “Without necessary actions, misuse of the system will continue to raise costs for patients and undermine the affordability and stability of employer-sponsored coverage.”

The forthcoming rule will help improve the process, but won't fix the broader systemic issues, said Melissa Bartlett, senior vice president for health policy at ERIC. More action is needed from the administration and Congress as the law's problems become clearer, she said.

"It's very, very important to get it right, especially since states are starting to figure out how to model what they want to do off of this law," she said.