

# Shaking Up the No Surprises Act

## Exploring the Effects of the New Administration on Compliance, Enforcement, & More

Since their introduction, the NSA and TiC have fundamentally changed the healthcare legislation landscape, making compliance a vital necessity for anyone involved with the administration of health plans. While both have been off to a bit of a slow start, their influence in the healthcare space is set to start gaining speed. With a new administration in place and changes on the horizon, being up to date on the NSA and TiC is once again becoming a crucial requirement.

With change looming over the horizon, let's remind ourselves to take a deep breath. If we know anything about legislation, it's that slow and steady doesn't hurt—and neither does being fully informed and prepared. Join us as we take a deep dive into both the NSA and TiC, the challenges in keeping compliant, and the potential changes we see ahead.

### **The Role of Surprise Medical Bills**

To truly get into the NSA and TiC, we have to start at the root with surprise medical bills. Those unexpected, often huge charges that pop up when patients get care from doctors or specialists who aren't covered by their insurance created a need for the NSA and the TiC in the first place. These bills usually happen when people end up getting services from out-of-network providers during a stay at an in-network hospital. For example, you might be treated by an anesthesiologist, radiologist, or emergency room doctor who isn't in your insurance network, even though the hospital itself is. It's a tricky situation that can easily catch people off guard, and many don't even realize that some of their care might involve out-of-network providers.

These unexpected bills can be financially devastating, particularly for patients who thought they were covered under their insurance plan's network terms. Take a patient who visits that emergency room they knew was within their insurance network, only to be treated by an out-of-network physician. They now potentially face charges for services that could be thousands of dollars more than they would have paid had the provider been in-network. These patients are now left struggling with bills they might be unable to pay, creating a financial crisis for many individuals and families.

The sheer amount of surprise medical billing led to significant consumer dissatisfaction and distrust in the healthcare system, as patients felt they had little control over the costs associated with their care, despite making every effort to stay within their network. It didn't take long for these issues to come to a head, resulting in our key policies: the No Surprises Act and the Transparency in Coverage Rule.

### **The No Surprises Act (NSA)**

The first line of protection we saw go into effect was the NSA. Enacted as part of the Consolidated Appropriations Act of 2021, it aims to protect consumers from surprise medical bills by providing a set of rules for situations where patients unknowingly receive out-of-network care. The primary goals of the NSA are to ensure that patients are not financially penalized for receiving out-of-network services they did not choose or expect, and to create a standardized framework for how out-of-network charges should be handled in emergency and non-emergency situations.

### Key provisions of the NSA include:

- **Protection from Surprise Bills:** Prohibits out-of-network providers from billing patients for amounts beyond their in-network cost-sharing. Instead, the payment amount is determined through an arbitration process or a negotiated rate between the insurer and the provider.
- **Emergency Services:** Ensures that patients who receive emergency care at out-of-network facilities are only required to pay the in-network rates for those services, even if they were unable to choose the provider in advance.
- **Non-Emergency Services:** Requires that patients be notified and give consent before receiving services for non-emergency care provided at in-network facilities by out-of-network providers. If they are not informed, they cannot be charged higher than in-network rates.
- **Dispute Resolution:** Sets up a framework for resolving payment disputes between insurers and out-of-network providers, often through an independent dispute resolution process, which helps settle disputes over the reimbursement rate in a fair manner.

Through these provisions, the NSA sought to minimize the financial burden on patients while ensuring that the financial responsibility for out-of-network charges is fairly shared between providers and insurers.

## The Transparency in Coverage Rule (TiC)

The second line of defense we saw go into effect was the TiC, established by the Centers for Medicare & Medicaid Services (CMS). It focuses on increasing transparency in healthcare pricing and improving consumer access to information about the cost of medical services. Aimed at providing consumers with better insights into the cost of care, the TiC Rule mandates that health insurers make pricing information more accessible to patients before they receive care.

### Key provisions of the TiC include:

- **Publicly Accessible Pricing Information:** Requires insurers to provide clear and accessible information about the cost of covered healthcare services, including both in-network and out-of-network rates. This includes both the expected costs for services and the insurer's negotiated rates with in-network providers.
- **Machine-Readable Files:** Mandates that health plans make pricing information available in machine-readable formats, enabling third-party applications, such as cost comparison tools, to provide consumers with relevant, real-time data on the cost of care across different providers and locations.
- **Advance Notice of Out-of-Pocket Costs:** Requires insurers to provide consumers with personalized cost estimates, including out-of-pocket costs, based on their insurance plan and specific medical needs, allowing patients to make more informed decisions before seeking care.

By promoting transparency, the TiC aimed to give consumers more control over their healthcare spending, enable them to shop for the best value, and reduce the likelihood of surprise medical bills resulting from out-of-network services. The increased transparency in coverage also sought to hold providers and insurers accountable for their pricing practices, ultimately driving down the cost of healthcare.



## The Current State of the NSA and the TiC

Together, the NSA and TiC aim to protect consumers from the financial impact of surprise medical bills and make healthcare pricing clear. However, despite these good intentions, enforcing the NSA and the TiC has come with its fair share of challenges.

### Compliance

One of the bigger challenges we've seen crop up has been getting healthcare providers and insurers to comply with the rules. The NSA sets strict guidelines for out-of-network billing, protecting against surprise charges for emergency care and certain non-emergency services at in-network facilities. Similarly, the TiC requires insurers to be transparent about pricing and cost-sharing so consumers can make better choices.

Even though the rules are clear, there are plenty of people who have struggled with implementation. **Providers, insurers, and third-party admins have had a tough time keeping up with all the details**, especially smaller practices that lack the resources to update their systems. On top of that, the way these rules are enforced varies from state to state, creating a patchwork of practices. While some states have adapted to the federal rules well, others haven't, leaving gaps in consumer protections and causing confusion for everyone involved.

### Legal Challenges

Other culprits we've seen slowing down the enforcement of both the NSA and TiC are legal challenges. The NSA alone has already faced several lawsuits from healthcare providers, insurers, and trade groups. One point of contention spurring these challenges is the **independent dispute resolution (IDR) process**, which helps providers and insurers settle payment disputes for out-of-network services. After the first Trump administration's initial rules for this process were struck down in court, confusion and delays in figuring out how disputes should be handled followed.

The TiC has also faced its own share of challenges, especially around requirements for disclosing negotiated rates and out-of-pocket costs.

**Some groups argue that fully disclosing this info could hurt competition or be too much for smaller insurance plans to handle.** As these legal battles continue to play out, we're still seeing a good bit of uncertainty—and further changes to the rules could make compliance even more difficult.

### The Burden of Compliance

These challenges have put a heavy strain on healthcare providers and insurers. Following the NSA and TiC rules means they have to invest heavily in tech, staff, and new processes. For healthcare organizations, this could mean:

- ✓ Upgrading billing systems
- ✓ Retraining employees
- ✓ Creating new ways to notify patients

Insurance companies, on the other hand, should look to build better claims processing systems and make sure cost-sharing info is available in real-time.

These costs can add up quickly, and keeping up with ongoing compliance only adds to the pressure. Smaller healthcare providers are finding trouble keeping up with the resources needed to meet all the requirements, which could lead to fines or even losing access to certain markets. While bigger organizations can often handle these challenges, smaller ones are at a disadvantage, creating uneven compliance across the system.

### Facing the Future

Finally, the uncertainty around future regulatory guidance isn't helping anyone. The NSA and TiC were created to meet broader legislative goals, but many of the specific details were left up to agencies like the Centers for Medicare & Medicaid Services (CMS) to figure out. As these agencies keep releasing new guidance and clarifications, there's always a chance the rules could change.

Take the Biden administration, which made several changes to how the NSA and TiC are being enforced. While these updates are often necessary to keep up with new issues, even the smallest changes can create further hurdles and uncertainty for those trying to keep up with compliance. **Providers and insurers are constantly trying to stay on top of these rapid changes, and the possibility of more revisions only makes it harder to stay compliant.**

This uncertainty is made even trickier by the political landscape, where each new administration can shift policy priorities. The possibility of new laws or expanded regulations only piles on another layer of unpredictability when it comes to enforcing these rules.

## The Trump Administration

To further explore the effects of those political shifts, President Trump has started his second term off at a rapid pace, which means we should expect change to come just as quickly when it comes to healthcare regulations and legislation.

In a recent move to empower American patients, President Trump signed an Executive Order mandating the swift implementation of healthcare price transparency regulations. This order directs key departments, including Treasury, Labor, and Health and Human Services, to ensure that hospitals and insurers disclose actual prices, not estimates, for medical services—ranging from hospital stays to prescription drugs. By enforcing these transparency requirements, the administration aims to lower healthcare costs, helping patients and employers shop for better deals and saving more.

For the NSA and the TiC, this new initiative reinforces the push for clearer and more comparable healthcare pricing. The TiC will likely now see renewed attention and enforcement, ensuring that patients have access to real pricing data. This could lead to greater competition among healthcare providers and insurers, driving down costs and improving patient access to quality care. President Trump's actions seem set to disrupt the healthcare status quo, a response to public demand for transparent, affordable healthcare options.

This is only one example of the changes we can expect to see ahead. The healthcare space remains a hot topic in political spaces, and as President Trump continues to issue executive orders aimed at doubling down on price transparency rules, we can expect to see further changes in the requirements to stay compliant with those rules.



## Preparing for the Future

As regulatory shifts regarding the NSA and the TiC loom, industry leaders such as payors, providers, and employers should take proactive steps to prepare for potential changes.

### 1. Monitor Regulatory Updates and Stay

**Informed:** Regularly track updates from the Centers for Medicare & Medicaid Services (CMS) to stay ahead of any changes. By monitoring proposed rule changes and administrative interpretations, organizations can anticipate shifts and adjust strategies accordingly.

### 2. Strengthen Compliance Infrastructure:

Invest in advanced technology solutions that can automate pricing transparency, facilitate timely disclosures of negotiated rates, and ensure that out-of-network billing practices comply with the NSA.

### 3. Prepare for Changes in Billing and Dispute

**Resolution:** Review your current billing and payment systems. Anticipating future regulatory revisions related to reimbursement rates or the IDR process will help mitigate financial risk and ensure smoother transitions in case of policy changes. This could include reviewing contracts with out-of-network providers or refining internal procedures for dispute resolution.

### 4. Invest in Employee Education and Training:

Prioritize training staff involved in billing, claims, and patient communication. Educating teams on the specifics of surprise billing protections, pricing transparency requirements, and new dispute resolution protocols will minimize errors and help meet compliance standards.

### 5. Stay Prepared for Legal and Regulatory

**Uncertainty:** Prepare for shifts in enforcement or new interpretations of the law. Legal counsel should be actively engaged in monitoring litigation related to these regulations and helping organizations navigate any changes that might arise from judicial rulings or new administrative guidance.



## Staying Ahead with IPS

At IPS, we understand that new regulations normally mean new headaches. That's why we're dedicated to taking the burden off and keeping you ahead of both NSA and TiC regulations with our solution for full compliance. Transparency+, built securely on Salesforce, keeps companies in compliance with the NSA and TiC by providing cost comparison tools for members. We support you through new challenges with:



Full scalability and reliability



60-day average implementation process to meet requirements



In-network contract rates and out-of-network estimates



And more

Our platform supports regulatory compliance management for standards including HIPAA, SOC2, and HITECH, further helping ensure you're ready for future updates.

We understand the complications of keeping up with healthcare regulations. We're here to support you with the tools you need to stay ahead of regulatory changes while ensuring compliance and minimizing disruptions in an increasingly complex healthcare landscape.

### Sources

<https://www.modernhealthcare.com/policy/trump-healthcare-cost-transparency>

<https://www.fiercehealthcare.com/providers/trump-issues-executive-order-crack-down-price-transparency-hospitals-payers>

<https://www.whitehouse.gov/fact-sheets/2025/02/fact-sheet-president-donald-j-trump-announces-actions-to-make-healthcare-prices-transparent/>

**Curious to learn  
what other  
advantages  
Transparency+  
by IPS can offer  
your clients?**

**Let's talk.**



### Connect with

**Shawn Evans**

**CEO, Integrated Payor Solutions**

**[sevens@integratedpayorsolutions.com](mailto:sevens@integratedpayorsolutions.com)**

**415.465.2534**