NO SURPRISES ACT: WHAT THE PAYMENT DATA SHOW

IDR Is Not Inflating Costs

IDR awards help sustain medical practices, but actual dollars still fall short of pre-NSA payments.

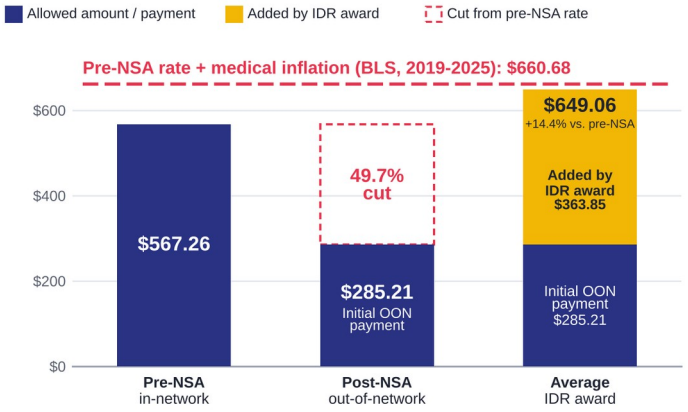
Congress, the Congressional Budget Office (CBO), and the Administration are asking whether the No Surprises Act (NSA) should be raising premiums.

Below, EDPMA provides actual data from its members, who collectively serve approximately 60% of emergency department visits in the US. EDPMA analyzed one of the most frequent emergency visit codes (CPT 99284) in the NSA's Independent Dispute Resolution (IDR) process, combining data from 873,900 commercial visits in 47 states.

Measured in real dollars adjusted for inflation, these data show that the amounts awarded in the IDR process are less than pre-NSA amounts.

Following the Level 4 ER visit (CPT 99284) through the NSA

Average commercial amount per Level 4 visit



The Bottom Line

49.7% cut in initial payments

Initial payments dropped significantly. After the NSA, the average Level 4 payment fell from $567.26 to an initial out-of-network (OON) payment of $285.21. These data are highly consistent with the 2025 RAND study, which found a 47.7% reduction.[1]

98% of inflation-adjusted pre-NSA payments

IDR awards provide important practice resources, but do not restore payments to inflation-adjusted pre-NSA levels. Inflation adjustments are critical; physician practices must be able to keep pace with clinical demands and underlying costs.

$11.62 per claim

Still short of inflation-adjusted pre-NSA amounts. The average award ($649.06) is $11.62 below the average pre-NSA inflation-adjusted rate, which is $660.68 for the Level 4 visit (inflation: +16.5%, 2019-2025).

✕ What Has Been Said	✓ What the Payment Data Show
"Clinicians win about 85% of IDR disputes, so IDR is driving up costs."	**Win rates refer to numbers of disputes but do not address actual dollars.** The average Level 4 award is $649.06, below the amount the pre-NSA rate would reach in 2025 with medical inflation alone.
"Awards average 3X to 4X the QPA, proof of excess payment."	**A QPA multiple does not measure actual costs.** Compared with what plans actually paid before the NSA, the average award is up 14.4%, which is still less than medical inflation over the same period (16.5%). In addition, physicians consistently report QPAs well below the contracted rates in effect before the NSA, which distorts the multiples often quoted.
"Physicians are gaming IDR to raise prices."	**Significantly low initial payments drive physicians' need for IDR.** Through contract terminations and take-it-or-leave-it rate cuts, out-of-network allowed amounts dropped 49.7% below pre-NSA in-network rates. **IDR results help, but still pay less than pre-NSA amounts adjusted for inflation.**
"Outlier awards prove IDR is broken."	**The outliers cited don't represent emergency medicine.** High-dollar outlier awards cited by plans are extremely rare in emergency medicine. For one of the most frequent emergency medicine codes (Level 4), the average award is still short of inflation-adjusted pre-NSA dollars.

NOT INCLUDED: IDR FEES. Although IDR fees are significant, these results do not account for them. Physicians pay an unrefunded administrative fee to enter IDR, the full "loser pays" IDR entity fee on the 15% to 20% of claims they lose, and other internal costs. **Those costs make emergency care payment rates even less sustainable than these data show.**

WHY THIS DATA MATTERS

An accurate view of the NSA's impact matters. In actual dollars, emergency medicine is underpaid, not overpaid.

These data come from actual physician practices.
Other data show only part of the story, or a distorted view of the actual impact on costs.

Underpayment drives IDR.
Initial out-of-network payments fell 49.7% below pre-NSA rates, driving a significant need for Independent Dispute Resolution.

IDR helps, but falls short.
IDR awards are still below pre-NSA amounts adjusted for inflation. In addition, publicly available data do not show claims that never went to IDR, which are also underpaid and make up the majority of OON payments.

Patients rely on sustainable access to emergency care.
Emergency physicians treat everyone, regardless of ability to pay. Emergency practices need the resources to provide these critical services.

[1] Abir M, et al. Strategies for Sustaining Emergency Care in the United States. RAND Corporation, RR-A2937-1, April 2025, p. 57. rand.org/pubs/research_reports/RRA2937-1.html

How EDPMA Tracked It

Survey respondents cover 47 states and evaluated an annual commercial universe of 873,900 in-network visits (pre-NSA). To keep the data burden low, the survey asked about one code for one of the most frequent patient care services: Level 4 (CPT 99284), one of the primary emergency medicine E/M levels, comprising about 30% of emergency medicine E/M services nationwide.

PHASE 1
Pre-NSA in-network
$567.26
Baseline
Average contracted Level 4 allowed amount before the NSA took effect in January 2022.

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PHASE 2
Initial OON payment
$285.21
49.7% drop from Phase 1
Average initial out-of-network payment for the same Level 4 service after the NSA.

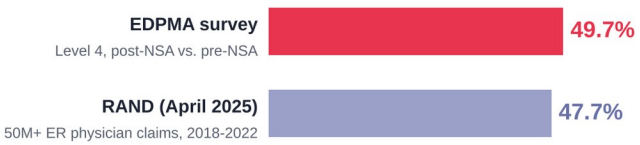
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PHASE 3
IDR outcome
$649.06
14.4% increase from Phase 1
Average IDR award for those out-of-network Level 4 claims: $285.21 initial OON payment plus $363.85 awarded.

Two Independent Checks[2]

Check 1: The out-of-network cut tracks the 2025 RAND Study

Drop in commercial out-of-network allowed amounts



Check 2: IDR awards trail medical inflation

Increase over the pre-NSA in-network Level 4 rate



> *"Reductions in payments for commercially insured patient visits are much steeper, dropping 10.9 percent for commercial in-network and 47.7 percent for commercial OON visits over this five-year period."* RAND Corporation Research Report, April 2025, p. 57 (50+ million paid emergency physician claims, 2018-2022)

What It Means for Policy

- **Level 4 claims that go to IDR do not come out ahead.** Even after IDR, the average Level 4 award ($649.06) is below the inflation-adjusted pre-NSA rate ($660.68). IDR is not a windfall for emergency medicine.
- **IDR awards provide important patient care resources,** but they do not restore payments to inflation-adjusted pre-NSA levels.
- **These results do not reflect the impact of IDR fees.** The unrefunded administrative fee to enter IDR, the full "loser pays" IDR entity fee on the 15% to 20% of claims clinicians lose, and other internal costs are significant factors. Those costs further reduce what physicians actually receive, making payments even less sustainable.
- **A common cost narrative does not hold for emergency medicine.** Claims that excessive IDR awards are boosting health care costs are not supported by the facts within emergency medicine, which is the largest specialty in the IDR process nationally.
- **An accurate view of the NSA's impact requires analysis of all payments, not just those that went through IDR.** Counting only IDR awards (which apply to the minority of all OON patient visits), or ignoring the underpayments on claims that never go to IDR, severely overstates the cost impact of the NSA. A transparent, holistic view of all payments is critical to supporting thoughtful policy. Part II of this series examines all payments.

What Policymakers Should Do

1. **Measure the NSA in dollars, not win rates.** Premium and cost estimates, including CBO's, should compare actual payments with pre-NSA rates and medical inflation, and include underpayments to providers that never go through the IDR process.
2. **Count the initial-payment cut.** Plans cut out-of-network payment nearly in half before any dispute began. EDPMA will brief Congress and CBO on its aggregate survey findings.
3. **Let IDR work as Congress wrote it.** IDR entities should weigh all of the statute's factors, with no single factor, including the QPA, presumed as primary for either payment or for analysis.
4. **Fix the root cause: low initial payments.** Fair initial out-of-network payments mean that fewer claims need to go through the IDR process, lowering administrative costs across the system and promoting more in-network agreements.

About the data. Figures are average commercial amounts for Level 4 (CPT 99284): pre-NSA in-network allowed amount, initial OON payment, and IDR award. All figures exclude IDR fees. Inflation benchmark: BLS medical care price data (in2013dollars.com calculator) applied to the $567.26 pre-NSA rate, assuming a 2019 base year, which is also the NSA's base year for the QPA. **Coming next: Following the Dollars, Part II: Cash Per Visit, covering all emergency visit levels and total cash per visit.** Contact: Matt Clark, Executive Director, EDPMA | www.edpma.org

[2]Abir M, et al. Strategies for Sustaining Emergency Care in the United States. RAND Corporation, RR-A2937-1, April 2025, p. 57. rand.org/pubs/research_reports/RRA2937-1.html