



DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
Center for Consumer Information and Insurance Oversight  
200 Independence Avenue SW  
Washington, DC 20201

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Learn more about the Good Faith Estimate and the Patient-Provider Dispute Resolution (PPDR) process for people without insurance or who plan to pay for the costs themselves

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### **Summary**

Starting on January 1, 2022, the No Surprises Act<sup>1</sup> (NSA) protects uninsured (or self-pay) individuals from many unexpectedly high medical bills. The Act requires that health care providers and facilities give uninsured (or self-pay) individuals an estimate for the cost of their health care before the individual agrees to get the item or service. Throughout this document the term “providers” also includes providers of air ambulance services. People with insurance may also ask for an estimate, which will generally be shared with the insurance plan.

If the uninsured (or self-pay) individual is billed for an amount at least \$400 above the estimate, the individual may be eligible to start a Patient-Provider Dispute Resolution (PPDR) process by submitting a request to HHS and paying a small administrative fee. The PPDR process is handled by a third-party company certified by the Department of Health and Human Services (HHS). This company will decide if the estimated amount, or billed amount, or another amount in between the estimated amount and billed amount should be paid.

This document contains specific requirements and information about the “Good Faith Estimate” and PPDR process.

### **Good Faith Estimates for Uninsured (or Self-Pay) Individuals**

You are generally considered an uninsured or self-pay individual if you do not have health insurance, or do not plan to use your insurance to pay for a medical item or service. If you are an uninsured or self-pay individual, a provider or facility must give you a “good faith estimate” detailing what you may be charged **before** you receive the item or service.

The good faith estimate will include:

- A list of items and services that the scheduling provider or facility reasonably expects to provide you for that period of care.

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<sup>1</sup> Enacted as part of the Consolidated Appropriations Act, 2021 (Pub. L. 116-260).

- Beginning in 2023, a list of items and services and their associated costs, that can be reasonably expected to be given to you by another provider or facility involved in your care (a co-provider or co-facility). For example, a doctor probably expects that along with an individual's knee replacement surgery, the patient will also be given anesthesia. Both of these items and services should be included in your good faith estimate, and starting in 2023, the anesthesia items and services will have to be included.
- Applicable diagnosis codes and service codes.
- Expected charges or costs associated with each item or service from each provider and facility.
- A notification that if the billed charges are higher than the good faith estimate, you can ask your provider or facility to update the bill to match the good faith estimate, ask to negotiate the bill, or ask if there is financial assistance available.
- Information on how to dispute your bill if it is at least \$400 higher for any provider or facility than the good faith estimate you received from that provider or facility.

If you get a bill that is at least \$400 more for any provider or facility than the total expected charges for that provider or facility on the good faith estimate, there is a new patient-provider dispute resolution (PPDR) process available to you. Under the PPDR process, you may request a payment review and decision from an independent company certified by HHS. These companies are referred to as Selected Dispute Resolution (SDR) entities. The SDR entity will decide what amount you must pay if your bill is at least \$400 more for any provider or facility than your good faith estimate from that provider or facility.

A summary of important information for this process is provided below.

For detailed information, you can review the HHS interim final rules (IFR) titled *Requirements Related to Surprise Billing; Part II*, published on October 7, 2021.

<https://www.govinfo.gov/content/pkg/FR-2021-10-07/pdf/2021-21441.pdf>

### **Does the PPDR process apply to people with health insurance?**

The PPDR process is set up for:

- People without health insurance.
- People with health insurance who receive an item or service that isn't covered by their plan or coverage.
- People with health insurance who plan to **not use their plan or coverage** to pay for a portion or all of the costs for the item or service.

People **with health insurance** includes those with:

- A group health plan (a plan through their employer or union),
- Group or individual health insurance coverage offered by a health insurance issuer,
- A Federal health care program (such as Medicaid, Medicare or TRICARE), or
- A health benefits plan under a Federal Employees Health Benefits (FEHB) Program.

**Note:** Enrollees in Federal health care programs are not eligible to receive a good faith estimate as there are other surprise billing protections under these programs.

**Where can an uninsured (or self-pay) individual find information about a good faith estimate?**

You should find information about good faith estimates on your provider or facility’s website and in the provider or facility’s office or on-site where you might schedule items or services or have questions about your costs. If you have questions about the cost of items or services, your provider or facility must inform you in writing or orally about requesting a good faith estimate. All of this information must also be available in accessible formats and languages.

**When can you expect a good faith estimate?**

If you schedule an item or service at least 3 business days before the date you will receive the item or service, you must be given a good faith estimate no later than 1 business day after scheduling. If you schedule the item or service at least 10 business days before the date you will receive it, or request cost information about an item or service, the provider or facility must give you a good faith estimate no later than 3 business days after scheduling or requesting.

**Is the good faith estimate a bill?**

No. The good faith estimate shows the costs of items and services that your provider or facility expects to charge you for an item or service. The estimate should be based on information known at the time the estimate was created and does not include any unknown or unexpected costs that may arise during the course of treatment. For example an individual could be charged more if complications or special circumstances occur.

**How will individuals identify items or services on the Good Faith Estimate?**

On the good faith estimate you should be able to locate a list of items and services, grouped by each provider or facility, that includes:

- Applicable diagnosis codes,
- Expected service codes,
- Expected charges associated with each listed item or service for the primary provider or facility (the main provider or facility you are scheduling with), and
- Any expected charges associated with each listed item or service for the co-providers or co-facilities (the other providers or facilities who will also be a part of your care and bill you separately).

**Note:** In 2022, the good faith estimate may not include all expected charges for items and services from a co-provider or co-facility for items and services that are usually expected to be provided along with the primary item(s) or service(s). This means, for example, that until January 1, 2023, if you schedule a knee replacement surgery with a particular surgeon, your

surgeon's good faith estimate may not include the expected charges from your anesthesiologist. You may however request a good faith estimate directly from a co-provider or co-facility.

**Form 1:** A visual example of how itemized lists of expected items or services could be displayed in the good faith estimate along with a disclaimer and instructions about the good faith estimate.

**Details of Services and Items for [Provider/Facility 1]**

<b>Service/Item</b>	<b>Address where service/item will be provided</b>	<b>Diagnosis Code</b>	<b>Service Code</b>	<b>Quantity</b>	<b>Expected Cost</b>
	[Street, City, State, ZIP]	[ICD code]	[Service Code Type: Service Code Number]		
<b>Total Expected Charges from [Provider/Facility 1]</b>					<b>\$</b>
<b>Additional Health Care Provider/Facility Notes</b>					

**Details of Services and Items for [Provider/Facility 2]**

**These additional Provider/Facility costs may not be included until 2023**

<b>Service/Item</b>	<b>Address where service/item will be provided</b>	<b>Diagnosis Code</b>		<b>Service Code</b>	<b>Quantity</b>	<b>Expected Cost</b>
	[Street, City, State, ZIP]	[ICD code]		[Service Code Type: Service Code Number]		
<b>Total Expected Charges from [Provider/Facility 2]</b>						<b>\$</b>
	<b>Additional Health Care Provider/Facility Notes</b>					

## **Disclaimer (example)**

This Good Faith Estimate shows the costs of items and services that are reasonably expected for your health care needs for an item or service. The estimate is based on information known at the time the estimate was created.

The Good Faith Estimate does not include any unknown or unexpected costs that may arise during treatment. You could be charged more if complications or special circumstances occur. If this happens, federal law allows you to dispute (appeal) the bill.

**If you are billed for more than this Good Faith Estimate, you have the right to dispute the bill.**

You may contact the health care provider or facility listed to let them know the billed charges are higher than the Good Faith Estimate. You can ask them to update the bill to match the Good Faith Estimate, ask to negotiate the bill, or ask if there is financial assistance available.

You may also start a dispute resolution process with the U.S. Department of Health and Human Services (HHS). If you choose to use the dispute resolution process, you must start the dispute process within 120 calendar days (about 4 months) of the date on the original bill.

There is a \$25 fee to use the dispute process. If the agency reviewing your dispute agrees with you, you will have to pay the price on this Good Faith Estimate. If the agency disagrees with you and agrees with the health care provider or facility, you will have to pay the higher amount.

To learn more and get a form to start the process, go to <https://www.cms.gov/nosurprises/consumers> or call 1-800-985-3059.

**For questions or more information** about your right to a Good Faith Estimate or the dispute process, visit <https://www.cms.gov/nosurprises/consumers> or call 1-800-985-3059.

Keep a copy of this Good Faith Estimate in a safe place or take pictures of it. You may need it if you are billed a higher amount.

## **Patient-Provider Dispute Resolution (PPDR) Process**

When your billed charges for any provider or facility are at least \$400 more than the good faith estimate for that provider or facility, the items or services may be eligible for payment determination by an independent party called a Selected Dispute Resolution (SDR) entity through the PPDR process. As each good faith estimate could potentially contain expected charges from multiple providers and facilities, eligibility for the PPDR process is determined separately for each specific provider or facility listed on the good faith estimate.

In 2022, items or services that are to be provided by a co-provider or co-facility (rather than the provider or facility you scheduled items or services with, or requested a good faith estimate from), that do not appear on your good faith estimate with expected charges, are not eligible for PPDR. In 2022, providers and facilities can put a range of expected costs for items or services to be provided by a co-provider or co-facility, but these items or services will not be eligible for the PPDR process because they are a range of costs rather than a single cost. You can still ask your co-providers or co-facilities directly for a good faith estimate prior to the service, and they will need to provide you with one. The items on this good faith estimate are eligible for the PPDR process if the final billed amount is at least \$400 more than the good faith estimate. If expected charges for a co-provider and co-facility do appear on your good faith estimate, those items or services are eligible for the PPDR process. This particular application for PPDR eligibility only applies in 2022. Beginning in 2023, estimates from co-providers and co-facilities must be included in the good faith estimate from the main provider or facility.

The chart on the next page shows a visual overview of the PPDR process.

## PPDR Process Overview

### TIMELINE

### SUMMARY OF STEPS

*Preceding the PPDR Process:*

<b>Start:</b>	An uninsured (or self-pay) individual receives a bill from a provider or facility that is substantially in excess of their good faith estimate (i.e., \$400 or greater than the good faith estimate for that provider or facility).
<b>Within 120 calendar days</b>	<p style="text-align: center;"><b>Initiation Notice and Administrative Fee</b></p> <p>The uninsured (or self-pay) individual (or their authorized representative) submits the initiation notice, and other relevant information to HHS. HHS will choose and notify a Selected Dispute Resolution (SDR) Entity. Once HHS has chosen the SDR entity, the uninsured (or self-pay) individual must pay an administrative fee to the SDR entity. The initiation notice must be sent within <i>120 calendar days</i> from the date on the initial bill.</p>
<b>Within 3 business days</b>	<p style="text-align: center;"><b>SDR Entity Conflict of Interest Identification</b></p> <p>Once the SDR entity is chosen, the SDR entity may attest to having a conflict of interest with the uninsured (or self-pay) individual and the provider or facility. Should a conflict of interest exist, HHS will select a new SDR entity to conduct the PPDR process. If no SDR entities are available to resolve the dispute, the initially-selected SDR entity will be required to initiate their entity-level conflict of interest mitigation plan, (which may include identifying a sub-contractor whom they have verified does not have a conflict of interest) and submit notice to HHS related to the implementation of the mitigation plan. If no other contracted SDR entity, and no subcontracted entity, is able to provide the patient-provider dispute resolution services due to conflicts of interest that cannot be sufficiently mitigated or any other reason, HHS may seek to contract with an additional SDR entity as needed. In the event that HHS needs to contract with an additional SDR entity, the time periods specified in this section may be extended at HHS' discretion to allow for HHS to contract with that SDR entity.</p>
<b>21 calendar days</b>	<p style="text-align: center;"><b>Eligibility Determination and Additional Information</b></p> <p>After the SDR entity receives the information submitted by the uninsured (or self-pay) individual, the SDR entity will notify the uninsured (or self-pay) individual about their eligibility to use the PPDR process or if additional information is needed to determine eligibility. If additional information is required, the uninsured (or self-pay) individual has <i>21 calendar days</i> to furnish it after being notified of the information deficiency.</p>
<i>PPDR Process:</i>	
<b>Start:</b>	<p style="text-align: center;"><b>PPDR Initiation</b></p> <p>If the SDR entity determines that the item or service meets the eligibility criteria, and the initiation notice contains the required information, the SDR entity will notify the uninsured (or self-pay) individual and the provider or facility of the selection of the SDR entity, and that the item or service has been determined eligible for dispute resolution.</p>
<b>Within 3 business days</b>	<p style="text-align: center;"><b>Parties' Conflict of Interest Identification</b></p> <p>The uninsured (or self-pay) individual and provider or facility may attest to having a conflict of interest with the SDR entity. Should a conflict of interest exist, the SDR entity must notify HHS within <i>3 business days</i> of receiving the attestation. HHS will select a different entity to conduct the PPDR process.</p>
<b>Within 10 business days</b>	<p style="text-align: center;"><b>Provider or Facility Submits Information</b></p> <p>The provider or facility should submit required information to the SDR entity within <i>10 business days</i> of receipt of the selection notice. This required information includes: 1) A copy of the good faith estimate, 2) A copy of the billed charges, and 3) If available, documentation demonstrating that the difference between the billed charge and the expected charges in the good faith estimate reflects the cost of a medically necessary item or service and is based on unforeseen circumstances.</p>
<b>Within 30 business days</b>	<p style="text-align: center;"><b>Patient-Provider Negotiation</b></p> <p>If the parties to a dispute resolution process agree on a payment amount (through either an offer of financial assistance or an offer of a lower amount, or an agreement by the uninsured (or self-pay) individual to pay the billed charges in full) after the PPDR process has been initiated but before the date on which a determination is made, the provider or facility will notify the SDR entity through the federal IDR Portal, electronically, or in paper form as soon as possible, but no later than <i>3 business days</i> after the date of the agreement.</p>
	<p style="text-align: center;"><b>Payment Determination by the SDR Entity</b></p> <p>No later than 30 business days after receipt of the information requested from the provider or facility, the SDR entity must make a determination regarding the amount to be paid by the uninsured (or self-pay) individual, taking into account the requirements of the PPDR payment determination process. The SDR entity should inform both parties of this determination as soon as practicable after reaching a payment determination.</p>

### How is eligibility for PPDR determined?

Eligibility for PPDR is determined separately for each unique provider or facility listed on the good faith estimate. For each provider or facility, the total expected charges for each item or service should be added up. This total amount is then compared with the total of all billed charges for the provider or facility, including billed charges for items and services that were furnished but not included in the good faith estimate, to determine eligibility for PPDR.

#### Example 1

<b>Provider</b>	<b>Item or Service</b>	<b>Expected charge</b>
Provider A	Item 1	\$300
	Item 2	\$1275
	Item 3	\$550
<b>Total Expected Charges from Provider A</b>		<b>\$2125</b>
Provider B	Item 1	\$500
<b>Total Expected Charges from Provider B</b>		<b>\$500</b>

In example 1, the good faith estimate contains two providers, A and B. The total expected charges for both providers A and B equal \$2625, however for purposes of PPDR the total of expected charges are separated by provider. In this case, the total expected charges for provider A are \$2125 and the total expected charges for provider B are \$500. The billed charges for providers A and B respectively are compared with their total expected charges to determine whether the billed charges are eligible for PPDR as shown in example 2.

#### Example 2

<b>Provider A</b>	<b>Expected charge</b>	<b>Billed charge</b>
Item 1	\$300	\$350
Item 2	\$1275	\$1500
Item 3	\$550	\$550
<b>Total</b>	<b>\$2125</b>	<b>\$2400</b>

In example 2, even though the total of all billed charges for provider A (\$2400) is greater than the total of expected charges (\$2125), the difference between the billed charges and expected charges are less than \$400. As a result, items provided by provider A are not eligible for PPDR.

#### Example 3

<b>Provider A</b>	<b>Expected charge</b>	<b>Billed charge</b>
Item 1	\$300	\$350
Item 2	\$1275	\$1500
Item 3	\$550	\$850
<b>Total</b>	<b>\$2125</b>	<b>\$2700</b>

In example 3, the total of all billed charges for provider A (\$2700) is greater than the total of expected charges (\$2125), and the difference between the billed charges and expected charges are greater than \$400. As a result, items provided by provider A are eligible for PPDR.

#### Example 4

Provider A	Expected charge	Billed charge
Item 1	\$300	\$350
Item 2	\$1275	\$1500
Item 3	\$550	\$550
Item 4	NA	\$200
<b>Total</b>	<b>\$2125</b>	<b>\$2600</b>

In example 4, the uninsured individual was billed by provider A for an item that did not appear on the good faith estimate, item 4. Even though item 4 is not included in the total expected charges as it did not appear on the good faith estimate, the billed charge for item 4 is included in the total billed charges. As the total billed charges exceed the total expected charges by \$400 or more, items provided by provider A are eligible for PPDR.

#### How can an uninsured (or self-pay) individual start the PPDR process for an item or service?

You, or your authorized representative, can start the PPDR process by submitting an initiation notice to HHS through the online federal IDR portal, electronically, or by mail.

This initiation notice must be submitted electronically, or postmarked, within 120 calendar days of receiving the initial bill containing charges for the items or services that are substantially in excess of the expected charges in the good faith estimate. **HHS strongly recommends that the initiation notice be submitted through the online [federal IDR portal](#) to help ensure efficient processing.**

If this is not possible, you can find a copy of the initiation notice at [cms.gov/nosurprises/consumers](https://cms.gov/nosurprises/consumers) for download and you can mail your initiation notices to: **C2C Innovative Solutions Inc, Patient-Provider Dispute Resolution, P.O. Box 45105, Jacksonville, FL, 32232-5105.**

#### What must be included in the initiation notice?

The initiation notice must include:

- (1) Information sufficient to identify the items or services under dispute, including the date of service or date the item was provided,
- (2) A copy of the bill for the items and services under dispute (the copy can be a photocopy or an electronic image (like a photo taken with your phone) so long as the document is readable),

- (3) A copy of the good faith estimate for the items and services under dispute (the copy can be a photocopy or an electronic image (like a photo taken with your phone) so long as the document is readable),
- (4) Your contact information, including name, email address, phone number, and mailing address and the contact information (name, email address, phone number and mailing address) of your provider or facility. You should be able to find your provider or facility's contact information on your good faith estimate,
- (5) The state where you received the items or services in dispute,
- (6) Your communication preference: email, paper mail, or phone.

To ensure you have included all of the required information, uninsured (or self-pay) individuals are encouraged to use the online [federal IDR portal](#) to submit their dispute.

Or to submit via mail, use the model initiation notice which can be found at [cms.gov/nosurprises/consumers](https://cms.gov/nosurprises/consumers).

### **Is there a cost to participate in the PPDR process?**

You, as the uninsured (or self-pay) individual will need to pay a \$25 administrative fee to initiate the PPDR process. The administrative fee is an important part of initiating a dispute, and the SDR entity won't be able to fully review your case until they receive your administrative fee.

If the SDR entity decides that you should pay anything less than the billed charge, the \$25 administrative fee will be subtracted from the final amount the SDR entity determines you must pay the provider or facility.

If the SDR entity decides that the billed charge from the provider or facility is the appropriate amount, you must pay the full billed charge and the \$25 administrative fee will not be subtracted from your bill.

The administrative fee of \$25 may change in future years, but any such change will be shared in advance through additional guidance. For more information on the PPDR administrative fee, see [PPDR fee guidance](#).

### **What happens after the uninsured (or self-pay) individual submits the initiation notice and pays the administrative fee?**

Once the initiation notice has been received, HHS will select an SDR entity to conduct the payment determination. After selection, the SDR entity will notify you and the provider or facility by electronic or paper mail, that the initiation request has been received and is under review. The SDR entity will also include information identifying the item or service under dispute, and the date the initiation notice was received. The notice will also provide you with information about the availability of consumer assistance resources that can help you through the dispute process. You will have an opportunity to attest that a conflict of interest exists in relation to the SDR entity assigned to a payment dispute.

The SDR entity will review the initiation notice to ensure that the items or services in dispute meet the eligibility criteria for the PPDR process and that the initiation notice contains all the required information. Once the SDR entity has determined that an item or service is eligible for dispute resolution, the SDR entity must notify both parties (you and your provider or facility) and request the provider or facility provide certain information within 10 business days through the online federal IDR portal. The information requested from the provider or facility includes:

- (1) A copy of the good faith estimate from the provider or facility for the items or services under dispute (the copy can be a photocopy or an electronic image so long as the document is readable),
- (2) A copy of the billed charges from the provider or facility for items or services under dispute (the copy can be a photocopy or an electronic image so long as the document is readable); and
- (3) If available, documentation providing evidence to demonstrate that the difference between the billed amount and the expected charges in the good faith estimate reflects the costs of a medically necessary item or service and is based on unforeseen circumstances that could not have reasonably been anticipated by the provider or facility when the good faith estimate was provided.

No later than 30 business days after receipt of the information outlined in the above section from the provider, the SDR entity must make a determination regarding the amount you must pay, the good faith estimate, the billed amount or an amount in between the good faith estimate and the billed amount.

The SDR entity will also notify you in cases where the initiation notice is determined to be incomplete or the item or service is determined ineligible for dispute resolution. In these cases, you will be provided 21 calendar days to submit any missing information or provide more information to demonstrate that the item or service is eligible for the PPDR process.

### **How does the SDR entity determine the payment amount?**

The SDR entity will review the billed charges to see if the items and services were included on the good faith estimate, as well as all documentation submitted by the uninsured (or self-pay) individual or their authorized representative, as well as all documentation submitted by the provider or facility, and will determine how much you must pay based on documentation submitted by the provider or facility; whether the provider or facility has provided credible information to demonstrate that the difference between the billed charge and the expected charge for the item or service in the good faith estimate reflects the costs of a medically necessary item or service and is based on unforeseen circumstances that could not have reasonably been anticipated by the provider or facility when the good faith estimate was provided. For this purpose, information is credible if, upon critical analysis, the information is worthy of belief and trustworthy. The SDR entity will make this assessment separately for each unique billed item or service.

## Examples of determining the payment amount:

1) For any item or service where the billed charge is equal to or less than the expected charge in the good faith estimate, the SDR entity would determine that the billed amount is not substantially in excess of the good faith estimate and this case is not eligible for the PPDR process. The SDR entity would inform the patient or their authorized representative that the case is ineligible for review via this dispute resolution process.

Example 1: billed charge \$500; expected charge (i.e. the good faith estimate) \$975. The SDR entity would inform the patient or their authorized representative that the case is ineligible for review via the PPDR process.

2) For a billed item or service that was included on the good faith estimate, if the billed charge for an item or service is substantially in excess of the good faith estimate, and the SDR entity determines the provider or facility has not provided credible information that the difference between the billed charge and the good faith estimate reflects the costs of a medically necessary item or service and is based on unforeseen circumstances that could not have reasonably been anticipated by the provider or facility when the good faith estimate was provided, the SDR entity must determine the amount to be paid by you for the item or service to be equal to the good faith estimate amount.

Example 2: billed charge \$875; expected charge \$450. The payment amount will be \$450.

3) If the SDR entity determines that the provider or facility has provided credible information that the difference between the billed charge and the good faith estimate reflects the cost of a medically necessary item or service and is based on unforeseen circumstances, the SDR entity must select as the amount to be paid by you the lesser of:

(1) the billed charge; or

(2) the median payment amount paid by a plan or issuer for the same or similar service, by a same or similar provider in the geographic area<sup>2</sup> where the services were provided, that is reflected in an independent database<sup>3</sup>, except that in cases where the amount determined by an independent database is determined to be less than the expected charge for the item or service listed on the good faith estimate, the amount to be paid will equal to the expected charge for the item or service listed on the good faith estimate. When comparing the billed charge with the amounts contained in an independent database, the SDR entity should account for any discounts offered by the provider or facility.

Example 3: billed charge \$900; expected charge \$450, median rate reflected in an independent database \$2,000.

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<sup>2</sup> as defined in 45 CFR 149.140(a)(7)

<sup>3</sup> as defined in 45 CFR 149.140(a)(2)

In this example the SDR entity determines that the provider **did provide** credible information justifying the higher charge, the payment amount would be \$900 because it is lower than the median payment amount described above. If in this example the independent database reflects an amount of \$400, the SDR entity must determine the payment rate as the good faith estimate (\$450) because the independent database rate is lower than the good faith estimate.

4) For billed items or services not listed on the good faith estimate, if the SDR entity determines the provider or facility did not provide credible information that demonstrates that the difference between the billed charge for the new item or service and the good faith estimate reflects the costs of a medically necessary item or service and is based on unforeseen circumstances that could not have reasonably been anticipated by the provider or facility when the good faith estimate was provided, then the SDR entity must determine that amount to be paid for the new item or service to be equal to \$0.

If the SDR entity determines that a provider or facility has provided credible information that the billed charge for an item or service not listed on the good faith estimate is based on unforeseen circumstances that could not have reasonably been anticipated by the provider or facility when the good faith estimate was provided, then the SDR entity must determine the charge to be paid by the uninsured (or self-pay) individual for the new item or service as the lesser of:

- (1) The billed charge; or
- (2) The median payment amount paid by a plan or issuer for the same or similar service, by a same or similar provider in the geographic area<sup>4</sup> where the services were provided, that is reflected in an independent database<sup>5</sup>, except that in cases where the amount determined by an independent database is determined to be less than the expected charge for the item or service listed on the good faith estimate, the amount to be paid will equal to the expected charge for the item or service listed on the good faith estimate. When comparing the billed charge with the amounts contained in an independent database, the SDR entity should account for any discounts offered by the provider or facility.

5) After making a determination for each item or service billed by the provider or facility, the SDR entity will add together the amounts to be paid for all items and services subject to the determination. In cases where the uninsured (or self-pay) individual has to pay an amount lower than the billed charge, the SDR entity will reduce the final amount by the \$25 administrative fee.

### **Can you settle your payment disputes with providers and facilities during the PPDR process?**

Yes. HHS recognizes that the two parties to the patient-provider dispute resolution process (you and the provider or facility) may agree to resolve the dispute by settling on a payment amount.

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<sup>4</sup> as defined in 45 CFR 149.140(a)(7)

<sup>5</sup> as defined in 45 CFR 149.140(a)(2)

At any point after the PPDR process has been initiated but before a determination is made by the SDR entity, the parties can settle the payment amount through either an offer of financial assistance or an offer to accept a lower amount, or you agree to pay the billed charges in full.

In the event that the parties agree to settle on a payment amount, the provider or facility should notify the SDR entity through the federal IDR portal, electronically, or in paper form, as soon as possible, but no later than 3 business days after the date of the agreement. The settlement notification must contain at a minimum, the settlement amount, the date the settlement was reached, and documentation showing that you and the provider or facility have agreed to the settlement. The settlement notice must also document that the provider or facility has applied a reduction to your settlement amount that is equal to at least half of the administrative fee (\$12.50). Once the SDR entity receives the notification of the settlement, the SDR entity will close the dispute resolution case as settled and the agreed upon payment amount will apply.

### **What are your protections during the PPDR process?**

While the PPDR process is pending, the provider or facility must not move the bill for the disputed item or service into collection or threaten to do so. If the bill has already moved into collection, the provider or facility must cease collection efforts. The provider or facility must also suspend the accrual of any late fees on unpaid bill amounts until after the PPDR process has concluded. Lastly, the provider or facility must not take or threaten to take any retaliatory action against you for utilizing the PPDR process to seek resolution for a disputed item or service.

### **How can you get help with the PPDR process?**

You can use authorized representatives to help you with the PPDR process. You cannot use providers directly represented in the good faith estimate, providers associated with such providers or facilities, and non-clinical staff associated with such providers or facilities to help you during the PPDR process. Authorized representatives from state Consumer Assistance Programs (CAPs) or legal aid organizations may also be resources for helping individuals with the PPDR process. CAPs and legal aid organizations can also serve as authorized representatives for the purpose of the PPDR process, as such organizations have experience assisting consumers with billing issues. Authorized representatives, on your behalf, will be allowed to submit initiation notices, upload documents, receive notices from HHS and the SDR entity, upload additional supporting documentation, and view the SDR entity's payment determination.

For additional resources to help with the PPDR process, please visit <https://www.cms.gov/nosurprises/consumers>

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