



**FOR IMMEDIATE RELEASE:**

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**\*\*\* PRESS RELEASE \*\*\***

**MAYOR LONDON BREED AND SUPERVISOR AARON PESKIN  
ANNOUNCE HALT TO BALANCE BILLING AT ZUCKERBERG  
SAN FRANCISCO GENERAL HOSPITAL UNTIL PLAN TO  
IMPROVE LONG-TERM BILLING PRACTICES IS  
IMPLEMENTED**

*Department of Public Health and ZSFG will develop a comprehensive plan for improvements within 90 days to address the issue of patients being billed the balance of their bills when their private insurers refuse to cover their bills*

**San Francisco, CA** —Today Mayor London N. Breed, Supervisor Aaron Peskin, the Department of Public Health and Zuckerberg San Francisco General Hospital and Trauma Center (ZSFG) announced immediate steps to improve billing practices at ZSFG for patients who have gotten stuck in the middle of disputes between the hospital and their insurance provider, including a temporary halt to the practice of balance billing.

The San Francisco Department of Public Health (DPH) operates ZSFG as part of the San Francisco Health Network, the City's public health care system. As San Francisco's public hospital, the vast majority of ZSFG patients have Medi-Cal, Medicare or are uninsured. About 6 percent of patients have commercial insurance (including HMO or PPO plans) and come to ZSFG through trauma and emergency services. For those patients, their insurance is billed for services, and the insurance company decides what to pay. When an insurance company does not pay in full, PPO patients can be billed for the balance, a practice known as "balance billing."

"Although 'balance billing' affects a very small number of ZSFG patients, the stress and hardship they experience when it happens is very real," said Mayor Breed. "We need to look hard at our current billing practices, and until we come up with a plan that works for patients, we will not continue the practice of balance billing. In an emergency, people's focus should be on getting help quickly, not on what hospital they should go to. Private insurance companies also need to be held accountable to actually pay for the healthcare for anyone they cover."

"The City is taking the right step by stopping the practice of balance billing at SF General, because there's nothing 'balanced' about it," said Supervisor Peskin. "It's extra billing for services that patients don't have a choice about receiving, further delaying their ability to move on and heal. This immediate halt also covers the previous patients who've been stuck with crippling bills, including those being sent to collections. Healing delayed is healing denied, so I'm looking forward to working with the Department of Public Health on a new path forward."



Greg Wagner, Acting Director of Health, and Dr. Susan Ehrlich, CEO of ZSFG, outlined a set of immediate actions and elements of a comprehensive plan for improvement that will be developed within 90 days. This includes making changes to billing practices, financial assistance and patient communications. In addition, DPH and ZSFG are exploring policy solutions in coordination with local and state elected officials.

“The billing practices at Zuckerberg San Francisco General Hospital and Trauma Center for privately insured patients who receive trauma and emergency services are not working for some of our patients,” Wagner said. “Keeping the patients’ experience as the focal point, we will explore ways to protect patients from financial hardship, increase participation in financial assistance programs and where possible, recover costs for services from insurers to avoid lost revenues to the City.”

“While hospital billing in the United States is very complicated, patients should not be caught in the middle of disputes between hospitals and insurance companies,” Ehrlich said. “At ZSFG, our mission is to provide high quality health care and trauma services with compassion and respect to everyone in San Francisco. We are working to ensure that our billing practices better align with that mission. We are sensitive to people’s circumstances and our patients come from all over the economic spectrum. We cannot solve the problems of the entire health care system, but we can do better to serve San Franciscans, who consistently have supported ZSFG and the rest of the City’s excellent public health programs and services.”

DPH and ZSFG have continued to address the problem of insurance payment shortfalls. DPH sued insurers for underpayment and reached settlements, reducing the number of privately insured patients who might be affected by a dispute. DPH’s patient financial services department works with individuals year-round to help them with billing issues, including financial assistance and appeals to insurance plans.

### **Immediate Changes**

#### **Temporarily halt all balance billing of patients**

- Effective immediately until a better plan is determined

#### **Make financial assistance easier to get**

- Proactively begin the process of assessing a patient’s eligibility for assistance, rather than waiting for them to apply

#### **Improve patient communications**

- Proactively reach out to patients who are receiving large bills to explain the situation, remove the element of surprise, and offer to help



- Create a Frequently Asked Questions document to clear up many of the routine questions about billing and financial assistance
- Publicize the patient financial services hotline, (415) 206-8448, so that people know where to go for help
- Increase communication with patients and provide information about financial assistance opportunities

**Additional elements of a comprehensive plan to be developed within 90 days**

**Make financial assistance easier to get**

- Adjust charity care and sliding scale policies to expand the number of people who are eligible
- Revise ZSFG catastrophic high medical expense program to support more patients who are faced with high, unexpected bills for catastrophic events
- Streamline the process of applying for assistance

**Protect patients' financial health**

- Establish an out-of-pocket maximum for patient payments to ZSFG
- Pursue agreements with private insurance companies
- Work with state partners to explore additional efforts to improve insurance payments

**Ensure ZSFG prices and practices are fair**

- Undertake a study of hospital charges regionally, comparing trauma centers, academic medical centers, San Francisco and Bay Area hospitals
- Research billing and financial assistance practices of California public hospitals to identify opportunities for improvement
- Conduct financial analysis of impact on the City of proposed changes

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