

Surprise medical bills have been a controversial issue nationally and in New Jersey, and after years of debate the New Jersey Legislature enacted, and the Governor is expected to sign a major reform addressing surprise bills from health providers not in patients' insurance networks.¹ Medical care is complex, and families can receive bills from multiple providers for any given episode of care. In an urgent or complex care situation, patients may not even know that a provider they are seeing is not in their network, potentially leading to surprise bills. Recent trends may have amplified the problem of receiving large surprise medical bills. As healthcare costs have risen, insurance companies have responded by negotiating discounts with their network of providers and many have narrowed the network of providers available in their plans^{2,3} in an effort to control premium increases.

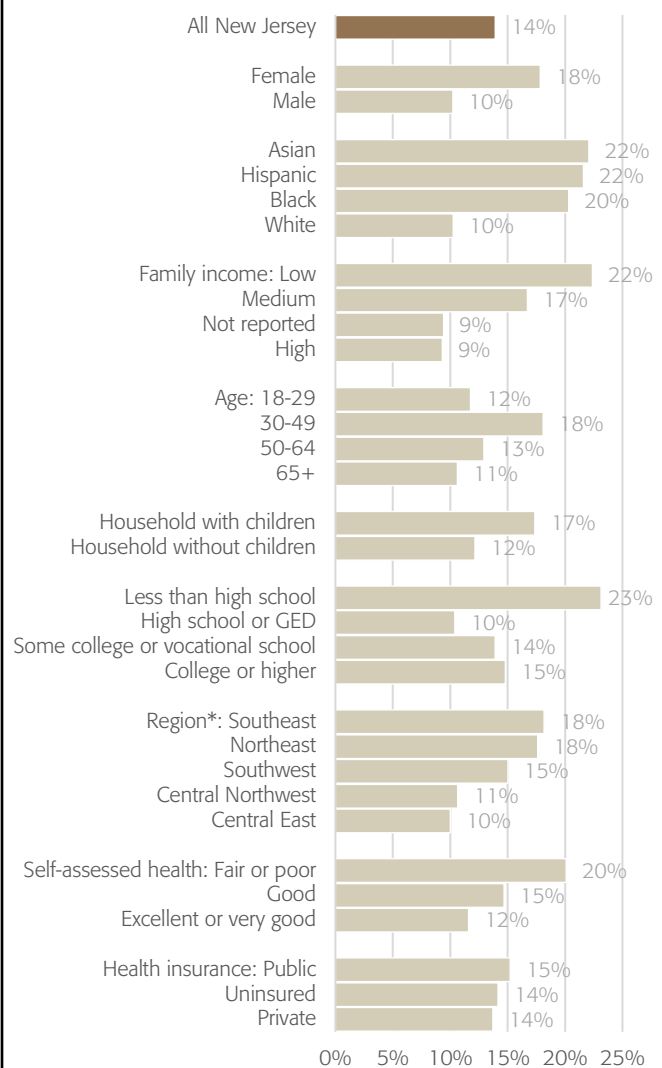
This Facts & Findings, using the responses of 1,052 New Jersey adults to the 2017 New Jersey Health & Well-Being Poll, examines such surprise medical billing. **About one-in-seven (14%) adults surveyed says that, in the past year, they or their family were surprised to receive a "large medical bill" from a doctor or other healthcare provider whom they did not personally choose. That translates to about 428,743 families⁴ receiving what they see as a large surprise bill in a year.**

Women, non-whites, or those with low incomes are substantially more likely to report receiving a surprise medical bill. (The poll left it up to respondents to define what constitutes a *large* bill, and lower income people will likely have a lower threshold for what they consider to be large). Adults ages 30–49 or those in households with children, with less than a high school degree, living in southeast or northeast New Jersey, or in fair or poor health are also more likely to report receiving a surprise medical bill (see Figure 1 on the right and Table 1 on pages 3–4).

Out-of-Network Bills Are Not the Entire Story

While surprise bills from providers not in patients' insurance networks are the focus of the new legislation, the poll shows that **the uninsured are about as likely as those with public or private insurance to report having received a surprise bill.**

Figure 1 | "In the last year, were you or your family surprised to receive any large medical bills from a doctor or other healthcare provider that you did not personally choose?"

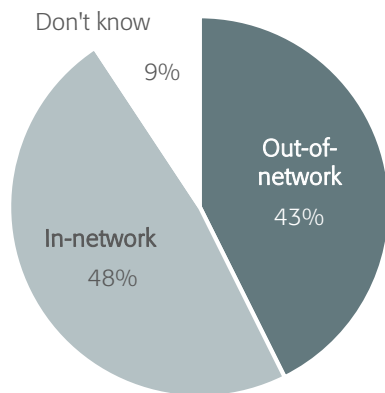


*Regions in New Jersey:
 Southeast: Cape May, Cumberland, Salem, and Atlantic counties
 Northeast: Passaic, Bergen, Union, Essex, and Hudson counties
 Southwest: Gloucester, Camden, and Burlington counties
 Central Northwest: Mercer, Somerset, Morris, Hunterdon, Warren, and Sussex counties
 Central East: Ocean, Monmouth, and Middlesex counties

Among those with some form of coverage, more than four-in-ten (43%) of those who received a surprise bill report that it came from a doctor or other provider not in their health insurance network (see Figure 2 below and Table 2 on page 4).

Figure 2 | **“Were any of these surprise bills from a doctor or other provider not in your health insurance network?”**

Base: Respondents with public or private insurance



The New Jersey Health & Well-Being Poll suggests that New Jersey’s new law will go a long way to address the cost of surprise medical bills, but it also shows that there is a deeper problem rooted in the complexity of our healthcare system. The poll suggests that additional steps may be needed to avoid the shock of large surprise bills.

References

1. Stainton LH. “NJ Set to Enact Insurance Law, So Is this the End of ‘Surprise’ Medical Bills?” NJ Spotlight. Last modified April 13, 2018.
2. Hempstead K. “National Network Trends.” Presentation at Tiered and Narrow Networks, the New Frontier in Health Insurance: Implications for New Jersey’s Regulatory Framework, New Brunswick, NJ, October 18, 2016.
3. Hall MA, and P Fronstin. *Narrow Provider Networks for Employer Plans*. Issue Brief, no. 428. Washington, DC: Employee Benefit Research Institute, 2016.
4. Casey J. “New Jersey Census Data: Households & Families.” Census-Charts.com. Accessed May 8, 2018.

How the Survey Was Conducted

The 2017 New Jersey Health & Well-Being Poll was designed and analyzed by researchers at the Rutgers Center for State Health Policy. The poll was conducted by Abt Associates, Inc., in English and Spanish from October 12 through November 19, 2017, with a sample of 1,052 respondents. The sample is designed to be representative of New Jersey adults. Interviews were conducted by land-line (n=452) and cell phone (n=600). The data were weighted to match population demographic and telephone status parameters. The margin of sampling error for weighted estimates based on the full sample is plus or minus 3.7% (subgroup results have higher margins of error). Additional details about the survey method can be found in the [methodology report](#).

About the New Jersey Health & Well-Being Poll

The Health & Well-Being Poll was developed in consultation with leading New Jersey philanthropies interested in improving the lives of New Jersey residents. This Poll was funded by the Robert Wood John Foundation ([rwjf.org](#)) and conducted by Rutgers Center for State Health Policy (CSHP) ([cshp.rutgers.edu](#)) as part of its mission to inform, support, and stimulate sound and creative state health policy in New Jersey and around the nation. It is the second in a series of three annual polls that examine health and well-being in New Jersey.

Under the direction of Joel C. Cantor, ScD, CSHP Director, the Poll project team includes Susan Brownlee, PhD, CSHP Senior Research Manager, Jolene Chou, MPH, CSHP Senior Research Analyst, Margaret Koller, MS, CSHP Senior Executive Director, and Michelle Kennedy, MPH, CSHP Research Analyst. Cliff Zukin, PhD, Professor Emeritus, and Dawne Mouzon, PhD, Assistant Professor at Rutgers’ Bloustein School of Planning and Public Policy, serve as senior project consultants. This Facts & Findings was prepared by Dr. Cantor, Dr. Brownlee, and Ms. Chou. The views expressed in this Facts & Findings are solely those of the authors.

For more information, download the [project summary](#) available on our website. For advice on what to do to avoid surprise medical bills, see the *Consumer Reports* article, “5 Doctors Most Likely to Stick You with Surprise Medical Bills,” by Donna Rosato. Questions and data tables can be found on pages 3–4 of this Facts & Findings.

Questions and Tables

The questions covered in this Facts & Finding are listed below. Column percentages may not add to 100% due to rounding. Respondents are New Jersey adults. Data presented are weighted. Statistical significance (*p*-values) of subgroup comparisons are shown in parentheses. In general, $p < 0.05$ is considered statistically significant; comparisons above that threshold are marked “ns” for not significant. Don’t know and Refused responses are not included in the cross-tabulation tables.

Table 1. In the last year, were you or your family surprised to receive any large medical bills from a doctor or other healthcare provider that you did not personally choose?

	N	Percent
Yes, received surprise bill	146	13.9
No, did not	890	84.6
Don't know	13	1.3
Refused	2	0.2
Total	1052	100.0

	Age ($p < .045$)				Gender ($p < .001$)		Race/Ethnicity ($p < .001$)				
	18–29	30–49	50–64	65+	Male	Female	White Non-Hispanic	Black Non-Hispanic	Hispanic	Asian	Other
Yes	11.8%	18.1%	12.9%	10.6%	10.2%	17.8%	10.3%	20.3%	21.6%	22.1%	6.6%
No	88.2%	81.9%	87.1%	89.4%	89.8%	82.2%	89.7%	79.7%	78.4%	77.9%	93.4%
N	204	365	255	207	499	538	594	128	176	77	61

	Education ($p = .013$)				Children in Household ($p = .021$)	
	Less than HS	HS grad, GED	Some college, vocational school	College grad or higher	No	Yes
Yes	23.1%	10.4%	13.9%	14.8%	12.2%	17.4%
No	76.9%	89.6%	86.1%	85.2%	87.8%	82.6%
N	108	298	266	358	559	426

	General Health ($p = .013$)			Health Insurance (ns)		
	Excellent, Very good	Good	Fair, Poor	Public	Private	Uninsured
Yes	11.6%	14.7%	20.1%	15.2%	13.7%	14.2%
No	88.4%	85.3%	79.9%	84.8%	86.3%	85.8%
N	509	320	204	335	569	120

	Income* (p<.001)			Region of New Jersey** (p=.033)				
	Low	Middle	High	South East	South west	Central East	Central Northwest	North east
Yes	22.4%	16.7%	9.3%	18.2%	15.0%	10.0%	10.7%	17.6%
No	77.6%	83.3%	90.7%	81.8%	85.0%	90.0%	89.3%	82.4%
N	201	299	397	77	133	260	197	369

* Respondents are classified as “low income” if their family income is less than or equal to 150% of the federal poverty level (\$36,900 for a family of four in 2017), “middle income” as 151%–400% of the poverty level (up to \$98,400 for a family of four) and “high income” above that level.

** SE=Southeast (Cape May, Cumberland, Salem, and Atlantic counties), SW=Southwest (Gloucester, Camden, and Burlington counties), CE=Central East (Ocean, Monmouth, and Middlesex counties), CNW=Central Northwest (Mercer, Somerset, Morris, Hunterdon, Warren, and Sussex counties), NE=Northeast (Passaic, Bergen, Union, Essex, and Hudson counties).

Table 2. Were any of these surprise bills from a doctor or other provider not in your health insurance network?

Base: Respondents with public or private insurance

	N	Percent
Yes	55	42.6
No	62	48.1
Don't know	12	9.3
Refused	0	0.0
Total	129	100.0

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Support for this Facts & Findings was provided by the Robert Wood Johnson Foundation (rwjf.org). The views expressed here do not necessarily reflect the views of the Foundation.