

APPENDIX. STATE USE OF INDEPENDENT DISPUTE RESOLUTION

State	Use of Independent Dispute Resolution
California	<p>Primary method is a payment standard.</p> <p><i>For emergency services:</i> a voluntary, nonbinding dispute-resolution process.</p> <p><i>For nonemergency services:</i> IDR process if use of payment standard fails.</p>
Colorado	<p>Primary method is a payment standard.</p> <p>A provider or facility that finds the payment rate insufficient may initiate binding arbitration.</p> <p>Final offer arbitration.</p> <p>Factors: a) the provider's level of training, education, experience, and specialization; and b) the contracted rate from year prior, if available.</p>
Florida	<p>Primary method is a payment standard.</p> <p><i>For PPOs:</i> state payment standard applies to services by out-of-network providers at in-network facilities. Any dispute with the payment made according to the payment standard must be resolved through either the courts or a voluntary dispute resolution process.</p> <p><i>For HMOs:</i> payment standard only applies to emergency services, but the state also has a voluntary claim dispute resolution process in place.</p>
Illinois	<p>Provides an IDR process.</p> <p>If negotiation fails, insurer or physician may initiate binding arbitration by filing a request with the insurance department.</p>
New Hampshire	<p>Provides an IDR process.</p> <p>The insurance commissioner has exclusive jurisdiction to determine if the fee is commercially reasonable. The provider and insurer must first try negotiations, and the insurance department may require mediation.</p>
New Jersey	<p>Provides an IDR process.</p> <p>If the insurer and provider cannot agree in voluntary negotiations and the difference between final offers is at least \$1,000, then insurer, provider, or enrollee may initiate binding arbitration.</p> <p>Final offer arbitration; decision is binding.</p>
New York	<p>Provides an IDR process.</p> <p>Final offer arbitration.</p> <p>Factors: a) whether there is a gross disparity compared to past fees for out-of-network payments; b) level of training, education and experience; c) usual charge for comparable services for out-of-network patients; d) circumstances and complexity of the particular case; e) individual patient characteristics; and f) the usual and customary cost of the service.</p> <p>Certain emergency services are exempt from the IDR process.</p>
Texas	<p>Provides an IDR process.</p> <p><i>For out-of-network providers, a binding arbitration process.</i> Provider or insurer may request arbitration. First required step is informal settlement teleconference, followed by arbitration if unsuccessful.</p> <p>Final offer arbitration.</p> <p>Factors: a) level of training and experience; b) circumstances and complexity of case; c) 80th percentile of billed charges; and d) 50th percentile of in-network rates.</p> <p><i>For out-of-network facilities, a nonbinding mediation process.</i> For certain claims, if mediation is unsuccessful, parties may file a civil action.</p>
Washington	<p>Provides an IDR process.</p> <p>Parties must first participate in voluntary negotiation. If unsuccessful, either party may request arbitration.</p> <p>Final offer arbitration.</p> <p>Factors: a) evidence and methodology submitted by the parties; b) patient characteristics and circumstances and complexity of the case, including whether service delivered at a level I or level II trauma center or rural facility; and c) data from the state's all-payer claims database.</p>

Data: Authors' analysis