

119TH CONGRESS
1ST SESSION

H. R. 4710

To amend title XXVII of the Public Health Service Act, the Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to increase penalties for group health plans and health insurance issuers for practices that violate balance billing requirements, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 23, 2025

Mr. MURPHY (for himself, Mr. PANETTA, Mr. JOYCE of Pennsylvania, Ms. SCHRIER, Mr. ONDER, and Mr. RUIZ) introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committees on Education and Workforce, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend title XXVII of the Public Health Service Act, the Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to increase penalties for group health plans and health insurance issuers for practices that violate balance billing requirements, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “No Surprises Act En-
3 forcement Act”.

4 **SEC. 2. INCREASING PENALTIES FOR GROUP HEALTH**
5 **PLANS AND HEALTH INSURANCE ISSUERS**
6 **FOR PRACTICES THAT VIOLATE BALANCE**
7 **BILLING REQUIREMENTS.**

8 (a) PHSA.—Section 2723(b)(2)(C) of the Public
9 Health Service Act (42 U.S.C. 300gg–22(b)(2)(C)) is
10 amended—

11 (1) in clause (i), by inserting “(or, in the case
12 of such a failure with respect to a provision specified
13 in clause (iv), \$10,000 for each failure)” after
14 “\$100 for each day”; and

15 (2) by adding at the end the following new
16 clause:

17 “(iv) PROVISIONS SPECIFIED.—For
18 purposes of clause (i), the provisions speci-
19 fied in this clause are the following:

20 “(I) Subparagraphs (A) and (B)
21 of section 2799A–1(a)(1).

22 “(II) Clauses (i), (ii), (iii), and
23 (v) of section 2799A–1(a)(1)(C).

24 “(III) Subparagraphs (A), (B),
25 and (E) of section 2799A–1(b)(1).

1 “(IV) Paragraphs (1) and (2) of
2 section 2799A–2(a).”.

3 (b) ERISA.—Section 502 of the Employee Retire-
4 ment Income Security Act of 1974 (29 U.S.C. 1131) is
5 amended—

6 (1) in subsection (a)(6), by striking “or (9)”
7 and inserting “(9), or (12)”;

8 (2) in subsection (b)(3)—

9 (A) by inserting “, (c)(12),” after “sub-
10 sections (c)(9)”;

11 (B) by inserting “or (c)(12)” after “under
12 subsection (c)(9)”;

13 (3) in subsection (c), by adding at the end the
14 following new paragraph:

15 “(12) The Secretary may assess a civil penalty
16 against any group health plan or health insurance issuer
17 offering group health insurance coverage of not more than
18 \$10,000 for each individual with respect to which such
19 plan or coverage fails to comply with one of the following
20 provisions:

21 “(A) Subparagraphs (A) and (B) of section
22 716(a)(1).

23 “(B) Clauses (i), (ii), (iii), and (v) of section
24 716(a)(1)(C).

1 “(C) Subparagraphs (A), (B), and (E) of sec-
2 tion 716(b)(1).

3 “(D) Paragraphs (1) and (2) of section
4 717(a).”.

5 (c) IRC.—Section 4980D(b) of the Internal Revenue
6 Code of 1986 is amended—

7 (1) in paragraph (1), by inserting “(or, in the
8 case of such a failure with respect to a provision
9 specified in paragraph (4), \$10,000 for each fail-
10 ure)” after “\$100 for each day in the noncompliance
11 period”; and

12 (2) by adding at the end the following new
13 paragraph:

14 “(4) PROVISIONS SPECIFIED.—For purposes of
15 paragraph (1), the provisions specified in this para-
16 graph are the following:

17 “(A) Subparagraphs (A) and (B) of section
18 9816(a)(1).

19 “(B) Clauses (i), (ii), (iii), and (v) of sec-
20 tion 9816(a)(1)(C).

21 “(C) Subparagraphs (A), (B), and (E) of
22 section 9816(b)(1).

23 “(D) Paragraphs (1) and (2) of section
24 9817(a).”.

1 **SEC. 3. ADDITIONAL PENALTIES FOR LATE PAYMENT OR**
2 **NON-PAYMENT AFTER IDR ENTITY PAYMENT**
3 **DETERMINATION.**

4 (a) PHSA.—

5 (1) EMERGENCY AND NONEMERGENCY SERV-
6 ICES.—Section 2799A–1(c)(6) of the Public Health
7 Service Act (42 U.S.C. 300gg–111(c)(6)) is amend-
8 ed—

9 (A) in the paragraph heading, by inserting
10 “; PENALTY FOR LATE PAYMENT OR NON-PAY-
11 MENT” after “PAYMENT”;

12 (B) by striking “The total plan” and in-
13 serting the following:

14 “(A) TIMING OF PAYMENT.—The total
15 plan”;

16 (C) in subparagraph (A), as so inserted, by
17 adding at the end the following new sentence:

18 “In the case such determination is an amount
19 less than the sum of the initial payment for
20 such item or service and any cost sharing re-
21 quired to be paid by the individual receiving
22 such item or service, the nonparticipating pro-
23 vider or facility furnishing such item or service
24 shall pay to such plan or coverage the dif-
25 ference between such determination and such

1 sum not later than 30 days after the date on
2 which such determination is made.”; and

3 (D) by adding at the end the following new
4 subparagraphs:

5 “(B) NOTIFICATION.—In the case of a
6 plan or coverage, or a nonparticipating provider
7 or facility, required to make a payment pursu-
8 ant to a determination described in subpara-
9 graph (A), such plan or coverage or nonpartici-
10 pating provider or facility shall submit to the
11 Secretary a notification of such payment as of
12 the date such payment is made in a manner
13 specified by the Secretary.

14 “(C) PENALTY FOR LATE PAYMENT OR
15 NON-PAYMENT.—

16 “(i) IN GENERAL.—In the case of a
17 plan or coverage, or a nonparticipating
18 provider or facility, that has not made the
19 required payment described in subpara-
20 graph (A) with respect to an item or serv-
21 ice in the time period described in such
22 subparagraph, in addition to making such
23 payment, such plan or coverage or non-
24 participating provider or facility shall also
25 pay to the nonparticipating provider or fa-

cility or plan or coverage (as applicable) an amount that is three times the difference between—

“(I) the initial payment (or, in the case of a notice of denial of payment, \$0) described in subsection (a)(1)(C)(iv)(I) or (b)(1)(C), as applicable; and

“(II) the out-of-network rate (as defined in subsection (a)(3)(K)) for such item or service (less any cost sharing required to be paid by the individual receiving such item or service).

“(ii) INTEREST.—Any amount owed under clause (i) shall be subject to interest in a manner specified by the Secretary.”.

(2) AIR AMBULANCE SERVICES.—Section 2799A–2(b)(6) of the Public Health Service Act (42 U.S.C. 300gg–112(b)(6)) is amended—

(A) in the paragraph heading, by inserting “; PENALTY FOR LATE PAYMENT OR NON-PAYMENT” after “PAYMENT”;

(B) by striking “The total plan” and inserting the following:

1 “(A) TIMING OF PAYMENT.—The total
2 plan”;

3 (C) in subparagraph (A), as so inserted, by
4 adding at the end the following new sentence:

5 “In the case such determination is an amount
6 less than the sum of the initial payment for
7 such item or service and any cost sharing re-
8 quired to be paid by the individual receiving
9 such item or service, the nonparticipating pro-
10 vider or facility furnishing such item or service
11 shall pay to such plan or coverage the dif-
12 ference between such determination and such
13 sum not later than 30 days after the date on
14 which such determination is made.”; and

15 (D) by adding at the end the following new
16 subparagraphs:

17 “(B) NOTIFICATION.—In the case of a
18 plan or coverage, or a nonparticipating provider
19 or facility, required to make a payment pursu-
20 ant to a determination described in subpara-
21 graph (A), such plan or coverage or nonparti-
22 cipating provider or facility shall submit to the
23 Secretary a notification of such payment as of
24 the date such payment is made in a manner
25 specified by the Secretary.

1 “(C) PENALTY FOR LATE PAYMENT OR
2 NON-PAYMENT.—

3 “(i) IN GENERAL.—In the case of a
4 plan or coverage, or a nonparticipating
5 provider or facility, that has not made the
6 required payment described in subpara-
7 graph (A) with respect to an item or serv-
8 ice in the time period described in such
9 subparagraph, in addition to making such
10 payment, such plan or coverage or non-
11 participating provider or facility shall also
12 pay to the nonparticipating provider or fa-
13 cility or plan or coverage (as applicable) an
14 amount that is three times the difference
15 between—

16 “(I) the initial payment (or, in
17 the case of a notice of denial of pay-
18 ment, \$0) described in subsection
19 (a)(3)(A); and

20 “(II) the out-of-network rate (as
21 defined in section 2799–1(a)(3)(K))
22 for such item or service (less any cost
23 sharing required to be paid by the in-
24 dividual receiving such item or serv-
25 ice).

1 “(ii) INTEREST.—Any amount owed
2 under clause (i) shall be subject to interest
3 in a manner specified by the Secretary.”.

4 (b) ERISA.—

5 (1) EMERGENCY AND NONEMERGENCY SERV-
6 ICES.—Section 716(c)(6) of the Employee Retire-
7 ment Income Security Act of 1974 (29 U.S.C.
8 1185e(c)(6)) is amended—

9 (A) in the paragraph heading, by inserting
10 “; PENALTY FOR LATE PAYMENT OR NON-PAY-
11 MENT” after “PAYMENT”;

12 (B) by striking “The total plan” and in-
13 serting the following:

14 “(A) TIMING OF PAYMENT.—The total
15 plan”;

16 (C) in subparagraph (A), as so inserted, by
17 adding at the end the following new sentence:
18 “In the case such determination is an amount
19 less than the sum of the initial payment for
20 such item or service and any cost sharing re-
21 quired to be paid by the individual receiving
22 such item or service, the nonparticipating pro-
23 vider or facility furnishing such item or service
24 shall pay to such plan or coverage the dif-
25 ference between such determination and such

1 sum not later than 30 days after the date on
2 which such determination is made.”; and

3 (D) by adding at the end the following new
4 subparagraphs:

5 “(B) NOTIFICATION.—In the case of a
6 plan or coverage, or a nonparticipating provider
7 or facility, required to make a payment pursu-
8 ant to a determination described in subpara-
9 graph (A), such plan or coverage or nonpartici-
10 pating provider or facility shall submit to the
11 Secretary a notification of such payment as of
12 the date such payment is made in a manner
13 specified by the Secretary.

14 “(C) PENALTY FOR LATE PAYMENT OR
15 NON-PAYMENT.—

16 “(i) IN GENERAL.—In the case of a
17 plan or coverage, or a nonparticipating
18 provider or facility, that has not made the
19 required payment described in subpara-
20 graph (A) with respect to an item or serv-
21 ice in the time period described in such
22 subparagraph, in addition to making such
23 payment, such plan or coverage or non-
24 participating provider or facility shall also
25 pay to the nonparticipating provider or fa-

cility or plan or coverage (as applicable) an amount that is three times the difference between—

“(I) the initial payment (or, in the case of a notice of denial of payment, \$0) described in subsection (a)(1)(C)(iv)(I) or (b)(1)(C), as applicable; and

“(II) the out-of-network rate (as defined in subsection (a)(3)(K)) for such item or service (less any cost sharing required to be paid by the individual receiving such item or service).

“(ii) INTEREST.—Any amount owed under clause (i) shall be subject to interest in a manner specified by the Secretary.”.

(2) AIR AMBULANCE SERVICES.—Section 717(b)(6) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1185f(b)(6)) is amended—

(A) in the paragraph heading, by inserting “; PENALTY FOR LATE PAYMENT OR NON-PAYMENT” after “PAYMENT”;

1 (B) by striking “The total plan” and in-
2 serting the following:

3 “(A) TIMING OF PAYMENT.—The total
4 plan”;

5 (C) in subparagraph (A), as so inserted, by
6 adding at the end the following new sentence:
7 “In the case such determination is an amount
8 less than the sum of the initial payment for
9 such item or service and any cost sharing re-
10 quired to be paid by the individual receiving
11 such item or service, the nonparticipating pro-
12 vider or facility furnishing such item or service
13 shall pay to such plan or coverage the dif-
14 ference between such determination and such
15 sum not later than 30 days after the date on
16 which such determination is made.”; and

17 (D) by adding at the end the following new
18 subparagraphs:

19 “(B) NOTIFICATION.—In the case of a
20 plan or coverage, or a nonparticipating provider
21 or facility, required to make a payment pursu-
22 ant to a determination described in subpara-
23 graph (A), such plan or coverage or nonparti-
24 cipating provider or facility shall submit to the
25 Secretary a notification of such payment as of

1 the date such payment is made in a manner
2 specified by the Secretary.

3 “(C) PENALTY FOR LATE PAYMENT OR
4 NON-PAYMENT.—

5 “(i) IN GENERAL.—In the case of a
6 plan or coverage, or a nonparticipating
7 provider or facility, that has not made the
8 required payment described in subpara-
9 graph (A) with respect to an item or serv-
10 ice in the time period described in such
11 subparagraph, in addition to making such
12 payment, such plan or coverage or non-
13 participating provider or facility shall also
14 pay to the nonparticipating provider or fa-
15 cility or plan or coverage (as applicable) an
16 amount that is three times the difference
17 between—

18 “(I) the initial payment (or, in
19 the case of a notice of denial of pay-
20 ment, \$0) described in subsection
21 (a)(3)(A); and

22 “(II) the out-of-network rate (as
23 defined in section 716(a)(3)(K)) for
24 such item or service (less any cost
25 sharing required to be paid by the in-

1 dividual receiving such item or serv-
2 ice).

3 “(ii) INTEREST.—Any amount owed
4 under clause (i) shall be subject to interest
5 in a manner specified by the Secretary.”.

6 (c) IRC.—

7 (1) EMERGENCY AND NONEMERGENCY SERV-
8 ICES.—Section 9816(c)(6) of the Internal Revenue
9 Code of 1986 is amended—

10 (A) in the paragraph heading, by inserting
11 “; PENALTY FOR LATE PAYMENT OR NON-PAY-
12 MENT” after “PAYMENT”;

13 (B) by striking “The total plan” and in-
14 serting the following:

15 “(A) TIMING OF PAYMENT.—The total
16 plan”;

17 (C) in subparagraph (A), as so inserted, by
18 adding at the end the following new sentence:

19 “‘In the case such determination is an amount
20 less than the sum of the initial payment for
21 such item or service and any cost sharing re-
22 quired to be paid by the individual receiving
23 such item or service, the nonparticipating pro-
24 vider or facility furnishing such item or service
25 shall pay to such plan the difference between

1 such determination and such sum not later than
2 30 days after the date on which such deter-
3 mination is made.”; and

4 (D) by adding at the end the following new
5 subparagraphs:

6 “(B) NOTIFICATION.—In the case of a
7 plan, or a nonparticipating provider or facility,
8 required to make a payment pursuant to a de-
9 termination described in subparagraph (A),
10 such plan or nonparticipating provider or facil-
11 ity shall submit to the Secretary a notification
12 of such payment as of the date such payment
13 is made in a manner specified by the Secretary.

14 “(C) PENALTY FOR LATE PAYMENT OR
15 NON-PAYMENT.—

16 “(i) IN GENERAL.—In the case of a
17 plan, or a nonparticipating provider or fa-
18 cility, that has not made the required pay-
19 ment described in subparagraph (A) with
20 respect to an item or service in the time
21 period described in such subparagraph, in
22 addition to making such payment, such
23 plan or nonparticipating provider or facil-
24 ity shall also pay to the nonparticipating
25 provider or facility or plan (as applicable)

an amount that is three times the difference between—

“(I) the initial payment (or, in the case of a notice of denial of payment, \$0) described in subsection (a)(1)(C)(iv)(I) or (b)(1)(C), as applicable; and

“(II) the out-of-network rate (as defined in subsection (a)(3)(K)) for such item or service (less any cost sharing required to be paid by the individual receiving such item or service).

“(ii) INTEREST.—Any amount owed under clause (i) shall be subject to interest in a manner specified by the Secretary.”.

(2) AIR AMBULANCE SERVICES.—Section 9817(b)(6) of the Internal Revenue Code of 1986 is amended—

(A) in the paragraph heading, by inserting “; PENALTY FOR LATE PAYMENT OR NON-PAYMENT” after “PAYMENT”;

(B) by striking “The total plan” and inserting the following:

1 “(A) TIMING OF PAYMENT.—The total
2 plan”;

3 (C) in subparagraph (A), as so inserted, by
4 adding at the end the following new sentence:
5 “In the case such determination is an amount
6 less than the sum of the initial payment for
7 such item or service and any cost sharing re-
8 quired to be paid by the individual receiving
9 such item or service, the nonparticipating pro-
10 vider or facility furnishing such item or service
11 shall pay to such plan the difference between
12 such determination and such sum not later than
13 30 days after the date on which such deter-
14 mination is made.”; and

15 (D) by adding at the end the following new
16 subparagraphs:

17 “(B) NOTIFICATION.—In the case of a
18 plan, or a nonparticipating provider or facility,
19 required to make a payment pursuant to a de-
20 termination described in subparagraph (A),
21 such plan or nonparticipating provider or facil-
22 ity shall submit to the Secretary a notification
23 of such payment as of the date such payment
24 is made in a manner specified by the Secretary.

1 “(C) PENALTY FOR LATE PAYMENT OR
2 NON-PAYMENT.—

3 “(i) IN GENERAL.—In the case of a
4 plan, or a nonparticipating provider or fa-
5 cility, that has not made the required pay-
6 ment described in subparagraph (A) with
7 respect to an item or service in the time
8 period described in such subparagraph, in
9 addition to making such payment, such
10 plan or nonparticipating provider or facil-
11 ity shall also pay to the nonparticipating
12 provider or facility or plan (as applicable)
13 an amount that is three times the dif-
14 ference between—

15 “(I) the initial payment (or, in
16 the case of a notice of denial of pay-
17 ment, \$0) described in subsection
18 (a)(3)(A); and

19 “(II) the out-of-network rate (as
20 defined in section 9816(a)(3)(K)) for
21 such item or service (less any cost
22 sharing required to be paid by the in-
23 dividual receiving such item or serv-
24 ice).

1 “(ii) INTEREST.—Any amount owed
 2 under clause (i) shall be subject to interest
 3 in a manner specified by the Secretary.”.

4 **SEC. 4. TRANSPARENCY REPORTING REQUIREMENTS.**

5 (a) PHSA.—Section 2799A–1(a)(2)(A)(iii) of the
 6 Public Health Service Act (42 U.S.C. 300gg–
 7 111(a)(2)(A)(iii)) is amended to read as follows:

8 “(iii) REPORTING.—

9 “(I) INITIAL REPORTING.—Be-
 10 ginning for 2022 and ending on De-
 11 cember 31 of the calendar year in
 12 which the Enhanced Enforcement of
 13 Health Coverage Act is enacted, the
 14 Secretary shall annually submit to
 15 Congress a report on the number of
 16 plans and issuers with respect to
 17 which audits were conducted during
 18 such year pursuant to this subpara-
 19 graph.

20 “(II) SUBSEQUENT REPORT-
 21 ING.—

22 “(aa) IN GENERAL.—With
 23 respect to the first calendar year
 24 following the date of the enact-
 25 ment of the Enhanced Enforce-

1 ment of Health Coverage Act,
2 not later than February 1 of
3 such year, and every 6 months
4 thereafter, the Secretary, in co-
5 ordination with the Secretary of
6 Labor and the Secretary of the
7 Treasury, shall submit to the
8 Committee on Ways and Means,
9 the Committee on Energy and
10 Commerce, and the Committee
11 on Education and Workforce of
12 the House of Representatives,
13 and the Committee on Finance
14 and the Committee on Health,
15 Education, Labor and Pensions
16 of the Senate, a report on any
17 audits conducted pursuant to this
18 subparagraph during the applica-
19 ble reporting period, and any en-
20 forcement actions taken during
21 such period in accordance with
22 the provisions of this part, in-
23 cluding—

1 “(AA) the total number
2 of audits conducted under
3 this subparagraph;

4 “(BB) the number of
5 audits conducted pursuant
6 to clause (ii)(I);

7 “(CC) the number of
8 complaints submitted by
9 providers and by partici-
10 pants, beneficiaries, and en-
11 rollees with respect to a vio-
12 lation of this part;

13 “(DD) any enforcement
14 actions taken as a result of
15 a complaint submitted by a
16 provider or by a participant,
17 a beneficiary, or an enrollee,
18 with respect to the provi-
19 sions of this part;

20 “(EE) the total number
21 of, and the aggregate dollar
22 amount of, any civil mone-
23 tary penalties issued in ac-
24 cordance with this part;

1 “(FF) a summary of
 2 any non-monetary corrective
 3 action taken against a group
 4 health plan or health insur-
 5 ance issuer offering group or
 6 individual health insurance
 7 coverage for a violation of
 8 this part; and

9 “(GG) a description of
 10 the 3 most commonly re-
 11 ported violations of this
 12 part.

13 “(bb) APPLICABLE REPORT-
 14 ING PERIOD.—For purposes of
 15 this subclause, the term ‘applica-
 16 ble reporting period’ means the 6
 17 month period prior to each report
 18 submitted under item (aa).”.

19 (b) IRC.—Section 9816(a)(2)(A)(iii) of the Internal
 20 Revenue Code of 1986 is amended to read as follows:

21 “(iii) REPORTING.—

22 “(I) INITIAL REPORTING.—Be-
 23 ginning for 2022 and ending on De-
 24 cember 31 of the calendar year in
 25 which the Enhanced Enforcement of

1 Health Coverage Act is enacted, the
2 Secretary shall annually submit to
3 Congress a report on the number of
4 plans with respect to which audits
5 were conducted during such year pur-
6 suant to this subparagraph.

7 “(II) SUBSEQUENT REPORT-
8 ING.—

9 “(aa) IN GENERAL.—With
10 respect to the first calendar year
11 following the date of the enact-
12 ment of the Enhanced Enforce-
13 ment of Health Coverage Act,
14 not later than February 1 of
15 such year, and every 6 months
16 thereafter, the Secretary, in co-
17 ordination with the Secretary of
18 Labor and the Secretary of
19 Health and Human Services,
20 shall submit to the Committee on
21 Ways and Means, the Committee
22 on Energy and Commerce, and
23 the Committee on Education and
24 Workforce of the House of Rep-
25 resentatives, and the Committee

1 on Finance and the Committee
2 on Health, Education, Labor and
3 Pensions of the Senate, a report
4 on audits performed pursuant to
5 this subparagraph during the ap-
6 plicable reporting period, and any
7 enforcement actions taken during
8 such period in accordance with
9 the provisions of an applicable
10 section, including—

11 “(AA) the total number
12 of audits conducted under
13 this subparagraph;

14 “(BB) the number of
15 audits conducted pursuant
16 to clause (ii)(I);

17 “(CC) the number of
18 complaints submitted by
19 providers and by partici-
20 pants and beneficiaries with
21 respect to a violation of an
22 applicable section;

23 “(DD) any enforcement
24 actions taken pursuant to a

1 violation of an applicable
2 section;

3 “(EE) the total number
4 of, and the aggregate dollar
5 amount of, any civil mone-
6 tary penalties issued in ac-
7 cordance with an applicable
8 section;

9 “(FF) a summary of
10 any non-monetary corrective
11 action taken against a group
12 health plan for a violation of
13 an applicable section; and

14 “(GG) a description of
15 the 3 most commonly re-
16 ported violations of an appli-
17 cable section.

18 “(bb) DEFINITIONS.—In
19 this subclause:

20 “(AA) APPLICABLE RE-
21 PORTING PERIOD.—The
22 term ‘applicable reporting
23 period’ means the 6 month
24 period prior to each report
25 submitted under item (aa).

1 “(BB) APPLICABLE
2 SECTION.—The term ‘appli-
3 cable section’ means this
4 section and each of sections
5 9817 through 9825.”.

○