



Media Coverage of Payer-Provider Disputes Jumps 260% in Q1

Insurers, hospitals, and health systems continue to adjust to the financial and operational aftermath of the COVID-19 pandemic, a complicated landscape marked by inflation, staffing challenges and rising operational costs.

As some of the authors have [written](#)¹ before, the pressure to contain costs, demonstrate value, and deepen investments in high quality patient care is having a substantial impact on contract negotiations over reimbursement rates. For many organizations, this might be the first time since the pandemic that failing to reach a timely agreement is a likely or potential scenario. Each side is approaching these negotiations with a different point of view, set of facts, data and assumptions.

FTI Consulting has been closely tracking how these negotiations are playing out in the public through news coverage, paid and earned media strategies, and the response from local officials, state and federal lawmakers and regulators. Every patient is also a constituent, so the lines between patient advocacy, political risk and regulatory oversight often converge.

What we found

Reimbursement rate negotiations – and the related stories of out-of-network patients – are increasingly being covered by the media, with a significant increase in Q1 2023 as compared to Q1 2022.

- In 2022, over 50 disputes in 24 states received media attention, primarily by local news outlets.
- Nearly half of these disputes failed to reach a timely agreement, resulting in individuals and families losing access to in-network providers, hospitals or other facilities, in many cases for weeks or months at a time.
- In Q1 2023, there was a 260 percent increase in the number of new disputes covered by the media as compared to Q1 2022.

With 27 new negotiations already made public this year as of this publication, and a few disputes that are yet to be resolved from 2022, we are well on our way to seeing a significant increase in media coverage and scrutiny of how individuals access, maintain and afford quality care in a post-pandemic world.

Companies should not take for granted how agreements were reached in the past and prepare to communicate and engage with stakeholders in any scenario – including protracted, even contentious, negotiations that spill into public.

For more information, please see our previous [publication](#) on preparing your organization ahead of rate negotiations, and contact us with any questions.

A note on methodology: FTI Consulting searched multiple news databases for articles regarding negotiations over reimbursement rates between provider organizations and insurance companies. Those negotiations publicly reported by a news outlet on January 1, 2023 or later were counted for 2023. Negotiations that were resolved or failed to reach agreement in 2023 but were first reported in 2022 were counted for 2022.

Endnotes

¹ Adam Broder, Citseko Staples Miller, and Nicole Labkoff, “5 Takeaways: Preparing Your Organization for Rate Negotiations,” FTI Consulting, Inc. (May 16, 2022), <https://fticonsulting.com/5-takeaways-preparing-your-organization-for-rate-negotiations/>.

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