

Supplemental Background on Federal Independent Dispute Resolution Public Use Files

January 1, 2025 – June 30, 2025

The No Surprises Act (NSA) and its implementing regulations¹ establish a Federal Independent Dispute Resolution (IDR) process that out-of-network (OON) providers, facilities, and providers of air ambulance services, and group health plans, health insurance issuers offering group and individual health insurance coverage, and Federal Employees Health Benefits (FEHB) Program carriers (collectively, disputing parties) may use to determine the OON rate for qualified IDR items or services after an unsuccessful open negotiation period. The Departments of Health and Human Services, Labor, and the Treasury (the Departments) launched the Federal IDR portal on April 15, 2022, to facilitate this process. The No Surprises Act requires the Departments to publish on a public website certain information about the Federal IDR process.²

To promote transparency in the implementation of the Federal IDR process, the Departments provided several status updates as well as initial reports for calendar quarters in 2022.^{3,4} The Departments began publishing the quarterly IDR public use file (PUF) and supplemental tables for 2023. Data are currently available for calendar years 2023 and 2024.⁵ The Departments are now releasing the IDR PUF and supplemental tables for the first and second calendar quarters of 2025.

The IDR PUF includes detailed information for each payment determination, including payment determination outcomes and offer amounts. In addition to the IDR PUF, the Departments are publishing supplemental tables with summary information including the number of payment disputes initiated, closed, and the reasons for closure. The information in the IDR PUF and supplemental tables is intended to promote Federal IDR process transparency and provide required information to the public.

Similar to the last six months of 2024, the first six months of 2025 were characterized by an increasingly large volume of disputes submitted through the Federal IDR portal, continuing complexity in determining whether disputes were eligible for the Federal IDR process, and substantial improvement in throughput and dispute closures. Certified IDR entities continued their efforts to scale up their operations to contend with the large volume of disputes, making substantially more payment determinations in the first six months of 2025 compared to the last six months of 2024. Since the first quarter of 2024, certified IDR entities have progressively increased the number of payment determinations made each calendar quarter. Additionally, since July 2024 certified IDR entities have

¹ Requirements Related to Surprise Billing; Part I, 86 FR 36872 (July 13, 2021), <https://www.federalregister.gov/documents/2021/07/13/2021-14379/requirements-related-to-surprise-billing-part-i>; Requirements Related to Surprise Billing; Part II, 86 FR 55980 (October 7, 2021), <https://www.federalregister.gov/documents/2021/10/07/2021-21441/requirements-related-to-surprise-billing-part-ii>; and Requirements Related to Surprise Billing, 87 FR 52618 (August 26, 2022), <https://www.federalregister.gov/documents/2022/08/26/2022-18202/requirements-related-to-surprise-billing>.

² See Code section 9816(c)(7), ERISA section 716(c)(7), and PHS Act section 2799A-1(c)(7).

³ See Federal Independent Dispute Resolution Process Status Update (April 27, 2023), available at <https://www.cms.gov/files/document/federal-idr-processstatus-update-april-2023.pdf>; Federal Independent Dispute Resolution Process Status Update (Aug. 19, 2022), available at: <https://www.cms.gov/files/document/federal-idr-process-status-update-august-2022.pdf>; and Amendment to the Calendar Year 2023 Fee Guidance for the Federal Independent Dispute Resolution Process Under the No Surprises Act: Change in Administrative Fee (Dec. 23, 2022), available at: <https://www.cms.gov/ccio/resources/regulations-and-guidance/downloads/amended-cy2023-fee-guidance-federal-independent-dispute-resolution-process-nsa.pdf>.

⁴ See Initial Report on the Federal Independent Dispute Resolution (IDR) Process, April 15 – September 30, 2022, available at: <https://www.cms.gov/files/document/initial-report-idr-april-15-september-30-2022.pdf>; and Partial Report on the Independent Dispute Resolution (IDR) Process, October 1 – December 31, 2022, available at: <https://www.cms.gov/files/document/partial-report-idr-process-octoberdecember-2022.pdf>.

⁵ See Independent Dispute Resolution Reports, available at: <https://www.cms.gov/nosurprises/policies-and-resources/reports>.

closed more disputes than have been initiated, quarter over quarter. Certified IDR entities have not only kept pace with rising dispute volume but also are steadily working through disputes initiated in prior months.⁶

High Volume of Disputes

Between January 1, 2025, and June 30, 2025, disputing parties initiated 1,186,812 disputes through the Federal IDR portal, 39% more than the last six months of 2024 (853,374 disputes). Providers or their representatives initiated the majority of disputes (81%) in the first six months of 2025, but health care facilities or their representatives initiated a higher share of disputes (19%) in the first six months of 2025, compared to the last six months of 2024 (13%). Similar to the last six months of 2024, the majority of disputes were initiated by a limited number of initiating parties or their representatives. The top ten initiating parties represented approximately 69% of all disputes initiated in the first six months of 2025, similar to the last six months of 2024 (71%). Many of the top initiating parties are (or are represented by) large practice management companies, medical practices, or revenue cycle management companies representing hundreds of individual practices, providers, or facilities. The top three initiating parties (HaloMD, Team Health, and SCP Health) represent thousands of clinicians across multiple states and accounted for approximately 44% of all disputes initiated in the first six months of 2025.

Certified IDR entity operations have successfully addressed the rising volume of disputes. Certified IDR entities closed 1,349,343 disputes in the first six months of 2025, approximately a 48% increase compared to the number of disputes closed in the last six months of 2024 (911,088 disputes). Certified IDR entities closed 14% more disputes in the first six months of 2025 (1,349,343) than were initiated in that time period (1,186,812), outpacing the high dispute initiation volume while significantly reducing the backlog from prior months. Dispute closures include payment determinations, ineligibility determinations, withdrawn disputes, parties reaching a settlement, and closures for administrative reasons (e.g., neither party paid required fees).

Certified IDR entities rendered 1,082,247 payment determinations in the first six months of 2025, approximately a 55% increase from the last six months of 2024 (698,968 determinations). Batched disputes accounted for approximately 31% (335,442) of all payment determinations rendered by certified IDR entities in the first six months of 2025, an increase compared to the last six months of 2024 (27%).

During the first six months of 2025, approximately 37% (401,484) of payment determinations were rendered by certified IDR entities within 30 business days, an increase compared to 29% (203,480) in the last six months of 2024.^{7, 8} In the first six months of 2025 approximately 67% (729,870) of payment

⁶ For more information on the Departments' efforts to resolve capacity issues and clear the IDR backlog, please see <https://www.cms.gov/files/document/fact-sheet-clearing-independent-dispute-resolution-backlog.pdf>.

⁷ According to statutory timelines, disputes should typically be resolved 39 days from initiation. Certified IDR entity preliminary selection can take up to 6 days (with random assignment), and then final selection (certified IDR entity attesting to no conflict of interest) takes up to 3 days. If a certified IDR entity attests yes to conflict of interest, the dispute is reassigned to a different certified IDR entity, which can take an additional 3 days to attest to no conflict of interest. The 30-business day timeline to resolve a dispute begins at certified IDR entity final selection.

⁸ Beginning in 2025, the length of time to make a determination in the Federal IDR PUF represents the number of business days from the date a dispute was initiated until the date the determination was sent to parties and the dispute was closed. For the 2023 and 2024 Federal IDR PUFs, the length of time to make a determination represented the number of business days from the date a dispute was assigned to a certified IDR entity until the date the determination was sent to parties and the dispute was closed. There can be a difference of up to six days from the date a dispute was initiated to the date the dispute was assigned to a certified IDR entity. For more information on the length of time to make determinations, please see the Federal

determinations were rendered by certified IDR entities within 60 business days, a significant increase from 49% (324,356) in the last six months of 2024.⁹ Since the second quarter of 2024, the share of disputes for which a payment determination was made within 30 business days has increased each calendar quarter. Certified IDR entities continue to improve the efficiency of dispute processing, decreasing the median number of business days to render payment determinations over time.

Dispute Eligibility

The primary cause of dispute processing delays continues to be the complexity of determining whether disputes are eligible for the Federal IDR process. For all disputes, the certified IDR entity must confirm dispute eligibility before the dispute can proceed. These reviews involve complex eligibility determinations that require certified IDR entities to expend considerable time and resources. Non-initiating parties challenged the eligibility of 40% of initiated disputes in the first six months of 2025 (476,117 of 1,186,812), a slight decrease from 43% in the last six months of 2024.

Eligibility reviews conducted by certified IDR entities are processed more quickly when both disputing parties provide all the required information at initiation. To that end, the Departments added data elements to the dispute initiation and IDR entity selection response web forms and directed the parties to attach documents supporting or contesting eligibility during dispute initiation, to ensure certified IDR entities have all necessary information to determine eligibility earlier in the process.¹⁰ The Departments have also added eligibility screeners to the dispute initiation form, including a duplicate dispute validation.¹¹ The Departments have also published technical assistance to help disputing parties and certified IDR entities better determine eligibility and resolve disputes more expeditiously.^{12, 13, 14}

Process improvements and increased disputing party familiarity with eligibility requirements have likely contributed to a decline in the percentage of disputes found ineligible, from 69% in the first six months of 2022 to 20% in the last six months of 2024 and 17% in the first six months of 2025. The high volume of disputes and the complexity of making eligibility determinations remained a challenge throughout the first half of 2025.

The Departments have proposed additional policy and operational improvements through proposed rulemaking that, if finalized, would improve the process for determining the eligibility of disputes and

IDR PUF Data Disclaimer – User Agreement and Federal IDR PUF Data Dictionary, available at: <https://www.cms.gov/nosurprises/policies-and-resources/reports>.

⁹ *Id.*

¹⁰ See recent changes to the IDR web forms to streamline operations and enhance the quality of data used to determine dispute eligibility, such as health plan type: <https://www.cms.gov/nosurprises/notices>

¹¹ See recent changes to the IDR web forms to screen out duplicate disputes: <https://www.cms.gov/nosurprises/notices>

¹² Federal Independent Dispute Resolution Process Guidance for Disputing Parties (Updated December 2023), available at: <https://www.cms.gov/files/document/federal-independent-dispute-resolution-guidance-disputing-parties.pdf>.

¹³ Federal Independent Dispute Resolution (IDR) Process Guidance for Certified IDR Entities (August 2022), available at: <https://www.cms.gov/files/document/ta-certified-independent-dispute-resolution-entities-august-2022.pdf>.

¹⁴ See No Surprises Act Independent Dispute Resolution (IDR) Batching and Air Ambulance Policy Frequently Asked Questions (Nov. 2023), available at: <https://www.cms.gov/files/document/faqs-batching-air-ambulance.pdf>; FAQs about Affordable Care Act and Consolidated Appropriations Act, 2023 Implementation Part 63 (Nov. 2023), available at: <https://www.cms.gov/files/document/faqs-part-63.pdf>; FAQs about Consolidated Appropriations Act, 2021 Implementation Part 62 (Oct. 2023), available at: <https://www.cms.gov/files/document/faqs-part-62.pdf>; and the August 2023 IDR Administrative Fees FAQs (Aug. 2023), available at: <https://www.cms.gov/files/document/idr-admin-fees-faqs-081123-508.pdf>-0.

ultimately increase the speed with which certified IDR entities render payment determinations.¹⁵

Results of Payment Determinations

Certified IDR entities rendered payment determinations in 1,082,247 disputes from January 1 through June 30, 2025. Emergency department services made up the greatest share (45%) of payment determinations, and radiology services made up 19% of payment determinations. Providers, facilities, or air ambulance providers were the prevailing party in approximately 88% of payment determinations made in the first six months of 2025. Health plans and issuers were the prevailing parties in approximately 12% of payment determinations.

The proportion of payment determinations resulting in default decisions in the first six months of 2025 held stable at 22%, consistent with the last six months of 2024 (22%).¹⁶ The share of default decisions in favor of providers, facilities, and providers of air ambulance services increased in the first six months of 2025 (91%) compared to the last six months of 2024 (87%), while their non-default decision win rate increased slightly between the first six months of 2025 (87%) and the last six months of 2024 (85%). The overall win rate for providers, facilities, and providers of air ambulance services increased by 3% for the first six months of 2025 (88%) as compared to the last six months of 2024 (85%).

The prevailing offer was higher than the qualifying payment amount (QPA) in approximately 88% of payment determinations made in the first six months of 2025.¹⁷ The amount of the prevailing offers relative to the QPA varied by specialty and by the cost of the service. The supplemental tables released with this report detail the median prevailing offer amount relative to the QPA, stratified by specialty and cost band of service. The Departments note that low-dollar items and services had higher prevailing offers expressed as a percentage of the QPA, partly because a small dollar difference translates into a large percentage difference.

Given that providers, facilities, or providers of air ambulance services prevailed in the majority (88%) of payment determinations during this period, the median prevailing offer is often the offer from the provider, facility, or provider of air ambulance services. While health plans and issuers often benchmarked their offers to the QPA, providers, facilities, and air ambulance service providers often benchmarked their offers to past OON payment amounts with the disputing plan or issuers and past in-network rates with either the disputing plan or issuer, or with a different plan or issuer in the same state.

Conclusion

The first six months of 2025 were characterized by a large volume of dispute initiations, continued complexity in determining dispute eligibility, and substantial increases in the number of payment determinations made and disputes closed by certified IDR entities. The Departments and certified IDR entities continued to implement changes to enhance the overall efficiency of the Federal IDR process and manage dispute volume. Certified IDR entities have achieved remarkable improvements in throughput and processing speed over time and are now resolving more disputes than are initiated each

¹⁵ Federal Independent Dispute Resolution Operations, 88 FR 75744 (November 3, 2023), <https://www.federalregister.gov/documents/2023/11/03/2023-23716/federal-independent-dispute-resolution-operations>.

¹⁶ If one party failed to submit an offer or pay their fees, and the other party submitted an offer and paid their fees, the certified IDR entity must rule in favor of the party that submitted an offer and paid their fees. Please refer to Section 5.4 of Federal IDR Process Guidance for Certified IDR Entities, available at: <https://www.cms.gov/ccio/resources/regulations-and-guidance/downloads/federal-independent-dispute-resolution-process-guidance-for-certified-idr-entities.pdf>.

¹⁷ This figure was calculated by dividing the number of payment determinations made in the last six months of 2023 where the prevailing offer was greater than the QPA by the number of payment determinations made in the last six months of 2023 where both the prevailing offer and QPA were reported.

quarter. The Departments have proposed additional policy and operational improvements that, if finalized, would further improve the process for determining the eligibility of disputes and ultimately continue to increase the speed at which certified IDR entities render payment determinations.

The Departments are committed to helping certified IDR entities and disputing parties resolve disputes as expeditiously as possible and to promoting efficiency and transparency in the Federal IDR process.



Department of Health & Human Services
200 Independence Avenue, S.W.
Washington, D.C. 20201
Toll Free Call Center: 1-877-696-6775
www.hhs.gov



Department of Labor
200 Constitution Ave., N.W.
Washington, DC 20210
1-866-4-USA-DOL / 1-866-487-2365
www.dol.gov



Department of the Treasury
1500 Pennsylvania Ave., N.W.
Washington, D.C. 20220
General Information: (202) 622-2000
www.treasury.gov