Supplemental Background on Federal Independent Dispute Resolution Public Use Files
July 1, 2025 – December 31, 2025

The No Surprises Act (NSA) and its implementing regulations[1] 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, 2024, and the first and second calendar quarters of 2025.[5] The Departments are now releasing the IDR PUF and supplemental tables for the third and fourth calendar quarters of 2025.

The IDR PUF includes detailed information for each payment determination, including payment determination outcomes and offer amounts. The 2025 Q3 and Q4 IDR PUFs include six new fields, including the certified IDR entity assigned to the dispute. These fields will be included in all IDR PUFs going forward. 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 first six months of 2025, the last six months of 2025 were characterized by an increasingly large volume of disputes submitted through the Federal IDR portal, continuing complexity in

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[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/cciio/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.

determining whether disputes were eligible for the Federal IDR process, and substantial improvement in throughput, dispute closures, and timeliness. Certified IDR entities continued their efforts to refine their operations to contend with the large volume of disputes, making more payment determinations in the last six months of 2025 compared to the first six months of 2025. In June 2025, the Departments announced the certification of two additional IDR entities, Capitol Bridge, LLC and Livanta, LLC, increasing the number of certified IDR entities from 13 to 15. Beginning in September 2025, these entities began receiving and processing disputes. The certification of additional IDR entities contributed to the expansion of program capacity and enhanced dispute throughput. Certified IDR entities have not only kept pace with rising dispute volume but have also steadily worked through disputes initiated in prior months. These efforts have resulted in a significant reduction in open disputes submitted since the beginning of the IDR program in April 2022. As of the end of 2025, 98% of all IDR disputes submitted since the beginning of the program have either been resolved or are less than 30 business days old. The majority of disputes – 92% of all disputes submitted – have been resolved.[6]

<u>High Volume of Disputes</u>

Between July 1, 2025, and December 31, 2025, disputing parties initiated 1,372,563 disputes through the Federal IDR portal, 16% more than the first six months of 2025 (1,186,812 disputes). Providers or their representatives initiated the majority of disputes (76%) in the last six months of 2025, but health care facilities or their representatives initiated a higher share of disputes (24%) in the last six months of 2025, compared to the first six months of 2025 (19%). Similar to the first six months of 2025, the majority of disputes were initiated by a limited number of initiating parties or their representatives. The top ten initiating parties represented approximately 66% of all disputes initiated in the last six months of 2025, a slight decrease from the first six months of 2025 (69%). 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 38% of all disputes initiated in the last six months of 2025.

Certified IDR entity operations have successfully addressed the rising volume of disputes. Certified IDR entities closed 1,449,900 disputes in the last six months of 2025, approximately a 7% increase compared to the number of disputes closed in the first six months of 2025 (1,349,343 disputes). Certified IDR entities closed 6% more disputes in the last six months of 2025 (1,449,900) than were initiated in that time period (1,372,563), 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 1,145,039 payment determinations in the last six months of 2025, approximately a 6% increase from the first six months of 2025 (1,082,247 determinations). Batched disputes accounted for approximately 31% (357,043) of all payment determinations rendered by certified IDR entities in the last six months of 2025, consistent with the first six months of 2025 (31%).

During the last six months of 2025, approximately 62% (707,866) of payment determinations were

[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.

rendered by certified IDR entities within 30 business days, a significant increase compared to 37% (401,484) in the first six months of 2025. In [7]. 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, assisted by operational enhancements such as automated validations in the Federal IDR portal to help prevent the initiation of ineligible disputes, 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 42% of initiated disputes in the last six months of 2025 (574,128 of 1,372,563), a slight increase from 40% in the first six months of 2025.

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.[8] The Departments have also added eligibility screeners to the dispute initiation form, including a duplicate dispute validation.[9] The Departments have also published technical assistance to help disputing parties and certified IDR entities better determine eligibility and resolve disputes more expeditiously.[10, 11, 12]

Process improvements and increased disputing party familiarity with eligibility requirements have likely contributed to a decline in the percentage of disputes found ineligible over time. Approximately 69% of disputes were found ineligible in the first six months of 2022, which decreased to 20% in the last six months of 2024, and further declined to 19% in the last six months of 2025. Since the fourth quarter of 2024, disputes have most frequently been found ineligible because the mandatory 90-calendar-day cooling off period has not been completed, or the dispute falls under a specified state law or an All-

[7] *Id.*

[8] 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.

[9] See recent changes to the IDR web forms to screen out duplicate disputes: https://www.cms.gov/nosurprises/notices.

[10] 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.

[11] 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.

[12] 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.

Payer Model Agreement that supersedes the Federal IDR process.[13, 14]

The high volume of disputes and the complexity of making eligibility determinations remained a challenge throughout the last half of 2025. The Departments have finalized additional policy and operational improvements through rulemaking that will improve the process for determining the eligibility of disputes and ultimately increase the speed with which certified IDR entities render payment determinations.[15]

Results of Payment Determinations

Certified IDR entities rendered payment determinations in 1,145,039 disputes from July 1, 2025, through December 31, 2025. Emergency department services made up the greatest share (52%) of payment determinations, followed by radiology services which accounted for 15% of payment determinations. Providers, facilities, or providers of air ambulance services were the prevailing party in approximately 85% of payment determinations made in the last six months of 2025, a slight decrease compared to the first six months of 2025 (88%). Health plans and issuers were the prevailing parties in approximately 14% of payment determinations.

The proportion of payment determinations resulting in default decisions in the last six months of 2025 (17%) decreased compared to the first six months of 2025 (22%).[16] The share of default decisions in favor of providers, facilities, and providers of air ambulance services held relatively stable in the last six months of 2025 (90%) compared to the first six months of 2025 (91%); their non-default decision win rate decreased in the last six months of 2025 (84%) from the first six months of 2025 (87%).

The prevailing offer was higher than the qualifying payment amount (QPA) in approximately 87% of payment determinations made in the last six months of 2025.[17] The amount of the prevailing offers relative to the QPA varied by specialty and by the cost of the item or 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 item or 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.

[13] The "cooling-off" period refers to the 90-calendar-day period following a payment determination when the initiating party cannot submit a subsequent Notice of IDR Initiation involving the same party with respect to a claim for the same or similar item or service that was the subject of the initial Notice of IDR Initiation. Please refer to Section 8.3 of Federal Independent Dispute Resolution (IDR) Process Guidance for Disputing Parties, available at: https://www.cms.gov/files/document/federal-independent-dispute-resolution-guidance-disputing-parties.pdf.

[14] For more information on state laws and All-Payer Model Agreements, please refer to Section 1.4 of Federal Independent Dispute Resolution (IDR) Process Guidance for Disputing Parties, available at: https://www.cms.gov/files/document/federal-independent-dispute-resolution-guidance-disputing-parties.pdf.

[15] Federal Independent Dispute Resolutions Operations, 91 FR 33900 (June 4, 2026), https://www.federalregister.gov/documents/2026/06/04/2026-11140/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/cciio/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.

Given that providers, facilities, or providers of air ambulance services prevailed in the majority (85%) 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 providers of air ambulance services 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 last six months of 2025 were characterized by a large volume of dispute initiations, continued complexity in determining dispute eligibility, and increases in both the number of payment determinations made and disputes closed by certified IDR entities, as well as a significant increase in timeliness of payment determinations. The Departments and certified IDR entities continued to implement changes to enhance the overall efficiency of the Federal IDR process and manage dispute volume. This includes the implementation of automated validations in the Federal IDR portal, improving and increasing guidance for IDR entities and disputing parties, and other measures to help support entities in clearing older cases. Certified IDR entities have achieved remarkable improvements in throughput and processing speed over time and have closed the vast majority of the dispute backlog while keeping pace with rising dispute volume. The resolution of aged disputes marks significant improvement in the efficiency of the IDR process. The Departments have finalized additional policy and operational improvements that are expected to 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 effectively and expeditiously as possible and to promoting efficiency and transparency in the Federal IDR process.

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