American College of Radiology™

ACR Detailed Summary
Federal Independent Dispute Resolution (IDR) Operations Final Rule
May 2026

The United States Department of the Treasury, Department of Labor, and Department of Health and Human Services (the Departments) released a final rule outlining regulations related to the Federal independent dispute resolution (IDR) process initiated by the No Surprises Act (NSA) on May 28, 2026. The effective date of the final rule is 60 days following the publication of the rule in the Federal Register, which is expected to be June 4, 2026. Note that some provisions are effective earlier as noted in the following summary.

The American College of Radiology (ACR) is pleased that the Departments have recognized concerns raised with regard to imaging providers' access to the IDR process and finalized policy changes to address these concerns. Specifically, the final rule provides expanded bundling regulations, a reduced administrative fee, and requirements for insurers to provide necessary eligibility information with initial payments.

The IDR final rule addresses the following topic areas:

1. New requirements related to information that group health plans and health insurance issuers offering group or individual health insurance coverage must include along with initial payment or notice of denial of payment for certain items and services subject to the NSA protections,
2. Open negotiation requirements, initiation of IDR, eligibility review, and fee payment,
3. Bundling, and
4. Requirement for plans and issuers to register in the Federal IDR portal.

Background

The Consolidated Appropriations Act, 2021 (CAA), including the NSA, was enacted on December 27, 2020. The NSA provides Federal protections against surprise billing and limits out-of-network cost sharing under many of the circumstances in which unexpected bills arise most frequently. "Surprise billing" occurs when an individual receives an unexpected medical bill from a health care provider or facility after receiving medical services from a provider or facility that, usually unknown to the participant, beneficiary, or enrollee, is a nonparticipating provider or facility with respect to the individual's coverage. The NSA also requires providers and facilities to furnish a good faith estimate of expected charges upon request or upon scheduling an item or service.

Section 103 of the No Surprises Act established a Federal IDR process that plans and issuers and nonparticipating providers and facilities may utilize to resolve certain disputes regarding out-of-network reimbursement rates for applicable out-of-network services.

In the first year of operations, disputing parties submitted 489,000 disputes, which is 14 times the number of disputes that the Departments had expected to receive in an entire calendar year. As of January 31, 2026, disputing parties have submitted over 5.1 million disputes for review. The Departments indicate that the following factors have contributed to the volume of disputes:

- Providers, facilities, and providers of air ambulance services have alleged that plans and issuers are making initial payments based on qualifying payment amount (QPA) calculations are sometimes artificially low and are even at times lower than Medicare rates. These low initial payments incentivize providers to use the Federal IDR process for a larger number of items and services than they otherwise would.
- Disputing parties are failing to engage in meaningful open negotiations. Parties representing providers, facilities, providers of air ambulance services, plans, and issuers have all asserted that they experience challenges in negotiating with other parties during the 30-businessday open negotiation period.
- The Texas Medical Association lawsuits and subsequent District Court's successive rulings have necessitated multiple temporary shutdowns of the Federal IDR process to comply with the District Court's orders. Each shutdown has halted parts, or all, of the Federal IDR process, interrupting the advancement of ongoing disputes through the process and preventing new disputes from being submitted.
- Initiating parties are submitting a large number of disputes that are not eligible for the Federal IDR process, leading to both a high volume of dispute submissions and slow processing of disputes. Certified IDR entities have indicated to the Departments that determining the eligibility of disputes for the Federal IDR process is more time-consuming and burdensome than they expected, with certified IDR entities reportedly spending 50 to 80 percent of their time working on eligibility determinations.

Overview of the Final Rules

Definition of Bundled Payment Arrangement

The preamble to the October 2021 interim final rules describes a bundled payment arrangement as "an instance in which a group health plan or health insurance issuer pays a provider, facility, or provider of air ambulance services a single payment for multiple services furnished during an episode of care to a single patient". The final rule clarifies and revises the definition of bundled payment arrangements. The new definition is as follows:

> "An arrangement under which: (1) a provider, facility, or provider of air ambulance services bills for multiple items or services furnished to a single patient under a single service code that represents multiple items or services (for example, a diagnostic related group (DRG) code); or (2) a plan or issuer makes an initial payment or notice of denial of payment to a provider, facility, or provider of air ambulance services under a single service code that represents multiple items or services furnished to a single patient (for example, a DRG code)."

Use of claim adjustment reason codes (CARCs) and remittance advice remark codes (RARCs)

Providers have relayed to the Departments that insurers do not routinely include information on whether the claim is subject to the NSA requirements with the initial payment and/or denial of payment. The Departments believe that gaps in communication between plans and issuers and providers contribute to inefficiencies in resolving disputes in the Federal IDR process. To address this issue and reduce the number of ineligible claims submitted for IDR, the Departments finalized the proposal to require plans and issuers to use claim adjustment reason codes (CARCs) and remittance advice remark codes (RARCs), as specified in guidance issued by the

Departments to communicate information related to whether a claim for an item or service furnished by an entity that does not have a direct or indirect contractual relationship with the plan or issuer with respect to the furnishing of such item or service under the plan or coverage is subject to the provisions the No Surprises Act.

Specifically, the Departments will require plans and issuers to use CARCs and RARCs to convey specific information about the No Surprises Act when a plan or issuer provides a paper or electronic remittance advice to any entity with which it does not have a direct or indirect contractual relationship with respect to the furnishing of an item or service under the plan or coverage. These requirements will also apply to plans and issuers when sending remittance advice to entities with which they do not have a direct or indirect contractual relationship with respect to items and services to which the No Surprises Act surprise billing requirements do not apply, in order to convey that the No Surprises Act does not apply.

The ACR supported these proposals in its comment letter and is pleased that they have been finalized. In response to the ACR's comment that the Departments consider enforcement mechanisms for payers who do not provide the required information, the Departments stated that providers will continue to have the option to request extensions on IDR submission timelines if required information is not provided. The Departments are not imposing additional consequences for failure to provide CARCs and RARCs at this time.

Future guidance will identify the specific CARCs and RARCs to be used in particular circumstances. Future guidance will also provide any administrative and technical instructions necessary to facilitate the use of mandated CARCs and RARCs in all paper or electronic remittance advice transactions to providers that do not have a contractual relationship with the plan or issuer. The Departments recognize that plans and issuers will need time to implement the CARC and RARC requirements after the guidance is issued and therefore will establish an "appropriate applicability date" in the guidance.

Information to be Shared About the QPA

The July 2021 interim final rules and August 2022 final rules provide that if the recognized amount with respect to an item or service is the QPA, plans and issuers must make certain disclosures about the QPA with each initial payment or notice of denial of payment and must also provide certain additional information upon request.

The Departments believe that additional disclosure of information with the QPA is critical to ensuring that all parties have the information necessary to determine whether a payment dispute is eligible for the Federal IDR process. The Departments finalized the proposal to require plans and issuers to disclose the legal business name of the plan (if any) or issuer; the legal business name of the plan sponsor (if applicable); and the registration number assigned if the plan or issuer is registered with the Federal IDR registry. The ACR supported these proposals in its comment letter and is pleased that they have been finalized.

Open Negotiation and Initiation of the Federal IDR Process

The Departments report that providers, insurers and certified IDR entities have provided feedback indicating that disputing parties are not always actively negotiating with each other during the required open negotiation period. In addition, non-initiating parties and certified IDR entities continue to express concern that initiating parties sometimes do not properly initiate or complete the open negotiation period before initiating the Federal IDR process. Plans and issuers also have expressed concern with the Departments and the certified IDR entities, that providers, facilities, and providers of air ambulance services overwhelm them with requests to negotiate items or services that are ineligible for the Federal IDR process. At the same time, providers, facilities, and providers of air ambulance services assert that plans and issuers rarely respond to their notices initiating open negotiation or provide inadequate information to determine whether the Federal IDR process applies during the open negotiation period.

Therefore, to ensure better communication between parties, the Departments finalized the proposals to establish a requirement that a party must provide a written open negotiation notice to the other party and the Departments through the Federal IDR portal to initiate the open negotiation period. The Departments also state that a disputing party cannot require the other party to also submit any notices through their own proprietary portal.

In response to a comment that these proposals would make IDR filing easier for providers and as such, increase healthcare costs, the final rule states, "While the Departments understand the concern regarding upward pressure on healthcare pricing based on increased provider participation in open negotiation, these final rules incentivize parties to negotiate and may therefore discourage over-reliance on disputing claims through the Federal IDR process and help parties identify ineligible disputes prior to initiating IDR. This, in turn, could lower costs for both disputing parties who must pay fees to participate in the Federal IDR process, which could ultimately reduce costs for consumers. Further, prioritizing the negotiation of out-of-network rates before initiation of the Federal IDR process could contribute to improved contract or network negotiations between providers and plans. The Departments expect parties to negotiate in good faith and comply with the requirements finalized in these rules.".

The Departments finalized the proposal to specify that the 30-business-day open negotiation period begins on the day on which the party first submits the open negotiation notice, including the remittance advice documentation, to the other party and the Departments. In the event that the party submitting the open negotiation notice did not receive the remittance advice because a plan or issuer failed to comply with the disclosure requirements, that party retains the right to initiate the open negotiation within 30 business days of receiving the initial payment or notice of denial of payment.

The Departments also finalized the proposal to require that the party in receipt of the open negotiation notice provide a written notice and supporting documentation in response to the open negotiation notice (open negotiation response notice) to the other party and the Departments through the Federal IDR portal as soon as practicable, but no later than the 15th business day of the 30-business-day open negotiation period. This deadline is intended to encourage meaningful

participation in open negotiations and allow both parties time to consider offers and raise eligibility concerns prior to initiating the Federal IDR process.

If a party were to fail to furnish an open negotiation response notice containing all required information to the other party and the Departments, the Departments may review and determine whether enforcement actions may be appropriate. However, failure to timely furnish an open negotiation response notice in any specific open negotiation will not extend the open negotiation period, delay the timeframe for initiation of the Federal IDR process, or affect either party's ability to initiate the Federal IDR process.

Open Negotiation Content

The Departments finalized that the open negotiation notice include the following specified information:

1. Information sufficient to identify the provider, including name and contact information (legal business name, email address, phone number, and mailing address) as provided with the claim form submitted by the provider and the National Provider Identifier (NPI);
2. Information sufficient to identify the plan or issuer, including the plan's or issuer's registration number or an attestation from the party submitting the open negotiation notice that the plan or issuer's registration number was not provided on the remittance advice; the legal business name of the plan or issuer, as well as the current contact information (name, email address, phone number, and mailing address) of the plan or issuer as provided with the initial payment or notice of denial of payment; and if the party submitting the open negotiation notice is a plan or issuer, the plan type (for example, self-insured or fully-insured);
3. The name and contact information (including the legal business name, email address, phone number, and mailing address) for any third party representing the party submitting the open negotiation notice, and an attestation that the third party has the authority to act on behalf of the party it represents in the open negotiation;
4. Information sufficient to identify the item or service, including: the date(s) the item or service was furnished and, if the party submitting the open negotiation notice is a provider, facility, or provider of air ambulance services, the date(s) that the initial payment or notice of denial of payment was received; the type of eligible item or service; the State where the item or service was furnished; the claim number; the service code; and information sufficient to identify the location where the item or service was furnished;
5. The initial payment amount (including $0 if, for example, payment is denied);
6. The QPA;
7. An offer of an out-of-network rate for each item or service;
8. If the party submitting the open negotiation notice is a plan or issuer, the amount of cost sharing imposed for the item or service, if any;
9. If the party submitting the open negotiation notice is a provider or facility, a statement that the items or services do not qualify for the notice and provide consent exception;
10. A statement that the provider was a nonparticipating provider on the date the item or service was furnished;

11. General information listed in the standard open negotiation notice developed by the Secretary; and
12. A copy any remittance advice associated with the initial payment or notice of denial of payment for the item or service.

In the proposed rule, the Departments requested comment on whether the party submitting the open negotiation notice should be required to provide a statement describing why the party is initiating the open negotiation period. The ACR commented that such a requirement is unnecessary and would be burdensome to providers. The Departments agreed and did not finalize this requirement.

Open Negotiation Response Notice Content

The Departments finalized requirements that the party receiving an open negotiation notice must provide a response to the open negotiation notice, which would include the same information related to the requirements to provide contact information sufficient to identify the provider, facility, or provider of air ambulance services, the plan or issuer that are parties to the open negotiation, and any third party representing a party in the open negotiation. The Departments finalized that the open negotiation response notice will include the following additional information:

1. Information sufficient to identify the provider, including the name and current contact information (including the legal business name, email address, phone number, and mailing address) as provided with the claim form submitted by the provider and the applicable NPI;
2. Information sufficient to identify the plan or issuer, including the plan's or issuer's registration number, or an attestation from the party submitting the open negotiation response notice that the plan or issuer's registration number was not provided on any remittance advice associated with the initial payment or notice of denial of payment for the item or service, as well as the legal business name of the plan or issuer (or, in the case of a self-insured group health plan that does not have a legal business name, the legal business name of the plan sponsor), the current contact information (name, email address, phone number, and mailing address) of the plan or issuer as provided with any remittance advice associated with the initial payment or notice of denial of payment for the item or service; and if the party submitting the open negotiation response notice is a plan or issuer, the plan type (for example, self-insured or fully-insured);
3. The name and contact information (including the legal business name, email address, phone number, and mailing address) for any third party representing the party submitting the open negotiation response notice, and an attestation that the third party has the authority to act on behalf of the party it represents in the open negotiation;
4. Information sufficient to identify the item or service included in the open negotiation notice, including the date(s) the item or service was furnished, and if the party submitting the open negotiation response notice is a provider, facility, or provider of air ambulance services, the date(s) that the provider, facility, or provider of air ambulance services received the initial payment or notice of denial of payment for the item or service from the plan or issuer, and the claim number;

5. If the party in receipt of the open negotiation notice is a plan or issuer, a statement as to whether it agrees that the initial payment amount (including $0 if, for example, payment is denied) and the QPA reflected in the open negotiation notice accurately reflects the initial payment amount and QPA disclosed with the initial payment for the item or service, and if not, the initial payment amount and/or the QPA it believes to be correct and documentation to support the statement;
6. If the party in receipt of the open negotiation notice is a plan or issuer, the amount of cost sharing imposed for the item or service, if any;
7. If the party in receipt of the open negotiation notice is a provider or facility, a statement that the items and services do not qualify for the notice and consent exception;
8. With respect to each item or service, a statement and supporting documentation that explains why the item or service is ineligible for the Federal IDR process or a statement agreeing that the item or service is eligible for the Federal IDR process;
9. A statement as to whether any of the information provided in the open negotiation notice is inaccurate and the basis for the statement, as well as supporting documentation; and
10. A statement confirming that the initial payment or notice of denial of payment or other remittance advice provided by the party submitting the open negotiation notice is accurate, and if inaccurate, a copy of the accurate initial payment or notice of denial of payment or other remittance advice.

The Departments did not finalize the proposed requirement to provide a counteroffer of an out-of-network rate for each item or service or an acceptance of the other party's offer. The Departments acknowledged and agreed with commenters' concerns about the private nature of negotiations. The Departments note that the parties may, if they chose to do so, share counteroffers via their preferred method of communication during open negotiation, but need not use the Federal IDR portal for this communication.

Implementation of Open Negotiation through the Federal IDR Portal

In accordance with the provisions of this final rule, the Departments will modify the Federal IDR portal to allow parties to send the open negotiation notice and open negotiation response notice to the other party and the Departments through the Federal IDR portal. The Departments sought comment on whether the disputing parties should be required to use the Federal IDR portal for further communication related to open negotiation beyond the initiation of open negotiation and the submission of the open negotiation response notice.

The Departments finalized the requirement for disputing parties to exchange the open negotiation notice and the open negotiation response notice through the Federal IDR portal but declined to require any other communications to be made through the Federal IDR portal.

Changes to the Initiation of the Federal IDR Process

Current regulations state that if the parties have not agreed upon an amount for the out-of-network rate by the last day of the open negotiation period, either party may initiate the Federal IDR process during the 4-business-day period beginning on the 31st business day after the start of the open negotiation period.

The Departments finalized proposed amendments to current regulations in order to improve communication between parties, improve process efficiency, and streamline Federal IDR eligibility determinations. With the additional information required during the open negotiation process, the Departments expect the Federal IDR portal to be capable of prepopulating this information in the IDR initiation process, reducing the burden on disputing parties.

The Departments finalized the following information to be required in the IDR initiation request:

1. Information sufficient to identify the provider, including the name and current contact information (including the legal business name, email address, phone number, and mailing address), and the NPI; and if the initiating party is a provider, the Taxpayer Identification Number (TIN);
2. Information sufficient to identify the plan or issuer, including the plan's or issuer's registration number or an attestation from the initiating party that the plan's or issuer's registration number was not provided on any remittance advice associated with the initial payment or notice of denial of payment for the item or service; the legal business name of the plan or issuer (or, in the case of a self-insured group health plan that does not have a legal business name, the legal business name of the plan sponsor), as well as the current contact information (name, email address, phone number, and mailing address) of the plan or issuer as provided with any remittance advice associated with the initial payment or notice of denial of payment for the item or service; and if the initiating party is a plan or issuer, the plan type (for example, self-insured or fully-insured) and TIN (or, in the case of a plan that does not have a TIN, the TIN of the plan sponsor);
3. The name and contact information (including the legal business name, email address, phone number, TIN, and mailing address) for any third party representing the initiating party, and an attestation that the third party has the authority to act on behalf of the party it represents in the Federal IDR process;
4. Information sufficient to identify whether the dispute being initiated includes batched or bundled qualified IDR items or services;
5. Information sufficient to identify the qualified IDR item or service that is the subject of the notice of IDR initiation, including the date(s) the qualified IDR item or service was furnished; if the initiating party is a provider, facility, or provider of air ambulance services, the date(s) that the provider, facility, or provider of air ambulance services received the initial payment or notice of denial of payment for such item or service from the plan or issuer; the date the open negotiation period began; the type of item or service (emergency service, non-emergency item or service, or an air ambulance service); whether the service is a professional service or facility-based service; the State where the item or service was furnished; the claim number; the service code; and information to identify the location the item or service was furnished (including place of service code or bill type code);
6. The initial payment amount (including $0 if payment is denied);
7. If the initiating party is a plan or issuer, the amount of cost sharing imposed for the item or service, if any;
8. The QPA, if provided with the initial payment or notice of denial of payment, or if the initiating party is a plan or issuer;

9. If the initiating party is a provider or facility, a statement that the items and services do not qualify for the notice and consent exception;
10. A statement that the provider, facility, or provider of air ambulance services was a nonparticipating provider, a nonparticipating emergency facility, or nonparticipating provider of air ambulance services on the date the item or service was furnished;
11. Attestation that the item or service under dispute is a qualified IDR item or service and is eligible for the Federal IDR process, and the basis for the attestation;
12. General information listed in the standard notice of IDR initiation;
13. A copy of any remittance advice associated with the initial payment or notice of denial of payment for the item or service; and
14. Preferred certified IDR entity.

Notice of IDR Initiation Response

The Departments finalized the proposal to require that the non-initiating party provide a written notice and supporting documentation in response to the notice of IDR initiation to the initiating party and the Departments within 3 business days after the date of IDR initiation. Upon proper submission of the notice of IDR initiation by the initiating party, the Federal IDR portal will facilitate transmittal of the notice of IDR initiation to the non-initiating party. The non-initiating party will also receive the notice of IDR initiation response form from the Federal IDR portal on the date of IDR initiation, which is the date the Departments receive the notice of IDR initiation.

The notice of IDR initiation response must include the following information:

1. Information sufficient to identify the provider, including the name and current contact information (including the legal business name, email address, phone number, and mailing address), and the NPI; and if the non-initiating party is a provider, facility, or provider of air ambulance services, the TIN;
2. Information sufficient to identify the plan or issuer, including the plan's or issuer's registration number, or an attestation from the non-initiating party that plan's or issuer's registration number was not provided on any remittance advice associated with the initial payment or notice of denial of payment for the item or service; the legal business name of the plan or issuer (or, in the case of a self-insured group health plan that does not have a legal business name, the legal business name of the plan sponsor), as well as the current contact information (name, email address, phone number, and mailing address) of the plan or issuer as provided with any remittance advice associated with the initial payment or notice of denial of payment; and if the non-initiating party is a plan or issuer, the plan type (for example, self-insured or fully-insured) and TIN (or, in the case of a plan that does not have a TIN, the TIN of the plan sponsor);
3. The name and contact information (including the legal business name, email address, phone number, TIN, and mailing address) for any third party representing the non-initiating party, and an attestation that the third party has the authority to act on behalf of the party it represents in the Federal IDR process;
4. Information sufficient to identify each item or service included in the notice of IDR initiation, including the date(s) the item or service was furnished and if the non-initiating party is a provider, facility, or provider of air ambulance services, the date(s) that the provider, facility, or provider of air ambulance services received the initial payment or

notice of denial of payment for such item or service from the plan or issuer, and the claim number;

5. If the non-initiating party is a plan or issuer, a statement as to whether the non-initiating party agrees that the initial payment (including $0 if payment is denied) and the QPA reflected in the notice of IDR initiation is accurate for the item or service that is the subject of the dispute, and if not, the initial payment amount (including $0 if payment is denied) and/or QPA it believes to be correct, and documentation to support the statement (for example, the remittance advice confirming the QPA);
6. If the non-initiating party is a plan or issuer, the amount of cost sharing imposed for the item or service, if any;
7. If the non-initiating party is a provider or facility, a statement that the items and services do not qualify for the notice and consent exception;
8. For each item or service that is the subject of the dispute, either an attestation that the item or service is a qualified IDR item or service and is eligible for the Federal IDR process, or for each item or service that the non-initiating party asserts is not a qualified IDR item or service that is eligible for the Federal IDR process, an explanation and documentation to support the assertion;
9. A statement confirming that the remittance advice associated with the initial payment or notice of denial of payment provided by the initiating party is accurate or, if inaccurate, a copy of the accurate remittance advice associated with the initial payment or notice of denial of payment for the item or service;
10. A statement as to whether any of the information provided in the notice of IDR initiation is inaccurate and the basis for the statement, as well as any supporting documentation; and
11. A statement as to whether the non-initiating party agrees or objects to the initiating party's preferred certified IDR entity. If the non-initiating party objects to the initiating party's preferred certified IDR entity, the notice of IDR initiation response must include the name of an alternative preferred certified IDR entity and, if applicable, an explanation of any conflict of interest with the initiating party's preferred certified IDR entity.

Manner of Notices

The Departments finalized as proposed the new requirements related to the manner of submission of the open negotiation notice, open negotiation response notice, notice of IDR initiation, and notice of IDR initiation response to the Departments and the other party. To implement these final rules, the Departments will enhance the Federal IDR portal to allow the parties to transmit notices, including supporting documentation, through the portal. By streamlining the submission of these notices, the Departments may be able to use information submitted on one notice to pre-populate subsequent notices, reducing the burden of providing duplicative information, while maintaining the parties' ability to edit the notice fields where appropriate.

Federal IDR Process Following Initiation

The No Surprises Act allows parties in an IDR dispute 3 business days after the initiation of the Federal IDR process to jointly select a certified IDR entity. If the parties fail to jointly select a

certified IDR entity within 3 business days after the date of IDR initiation, the Departments select a certified IDR entity through random selection.

Since implementation of the Federal IDR process, the Departments have identified potential areas to improve upon and provide additional clarity with respect to the process for selecting a certified IDR entity.

Finalized policies related to certified IDR entity selection include the following:

- Amend the process for selecting a certified IDR entity when the parties fail to jointly agree on a certified IDR entity.
    - The non-initiating party will be required to agree or object to the preferred certified IDR entity in the notice of IDR initiation response within 3 business days after the date of IDR initiation.
    - If the non-initiating party agrees, or fails to respond, to the selection of the initiating party's preferred certified IDR entity in the notice of IDR initiation response within the 3-business-day timeframe after the date of IDR initiation, the initiating party's preferred certified IDR entity will be considered jointly selected by the parties on the third business day after the date of IDR initiation.
    - If the non-initiating party objects to the selection of the initiating party's preferred certified IDR entity by designating an alternative preferred certified IDR entity in the notice of IDR initiation response within the 3- business-day timeframe after the date of IDR initiation, the initiating party will be required to agree or object to the alternative preferred certified IDR entity using the notice of certified IDR entity selection.
    - If the initiating party agrees to the non-initiating party's alternative preferred certified IDR entity within 3 business days after the date of IDR initiation, the alternative preferred certified IDR entity will be considered jointly selected by the parties.
    - If the non-initiating party submits the notice of IDR initiation response on or before the first or second business day after the date of IDR initiation, and the initiating party fails to respond within 3 business days after the date of IDR initiation, the alternative preferred certified IDR entity will be considered jointly selected by the parties.
    - If the non-initiating party submits the notice of IDR initiation response on the third business day after the date of IDR initiation and the initiating party fails to respond on the same day, selection will proceed pursuant to paragraph (c)(1)(i)(C) of this section of the rule.
    - As part of the Departments' finalized process to select a certified IDR entity when the parties do not jointly select one, the Departments would first confirm whether a party submitted the notice of IDR initiation response or notice of certified IDR entity selection with an alternative preferred certified IDR entity on the third business day after the date of IDR initiation without the other party's agreement to the selection. If either notice was provided on the third business day after the date of IDR initiation without the other party's agreement to the alternative preferred certified IDR entity by the end of third business day after the date of

IDR initiation, the Departments will provide the party last in receipt of the applicable notice 2 additional business days to either agree or object to the other party's alternative preferred certified IDR entity selection. In these circumstances, under the final rules, if a party last in receipt of the applicable notice agrees with the other party's alternative preferred certified IDR entity and notifies the Departments of the agreement or fails to notify the Departments of its objection in the Federal IDR portal by the fifth business day after the date of IDR initiation, the Departments would select the final alternative preferred certified IDR entity selected in the applicable notice.
    - If the parties fail to jointly select a certified IDR entity within 3 business days after the date of IDR initiation, the Departments will select a certified IDR entity. This will occur via automatic email from the Federal IDR portal.
    - The Departments also finalized the proposal that the date of preliminary selection of the certified IDR entity is 3 business days after the date of IDR initiation if the parties jointly selected a certified IDR entity, or 6 business days after the date of IDR initiation if the parties fail to jointly select a certified IDR entity and the Departments instead select the certified IDR entity.
- Establish a mechanism for parties to agree or object and select another alternative preferred certified IDR entity after the non-initiating party submits the notice of IDR initiation response form and before the deadline for parties to jointly select a certified IDR entity, which is within 3 business days after the date of IDR initiation.
- To provide further clarity and to codify the process and timeframes for selecting a certified IDR entity, the certified IDR entity's conflict-of-interest review, and the date the certified IDR entity selection is considered finally selected, the Departments established a process that includes both preliminary selection of the certified IDR entity and final selection of the certified IDR entity. The date of final selection of the certified IDR entity would be the date that triggers the timeframes for the requirement to issue payment determinations (not later than 30 business days after the date of final selection of the certified IDR entity) and the submission of offers from both parties (not later than 10 business days after the date of final selection of the certified IDR entity).

The Departments also finalized that if the certified IDR entity notifies the Departments within 3 business days of the date of preliminary selection of the certified IDR entity that it does not meet the conflict-of-interest requirements or does not respond within 3 business days after the date of preliminary selection of the certified IDR entity, the Departments will randomly select another certified IDR entity. The Departments will notify the parties of the new randomly preliminarily selected certified IDR entity no later than 1 business day after the previously selected certified IDR entity notifies the Departments that it has a conflict of interest, or if the previously selected certified IDR entity fails to respond within 3 business days after the date of preliminary selection of the certified IDR entity, no later than 1 business day after the end of the 3-business-day period.

Federal IDR Process Eligibility Review

The No Surprises Act does not specify a timeframe or process for which the Departments or certified IDR entities must assess a dispute's eligibility for the Federal IDR process. The

Departments specified in the *Federal IDR Process Guidance for Certified IDR Entities* that certified IDR entities must make eligibility determinations within 3 business days after being selected. The Departments finalized the proposal to allow certified IDR entities 5 business days after selection to make eligibility determinations. If the certified IDR entity determines that the item or service is not a qualified IDR item or service, the dispute would be closed, and no further action taken by the IDR entity.

The Departments encourage disputing parties to communicate early and often regarding eligibility of a dispute for the Federal IDR process. The Departments provide policy and operational updates to all certified IDR entities to ensure that all certified IDR entities have the necessary information to make consistent eligibility determinations. In addition to the Federal IDR process guidance for certified IDR entities that the Departments have already released, the Departments have developed a standardized curriculum designed to improve consistency among already-certified IDR entities, and to aid in onboarding newly certified IDR entities.

Departmental Eligibility Review for Federal IDR Process Eligibility Determinations

In the proposed rules, the Departments indicated that even with new proposed policies that were expected to result in a more efficient eligibility review process with fewer ineligible initiated disputes, circumstances may still arise where the Departments would need to take actions to facilitate more timely dispute processing, such as when the volume of disputes outpaces the capacity of certified IDR entities to timely process eligibility determinations. To address such circumstances, and provide for such flexibility, the Departments proposed to establish an eligibility review process whereby, when certain conditions are met, the Departments would conduct the eligibility review and make the eligibility determination on behalf of the certified IDR entity (departmental eligibility review). The Departments decided not to finalize this proposal based on certified IDR entities' increased rate of making eligibility determinations since the 2023 proposed rules were published.

Proposals to allow a party to withdraw from the IDR Process

The Departments will allow a party to withdraw from the IDR Process under the following circumstances:

- When the initiating party provides notification through the Federal IDR portal to the Departments and the certified IDR entity (if selected) that both parties to the dispute agree to withdraw the dispute from the Federal IDR process without agreement on an out-of-network rate.
- When the initiating party provides a standard withdrawal request notice through the Federal IDR portal to the Departments, the certified IDR entity (if selected), and the non-initiating party of its request to withdraw the dispute from the Federal IDR process, and the non-initiating party notifies the Departments, certified IDR entity (if selected), and the initiating party through the Federal IDR portal of its agreement to withdraw from the Federal IDR process within 5 business days of the initiating party's request.
- When a certified IDR entity or the Departments cannot determine eligibility because both parties are unresponsive to a request for additional information.
- When the certified IDR entity cannot make a payment determination because both parties have failed to submit an offer.

The Departments also finalized the addition of language stating, "Provision of the withdrawal request through the Federal IDR portal pauses the Federal IDR process for 5 business days or until the non-initiating party responds, whichever happens first.".

Treatment of Batched Items and Services and Bundled Payment Arrangements

The Departments finalized new batching provisions that are intended to achieve a balance among several important objectives, including ensuring the batching rules do not unreasonably impede parties' access to the Federal IDR process considering relative costs and administrative burden, and simplifying Federal IDR process operations while avoiding new operational complexities that could create or exacerbate dispute backlogs. The Departments intend to release clarifying guidance regarding the batching provisions, as finalized, and their implementation. The Departments intend to remove the flexibility to resubmit incorrectly batched disputes 120 days following the applicability of the registry provisions, as finalized.

Line-item Limit for Batched Items and Services
The Departments proposed to limit batched determinations to 25-line items in a single dispute, but sought comment on whether a 50-line-item limit would be a more reasonable cap. The ACR commented in support of increasing the limit to at least 50-line items or removing the limit entirely.

The Departments acknowledged that a 25-line-item limit would be too restrictive, particularly for providers with high volumes of small dollar claims. On the other hand, batches containing hundreds of line items would make it difficult for certified IDR entities to make eligibility and payment determinations within statutory timeframes. Based on internal data on the sizes of batches, the Departments determined that a 50-line-item limit will ensure that the vast majority (99 percent) of batched disputes satisfy the line-item limit and therefore, they finalized a 50-line-item limit for batched disputes. As suggested by a commenter, the Departments will consider reevaluating the line-item limitation after one year. The Departments did not change the certified IDR entity fee structure for batched disputes.

Batched Items and Services Must be Billed by the Same Provider, Facility, or Provider of Air Ambulance Services
The Departments did not change the requirement that qualified IDR items and services are billed by the same provider or group of providers, the same facility, or the same provider of air ambulance services if the items or services are billed with the same NPI or TIN.

Batched Items and Services Must be Paid by the Same Plan or Issuer
The Departments finalized the proposals to clarify that for fully-insured group health plans and for individual health insurance coverage, the batching requirement would be satisfied if the same issuer is required to make payment for the qualified IDR items and services, even if the qualified IDR items and services relate to claims from different insured group health plans or individual market policies. For self-insured group health plans, this requirement would be satisfied if the same self-insured group health plan is required to make payment for the qualified IDR items and

services, including when the plan makes payments through a third party administrator (TPA). The requirement would not be satisfied if multiple self-insured group health plans are required to make payments for the qualified IDR items and services, even if those group health plans make payments through the same TPA.

Batched Items and Services Must Be Related to the Treatment of a Similar Condition
The Departments finalized the following specific circumstances for batching related to the treatment of a similar condition:

1. The qualified item or service is furnished to a single patient during a single patient encounter, defined as, "a patient encounter on one or more consecutive days during which the qualified IDR items or services were furnished to the same patient and billed on the same claim form".
2. The qualified IDR item or service is billed under the same or comparable service code.
3. The qualified IDR item or service is billed under the same Category I CPT code range for anesthesiology, radiology, pathology, and laboratory items and services, as defined by the Departments in guidance.

Items and Services Are Considered to Relate to the Treatment of a Similar Condition If They Are Furnished to a Single Patient During the Same Patient Encounter
The Departments finalized the proposal to define a single patient encounter as a patient encounter on one or more consecutive days during which the qualified IDR items or services were furnished to the same patient and billed on the same claim form.

The ACR requested in our comments that the requirement for these services to be on "consecutive days" and "on the same claim form" be removed since a patient may receive many imaging services within a 30-day period that are related to the same condition and may or may not be on consecutive days. The Departments responded by stating, "The Departments understand that batching by single patient encounter may not be efficient for radiology services in some cases. However, the Departments also proposed batching requirements that would allow radiology claims belonging to the same range of Category I CPT codes as defined by the Departments in guidance to be batched together, even if furnished to different patients. Therefore, the Departments believe that removing the requirement that a single patient encounter occur on one or more non-consecutive days is not necessary to address the commenter's concerns."

Anesthesiology, Radiology, Pathology, and Laboratory Items and Services Are Considered to Relate to the Treatment of a Similar Condition If They Are Furnished to One or More Patients and Are Billed Under Service Codes Belonging to the Same Category I CPT Code Ranges, as Specified in Guidance
The Departments finalized proposals stating that anesthesiology, radiology, pathology, and laboratory qualified IDR items and services would be considered to relate to the treatment of similar conditions when they are furnished to one or more patients and billed under service codes belonging to the same Category I CPT code ranges, which would be specified in guidance published by the Departments.

The ACR supported the concept of this proposal, but disagreed with the 27 proposed groups of radiology-related CPT codes, as such a large number of sub-categories would add complexity for providers and IDR entities in identifying claim eligibility and appropriateness of batching. The ACR suggested a compromise approach by allowing batching in 4 categories of imaging CPT codes (i.e. diagnostic radiology, interventional radiology, nuclear medicine and radiation oncology). The Departments stated their view that, due to the variability of the conditions represented within the broad CPT Category I sub-categories, batching by broad CPT Category I sub-categories would reduce, rather than promote, greater efficiency of the Federal IDR process and would be less likely to relate to the treatment of a similar condition. Thus, the Departments finalized the proposal to specify in guidance narrower ranges of CPT codes within sub-categories of CPT Category I codes that may be batched, as they would ensure items and services relate to the treatment of a similar condition, and would promote efficiency in the Federal IDR process.

The Departments divided Category I CPT codes into ranges based on the Departments' characterization of those codes as being related to the treatment of a similar condition. The finalized categories for radiology are included in Table 1 below.

TABLE 1: Radiology CPT Code Spans for Permissible Batched Determinations-Level I HCPCS Codes (CPT)

Code Span		Description
Level I HCPCS Codes (CPT)		
Diagnostic Radiology (Imaging)		
Diagnostic Radiology (Imaging)	70010 - 71555	Head and Neck, Chest
	72020 - 72295	Spine and Pelvis
	73000 - 73725	Upper Extremities, Lower Extremities
	74018 - 74363	Abdomen, Gastrointestinal Tract
	74400 - 74775	Urinary Tract, Gynecological and Obstetrical
	75557 - 75989	Heart, Vascular
	76000 - 76499	Other Procedures
	R0070 - R0076	Transportation, Portable Radiology Equipment
Diagnostic Ultrasound		
Diagnostic Ultrasound	76506 - 76642	Head and Neck, Chest
	76700 - 76776	Abdomen and Retroperitoneum
	76800 - 76873	Spinal Canal, Pelvis, Genitalia
	76881 - 76886	Extremities
	76392 - 76965	Ultrasonic Guidance Procedures
	76975 - 76999	Other Procedures
Radiologic Guidance		
Radiologic Guidance	77001 - 77003	Fluoroscopic Guidance
	77011 - 77014	CT Guidance
	77021 - 77022	MRI Guidance

Code Span		Description
Breast Mammography		
Breast Mammography	77046 - 77067[112]	Mammography
Bone/Joint Studies		
Bone/Joint Studies	77071 - 77092	Bone/Joint Studies
Radiation Oncology		
Radiation Oncology	77261 - 77370	Clinical Treatment Planning, Medical Radiation Physics
	77371 - 77425	Stereotactic Radiation Treatment Delivery, Other, Radiation Treatment Delivery, Neutron Beam Radiation Delivery
	77427 - 77499	Radiation Treatment Management
	77520 - 77525	Proton Beam Treatment Delivery
	77600 - 77620	Hyperthermia, Clinical Intracavitary Hyperthermia
	77750 - 77799	Clinical Brachytherapy
Nuclear Medicine		
Nuclear Medicine	78012 - 78999	Diagnostic Nuclear Medicine
	79005 - 79999	Therapeutic Nuclear Medicine

Batched Items and Services Must Have Been Furnished Within the Same Time Period
The Departments sought comment on alternative lengths of the cooling off period for batched disputes, including zero days. The ACR strongly supported changing the cooling off period to one business day. The Departments finalized a reduction of the 90-calendar-day cooling off period at to 30 business days specifically for batched disputes to mitigate concerns raised by the Departments and commenters regarding the complexities of applying the cooling off period to payment determinations for batched disputes.

In response to comments that the cooling off period should be shortened for all claims, the Departments stated, "Further shortening or eliminating the cooling off period for all claims would undermine the intended effect of the cooling off period to encourage the early resolution of disputes through open negotiation and reduce the number of disputes that are initiated in the Federal IDR process."

Some commenters indicated that when numerous disputes involving the same parties and same item or service are submitted in quick succession, this can result in a "stacking" of cooling off periods whereby one begins before the previous one has ended. Another commenter stated that inconsistent interpretations by various certified IDR entities around when and to which parties and claims the cooling off period applies has led to inefficiencies in the Federal IDR process and unnecessary administrative burden. The Departments intend to publish clarifying guidance about the finalized batching provisions, which will include details regarding the applicability and implementation of the cooling off period.

In addition to these proposals, the Departments also considered altering current guidance on the resubmission of incorrectly batched disputes. The ACR urged the Departments not to finalize the proposal to remove the allowance for resubmission of batches that contain ineligible claims.

Despite these comments, the Departments are removing the ability to resubmit inappropriately batched or bundled disputes 120 days after plans and issuers are required to register in the IDR registry (modified from the proposed 90 business days after the proposed batching provisions would become applicable). The Departments feel that the implementation of the registry, along with the batching guidance to be published after these final rules, will allow initiating parties to appropriately batch disputes. Therefore, once the registry provisions are implemented, the initiating party should have the information they require to submit an appropriate batch, reducing the need for resubmission flexibility with respect to batched disputes.

Administrative and Certified IDR Entity Fee Collection

Under methodology finalized in December 2023 rulemaking, the Departments calculate the administrative fee by dividing the estimated annual expenditures to be made by the Departments in carrying out the Federal IDR process by the estimated annual number of administrative fees to be paid by the disputing parties to certified IDR entities. In the 2023 proposed rules, the Departments proposed changes to the administrative fee methodology and the administrative fee amount to reflect the impact of other proposed provisions in the 2023 proposed rules that, if finalized as proposed, would affect the administrative fee collections process and the Departments' expenditures to carry out the Federal IDR process. The Departments proposed using the number of disputes initiated to estimate the total number of administrative fees paid in the administrative fee methodology to reflect the proposal to collect the administrative fee earlier in the Federal IDR process. The Departments also proposed a reduced administrative fee for both parties in low-dollar disputes of 50 percent of the full administrative fee (or $75) per party per dispute.

After considering comments received, and because the Departments are not finalizing the proposals to (1) change the timing of administrative fee collection, (2) collect administrative fees directly, (3) reduce the administrative fees for ineligible and low-dollar disputes, or (4) modify the administrative fee methodology, the administrative fee methodology set forth in the IDR Process Fees final rules remains in effect.

However, in accordance with the 2023 proposed rules, the Departments are finalizing updated estimates of the total administrative fees paid and expenditures to be made by the Departments to carry out the Federal IDR process to be used in the current administrative fee methodology to reflect the most recent data available in time for incorporation in these final rules. The Departments are increasing their estimate of the total number of administrative fees paid annually from approximately 691,000, as specified in the 2023 proposed rules, to approximately 6.9 million. This reflects estimating the number of administrative fees paid using the most recent data available in time for incorporation in these final rules from 1 year of Federal IDR operations from May 2025 to April 2026 (during which approximately 5.3 million administrative fees were collected by the Departments) and increasing that amount by 30 percent to account for a projected increase in administrative fees paid, as a result of the significant decrease in the administrative fee amount finalized in these rules. The Departments are also updating the expenditures estimated to be made by the Departments in carrying out the Federal IDR process from approximately $100.2 million, as specified in the 2023 proposed rules, to approximately $119.4 million in these final rules to reflect the costs of carrying out the Federal IDR process at

the current volume of disputes and take into consideration the costs of implementing the provisions finalized in these final rules.

The updated volume and expenditure inputs result in a finalized administrative fee amount of $15 per party per dispute, effective June 11, 2026. The Departments estimate that a lower administrative fee will make the Federal IDR process more accessible for small and rural providers and for low-dollar claims. The Departments will monitor compliance with the applicable administrative fee payment deadlines and may impose consequences for non-payment as permitted by Federal Debt Collection authorities.

Time of Collection of Certified IDR Entity Fee
The Departments finalized that each party to a dispute pay the certified IDR entity fee no later than the time the parties submit their offers. The certified IDR entity must return the fee paid by the prevailing party within 30 business days following the payment determination date. The Departments also finalized that in the event of a batched dispute where each party prevails in an equal number of determinations, the certified IDR entity fee would be split evenly between the parties. In this case, the certified IDR entity would return half of the fee paid by each party within 30 business days following the dates of the payment determination.

For a dispute for which there is final selection of a certified IDR entity, but the dispute has been determined ineligible or no eligibility determination has been made for the dispute, the certified IDR entity is required to return the entirety of each party's certified IDR entity fee within 30 business days of the date both parties notify the certified IDR entity under those two circumstances. The first circumstance is when the parties reach an agreement on an out-of-network rate for qualified IDR items or services before the certified IDR entity has made a payment determination. The second circumstance is when the parties withdraw the dispute before the certified IDR entity has made a payment determination.

Manner of Administrative Fee Collection
The Departments proposed to require each party participating in the Federal IDR process to pay the administrative fee directly to the Departments, instead of to the certified IDR entity for remittance to the Departments, as is currently required. This proposal was not finalized and as such, the certified IDR entities will continue to collect both fees.

Application of Federal IDR Process Requirements in Circumstances Involving a Failure to Pay Certified IDR Entity Fees or Administrative Fees
The Departments finalized the proposal that if either party fails to pay the certified IDR entity fee by the time the offer is due, that party's offer will not be considered received. The Departments also finalized that if a party fails to submit an offer or a party's offer is not considered received due to nonpayment of the certified IDR entity fee, the non-prevailing party will continue to be responsible for payment of the certified IDR entity fee. This means that a certified IDR entity will be able to take all steps consistent with applicable law to collect any certified IDR entity fee owed to it.

The Departments are finalizing that if a party fails to pay the administrative fee, at the time specified in 26 CFR 54.9816- 8T(d)(2)(i), 29 CFR 2590.716-8(d)(2)(i), and 45 CFR 149.510(d)(2)(i), or at the time specified by the certified IDR entity in conformance with existing guidance, that party's offer will not be considered received, and such party will continue to be responsible for payment of the administrative fee.

Administrative Fee Structure for Disputing Parties in Low-Dollar Disputes
The Departments proposed a framework to reduce the administrative fee for parties in low-dollar disputes to promote equitable access across the spectrum of parties seeking to initiate the Federal IDR process, such as providers in rural communities, small practices, specialties that regularly bill for services that have low-dollar costs, and issuers with a smaller pool of claims to absorb the impact of a standard administrative fee assessed for low-dollar disputes.

In light of the significantly reduced administrative fee, the Departments did not finalize this proposal for a reduced administrative fee for low-dollar disputes.

Payment Determination

Submission of Offers Deadline
The Departments finalized as proposed that offers are due from the parties not later than 10 business days after of the date of final selection of the certified entity, or not later than 10 business days after the qualified IDR items and services are determined eligible in the event that any of the extenuating circumstances described in 26 CFR 54.9816-8T(g)(1)(ii), 29 CFR 2590.716-8(g)(1)(ii), and 45 CFR 149.510(g)(1)(ii) apply.

Payment Determination and Notification Deadline
The Departments finalized as proposed that the requirement to provide notification of the payment determination to the parties will commence not later than 30 business days after the date of final selection of the certified IDR entity, or not later than 30 business days after the qualified IDR items and services are determined eligible in the event that any of the extenuating circumstances described in 26 CFR 54.9816-8T(g), 29 CFR 2590.716-8(g), and 45 CFR 149.510(g) apply.

The certified IDR entity's written decision must include an explanation of their determination, including what information the certified IDR entity determined demonstrated that the offer selected as the out-of-network rate is the offer that best represents the value of the qualified IDR item or service, including the weight given to the qualifying payment amount and any additional credible information.

Extension of Time Periods for Extenuating Circumstances
The Departments finalized that under extenuating circumstances caused by an unforeseen high volume of disputes, the Departments will grant certified IDR entities an extension of the eligibility determination timeframe. The amount of time provided in such an extension will be determined by the Departments based on the volume of disputes and the number of active certified IDR entities at the time the extension is granted. An extension of the eligibility

determination deadline, if granted by the Departments, will not alter the length of the subsequent timeframes in the Federal IDR process. Rather, the extended eligibility deadline will be a starting point for the other established IDR deadlines.

Federal IDR Process Registration of Group Health Plans, Health Insurance Issuers, and Federal Employees Health Benefits Carriers

The Departments finalized the proposal to create a single registry of plans and issuers subject to the Federal IDR process to foster better communication between disputing parties. These changes will benefit all parties by reducing the need for time-consuming and expensive follow-up by disputing parties, certified IDR entities, and the Departments to obtain necessary information.

The Departments proposed that plans, issuers, and FEHB carriers would generally be required to register by the later of 30 business days after the effective date of the final rules, 30 business days after the registry becomes available, or at the time that the plan or issuer began offering coverage, whichever is later. After reviewing comments received, the Departments changed the deadline to 90 business days after the registry becomes available or the date the group health plan begins offering coverage subject to the Federal IDR process.

Applicability Dates

Definition of Bundled Payment Arrangement

60 days after the publication date of the final rule.

Use of CARCs and RARCs

While the provision will become effective upon the effective date of these final rules (60 days after publication), the Departments intend to establish an applicability date through guidance for the use of specified CARCs or RARCs. The Departments intend to issue guidance on the DOL (https://www.dol.gov/agencies/ebsa) and CMS (https://cciio.cms.gov) websites within 6 months of publication of these final rules. It is anticipated that guidance will provide regulated entities no less than 4 months to come into compliance.

Information To Be Shared About the QPA

These provisions will apply to disclosures required to be provided on or after the effective date of the final rules (60 days after publication).

Definition of Batched Qualified Items and Services

Applicable for disputes with open negotiation periods beginning 90 days after the effective day of these final rules.

Open Negotiation, Initiation, Certified IDR Entity Selection, Authority to Continue Negotiations, Withdrawals, Eligibility, Batching, Submission of Offers and Payment Determination, Extensions

Disputes with open negotiation periods beginning 90 days after the Departments issue guidance announcing that the functionality supporting these provisions has become available. The Departments anticipate that all functionality associated with these provisions will be available 24

months after the effective date of these final rules. The Departments will be implementing these provisions on a rolling basis, beginning in Summer 2026, and will issue guidance announcing when the functionality supporting each requirement becomes available and the corresponding applicability date.

Administrative and Certified IDR Entity Fee Collection
The $15 administrative fee will apply to disputes initiated on or after 5 business days from the publication date of the final rule.

Federal IDR Registry
90 business days after the Departments issue guidance announcing that the functionality supporting the registry provisions has become available.

Questions on these final rules should be directed to Kathryn Keysor, ACR Senior Director, Economic Policy at kkeysor@acr.org.