

# Court Recognizes Private Right of Action to Enforce No Surprises Act IDR Award

EBIA Weekly (May 28, 2026)

*PHI Health, LLC v. Optimum Choice, Inc.*, 2026 WL 850453 (D. Md. 2026)

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A federal trial court has declined to dismiss a lawsuit brought by an air ambulance provider seeking to enforce an independent dispute resolution (IDR) award under the No Surprises Act (NSA), enacted as part of the Consolidated Appropriations Act, 2021. As background, the NSA capped the prices that out-of-network providers can charge, prohibited such providers from billing patients for amounts not paid by insurance, and set up an IDR process to resolve payment disputes and require health plan administrators to pay any resulting IDR awards within 30 days. In this case, an air ambulance provider transported a patient covered by a health plan administered by a large insurer. After a dispute arose over the payment amount, the provider initiated IDR proceedings, and the certified IDR entity issued an award in the provider's favor. After more than a year without payment, the provider sued, asserting an implied private right of action under the NSA. The insurer argued that the NSA does not authorize providers to enforce IDR awards in court and that enforcement authority rests exclusively with HHS through administrative penalties.

The court allowed the case to proceed, concluding that the NSA impliedly authorizes a private right of action to enforce binding IDR awards. The court reasoned that the NSA unambiguously stripped providers of their common-law and statutory rights to collect payment from patients and replaced those rights with a federal right to payment through the binding IDR process. Analyzing the statute's text and structure, the court found that Congress clearly intended IDR awards to be judicially enforceable if not paid within 30 days. The court also rejected the insurer's argument that HHS's authority to impose civil monetary penalties constitutes a sufficient enforcement scheme, finding that such penalties are payable to the government—not to providers—and do not require a payor to comply with any specific IDR award. The court expressly rejected the Fifth Circuit's contrary conclusion that the NSA bars providers from enforcing IDR awards in court.

**EBIA Comment:** This decision adds to a growing split on whether providers may enforce IDR awards through private litigation. While the Fifth Circuit has held that no such right exists, this court and certain other federal trial courts have concluded otherwise, meaning that plans and insurers operating outside the Fifth Circuit may face greater exposure to enforcement lawsuits when they fail to pay IDR awards within the required 30-day window. Plan sponsors and their advisors should monitor this developing area of law closely and ensure that processes are in place to timely satisfy binding IDR determinations. For more information, see EBIA's Self-Insured Health Plans manual at Section XIII.C.12 ("Patient Protections: Surprise Billing Independent Dispute Resolution") and EBIA's Group Health Plan Mandates manual at Section XIII.B.4 ("Surprise Air Ambulance Billing"). See also EBIA's Health Care Reform manual at Section XII.B.3 ("Surprise Medical Billing: Emergency and Non-Emergency Services").

Contributing Editors: EBIA Staff.