

House Bill 3557

Sponsored by Representatives CHOTZEN, WALLAN; Representative SOSA, Senators PATTERSON, REYNOLDS

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: Makes a hospital make a public list of standard charges that lists the hospital's regular rates or prices. (Flesch Readability Score: 61.6).

Requires a hospital to establish, update and make public a list of standard charges that lists the regular rates or prices established by the hospital for items or services and shoppable services offered or provided by the hospital. Specifies the information that a list of standard charges must include. Requires a hospital to provide each newly created or updated list of standard charges to the Oregon Health Authority.

Directs the authority to create an electronic form for submitting complaints to the authority. Directs the authority to require a hospital to take immediate or corrective action to remedy any violations.

Provides for a private right of action if a hospital initiates or pursues a collection action for a debt owed on an item or service if the hospital is not in compliance.

Provides for civil penalties.

A BILL FOR AN ACT

1
2 Relating to standard charges established by a hospital.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1. Definitions. As used in sections 1 to 5 of this 2025 Act:**

5 (1) **"Chargemaster" means a list maintained by a hospital that contains all items and**
6 **services for which the hospital has established a standard charge.**

7 (2) **"Deidentified maximum negotiated charge" means the highest standard charge that**
8 **a hospital has negotiated with all third-party payors for an item or service.**

9 (3) **"Deidentified minimum negotiated charge" means the lowest standard charge that a**
10 **hospital has negotiated with all third-party payors for an item or service.**

11 (4) **"Discounted cash price" means a standard charge for an item or service that a hos-**
12 **pital charges to an individual who pays out of pocket.**

13 (5) **"Gross charge" means a standard charge for an item or service listed in a hospital's**
14 **chargemaster, absent any discounts.**

15 (6) **"Item or service" means an item or service offered or provided by a hospital to a**
16 **patient in connection with an inpatient admission or outpatient visit.**

17 (7) **"Machine readable file" means a digital representation of information in a file that**
18 **can be easily imported or read into a computer system for further processing without any**
19 **additional preparation.**

20 (8) **"Payor-specific negotiated charge" means a standard charge that a hospital has ne-**
21 **gotiated with a third-party payor for an item or service.**

22 (9) **"Standard charge" means a regular rate or price established by a hospital for an item**
23 **or service provided by the hospital to a specific group of patients.**

24 (10) **"Third-party payor" means an entity that is, by statute, contract or agreement, le-**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

gally responsible for payment of claim for an item or service.

SECTION 2. List of standard charges required. A hospital licensed in this state shall establish, update and make public a list of standard charges, as provided under section 3 and 4 of this 2025 Act and rules adopted by the Oregon Health Authority.

SECTION 3. List of standard charges; machine-readable file. (1)(a) A hospital licensed in this state shall establish, update and make public a machine-readable file that contains a list of all standard charges, expressed in dollar amounts, for items and services offered or provided by the hospital.

(b) If a hospital has a different set of standard charges for different locations operated by the hospital, the hospital shall make public a separate machine-readable file for each location that has a different set of standard charges.

(c) A list of standard charges must identify and distinguish between charges for inpatient and outpatient services, as applicable.

(2) A list of standard charges must include for each item and service the following information:

(a) A description of the item or service;

(b) The gross charge;

(c) The payor-specific negotiated charge for each third-party payor, type of payor and coverage plan;

(d) The deidentified minimum negotiated charge;

(e) The deidentified maximum negotiated charge;

(f) The discounted cash price; and

(g) All codes used by the hospital for purposes of accounting or billing for the item or service, including the current procedural terminology (CPT) code, healthcare common procedure coding system (HCPCS) code, diagnosis related group (DRG) code, national drug code (NDC) or other common identifier.

(3) A list of standard charges must contain the following general information:

(a) The hospital's name;

(b) The hospital's licensing number;

(c) Names and addresses of the hospital's facilities for which the list of standard charges applies; and

(d) The date that the list of standard charges was made public or last updated.

(4) The Oregon Health Authority may by rule require or specify:

(a) Additional information to be included in a list of standard charges; or

(b) The form, manner, format, layout or file in which a list of standard charges must be made public.

(5)(a) A hospital shall make public a list of standard charges by publishing the list of standard charges in a single digital file to the hospital's website or, if the hospital does not have a website, on a website for the purpose of making public the list of standard charges.

(b) The digital file must be in a machine-readable format and digitally searchable.

(c) The digital file must be accessible:

(A) Free of charge;

(B) Without requiring a person to establish a user account or password;

(C) Without requiring a person to submit personal identifying information; and

(D) To automated searches and direct file downloads.

1 (6) A hospital shall provide each file that the hospital establishes or updates to the au-
 2 thority and certify with the authority that the information contained within the hospital's
 3 list of standard charges is true, accurate and complete as of the date the list is made public
 4 or updated.

5 **SECTION 4. List of standard charges for shoppable services.** (1) As used in this section:

6 (a) "Ancillary service" means an item or service that a hospital customarily provides as
 7 part of or in conjunction with a shoppable service.

8 (b) "Shoppable service" means a service offered by a hospital that a person can schedule
 9 in advance. A service may be an aggregation of items and services that are offered by a
 10 hospital as a single service.

11 (2) A hospital licensed in this state shall establish, update and make public a list of
 12 standard charges for shoppable services offered by the hospital as required under this sec-
 13 tion.

14 (3) A list of standard charges for shoppable services must include at least 300 shoppable
 15 services out of the shoppable services offered by the hospital. In choosing the shoppable
 16 services to place on the list of standard charges, a hospital shall consider the frequency at
 17 which the hospital provides a shoppable service. If a hospital does not offer 300 shoppable
 18 services, the list of standard charges for shoppable services must include all shoppable ser-
 19 vices offered by the hospital.

20 (4) A list of standard charges for shoppable services must include any shoppable service
 21 offered by the hospital that is specified by the Centers for Medicare and Medicaid Services
 22 pursuant to section 2718 of the federal Public Health Service Act, 42 U.S.C. 300gg-18. A
 23 shoppable service described under this subsection that is on a list of standard charges shall
 24 count towards the number of shoppable services required to be listed under subsection (3)
 25 of this section.

26 (5) A list of standard charges for shoppable services offered by a hospital must include
 27 for each shoppable service, and associated ancillary services as applicable, the following in-
 28 formation:

29 (a) A plainly worded description of the shoppable service;

30 (b) If applicable, information that a shoppable service described under subsection (4) of
 31 this section is not offered by the hospital;

32 (c) The names and addresses of the hospital's facilities where the shoppable service is
 33 provided;

34 (d) The payor-specific negotiated charge for each third-party payor, type of payor and
 35 coverage plan;

36 (e) The discounted cash price or gross charge if a hospital does not offer a discounted
 37 cash price;

38 (f) The deidentified minimum negotiated charge;

39 (g) The deidentified maximum negotiated charge;

40 (h) Whether the standard charges for the shoppable service apply to an inpatient or
 41 outpatient setting; and

42 (i) All codes used by the hospital for purposes of accounting or billing for the item or
 43 service, including the current procedural terminology (CPT) code, healthcare common pro-
 44 cedure coding system (HCPCS) code, diagnosis related group (DRG) code, national drug code
 45 (NDC) or other common identifier.

1 (6) A hospital shall make public a list of standard charges for shoppable services by
 2 publishing the list of standard charges to the hospital's website or, if the hospital does not
 3 have a website, on a website for the purpose of making public the list of shoppable services.
 4 The list of standard charges must be:

5 (a) Accessible:

6 (A) Free of charge;

7 (B) Without requiring a person to establish a user account or password; and

8 (C) Without requiring a person to submit personal identifying information; and

9 (b) Searchable by service description, billing code and payor.

10 **SECTION 5. Reporting requirements; audit.** (1) Each time a hospital licensed in this state
 11 creates or updates a list of standard charges under section 3 or 4 of this 2025 Act, the hos-
 12 pital shall provide the list, and a report on the list, to the Oregon Health Authority. The
 13 authority shall prescribe the form in which the updated list and report is to be provided. A
 14 list that includes less than 95 percent of all values required under section 3 or 4 of this 2025
 15 Act shall be considered insufficient to meet the requirements under this subsection.

16 (2) The authority shall retain a list of standard charges, and any additional records, that
 17 the authority receives under this section for at least five years from the date the authority
 18 receives the list and records.

19 (3) The authority may audit a hospital's publicly available website to determine compli-
 20 ance with the provisions of sections 1 to 5 of this 2025 Act.

21 **SECTION 6. Actions to remedy violations.** (1) If the Oregon Health Authority determines
 22 that a hospital is in violation of a provision of sections 1 to 5 of this 2025 Act, the authority
 23 shall issue to the hospital a written notice of violation. The notice shall clearly explain the
 24 manner in which the hospital is in violation and whether the authority requires the hospital
 25 to take immediate action to remedy the violation or submit a corrective action plan.

26 (2) If a hospital is required to take immediate action to remedy a violation, the hospital
 27 shall confirm with the authority when the hospital has remedied the violation.

28 (3) If a hospital is required to submit a corrective action plan, the hospital shall submit
 29 to the authority a corrective action plan within 30 days from the date of the notice of vio-
 30 lation and complete the corrective action plan no later than the date specified by the au-
 31 thority.

32 **SECTION 7. Submission of complaints.** The Oregon Health Authority shall establish an
 33 electronic form that individuals may use to submit complaints to the authority for alleged
 34 violations of sections 1 to 5 of this 2025 Act and make the form publicly available on the
 35 authority's website.

36 **SECTION 8. Noncompliance; prohibition on collecting debt.** (1) As used in this section,
 37 "item or service" has the meaning given that term in section 1 of this 2025 Act.

38 (2) A hospital licensed in this state may not initiate or pursue a collection action for a
 39 debt owed on an item or service if the hospital is not in compliance with the provisions of
 40 sections 1 to 5 of this 2025 Act on the date that the item or service is provided or purchased.

41 (3)(a) A person may bring an individual action in an appropriate court against a hospital
 42 licensed in this state if:

43 (A) The hospital initiates or pursues a collection action against the person for a debt
 44 owed on an item or service; and

45 (B) The hospital was not in compliance with the provisions of sections 1 to 5 of this 2025

1 Act on the date that the item or service were provided or purchased.

2 (b) In an individual action brought under this subsection, the court shall determine
3 whether the hospital was in compliance with the provisions of sections 1 to 5 of this 2025
4 Act, as related to the item or service that was provided or purchased, on the date that the
5 item or service was provided or purchased. If the court finds that the hospital was not in
6 compliance with the provisions of sections 1 to 5 of this 2025 Act, as related to the item or
7 service that was provided or purchased, on the date that the item or service was provided
8 or purchased, the court shall:

9 (A) Order the hospital to dismiss with prejudice any court action that the hospital has
10 open seeking to collect the debt owed on the item or service;

11 (B) Order the hospital to refund any amount paid to the hospital for the item or service;

12 (C) Award the person an amount equal to three times the amount of the debt that the
13 hospital sought to collect in initiating or pursuing a collection action against the person; and

14 (D) Award reasonable attorney fees and costs incurred.

15 (4) Individual actions brought under subsection (3) of this section shall be commenced
16 within one year from the date the hospital last took a collection action against the person.

17 (5) Upon commencement of any individual action brought under subsection (3) of this
18 section, the clerk of the court shall mail a copy of the complaint or other initial pleading to
19 the Oregon Health Authority and, upon entry of any judgment in the individual action, shall
20 mail a copy of such judgment to the authority.

21 **SECTION 9. Civil penalties.** (1) A hospital that fails to perform as required under sections
22 1 to 6 of this 2025 Act and rules adopted by the Oregon Health Authority may be subject to
23 a civil penalty.

24 (2) The authority shall adopt a schedule of civil penalties not to exceed \$5,000 per day of
25 violation that are based on the severity of the violation and the number of previous vio-
26 lations.

27 (3) Civil penalties imposed under this section shall be imposed as provided in ORS 183.745.

28 (4) Civil penalties imposed under this section may be remitted or mitigated upon such
29 terms and conditions as the authority considers proper and consistent with the public health
30 and safety.

31 (5) Civil penalties incurred under this section are not allowable as costs for the purpose
32 of rate determination or for reimbursement by a third-party payor.

33 **SECTION 10. Captions.** The section captions used in this 2025 Act are provided only for
34 the convenience of the reader and do not become part of the statutory law of this state or
35 express any legislative intent in the enactment of this 2025 Act.

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