

SENATE BILL 1114

By Kyle

AN ACT amend Tennessee Code Annotated, relative to
the Tennessee Health Care Pricing Act.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 68, Chapter 11, is amended by adding Sections 2 through 9 of this act as new part 21 thereto.

SECTION 2. This part shall be known and may be cited as the "Tennessee Health Care Pricing Act."

SECTION 3. As used in this part, unless the context otherwise requires:

(1) "Bundled health care services and supplies" means the grouping of multiple health care services and supplies provided by a health care provider to a patient during one (1) visit to or treatment by such health care provider;

(2) "Health care price" means the total compensation a health care provider accepts as payment in full for a health care service or supply or bundled health care services and supplies provided to a patient;

(3) "Health care provider" means any person or entity performing services regulated pursuant to title 63 or chapter 11 of this title; and

(4) "Pricing information list" means a list of:

(A) The health care price of each health care service and each health care supply that may be provided by a health care provider to a patient;

(B) The health care price of each set of bundled health care services and supplies that may be provided by the health care provider to a patient.

SECTION 4. This part shall not apply to the price of a health care service or supply or bundled health care services and supplies provided to:

(1) A patient for whom a health care provider has accepted assignment for the health care service or supply from TennCare or Medicare or any other federal, state, or local government-sponsored medical assistance program; or

(2) A financially or medically indigent person who qualifies for indigent health care services based on:

(A) A sliding fee scale; or

(B) A health care provider's written charity care policy.

SECTION 5. Each health care provider shall:

(1) Compile a pricing information list;

(2) Post on the provider's Internet web site the pricing information list and the effective date of the list before providing a health care service or supply or bundled health care services and supplies to a patient; and

(3) Provide notice of a price change of a health care service or supply or bundled health care services and supplies by posting the notice on the provider's Internet web site not less than thirty (30) days prior to such price change.

SECTION 6. A health care provider shall not:

(1) Charge an amount that is different than the amount listed as the health care price in the pricing information list for a health care service or supply or bundled health care services and supplies provided to a patient; or

(2) Include a discount, bonus, fee, or other charge that changes the health care price listed in the pricing information list.

SECTION 7. A health care provider may accept from a patient a payment that is less than the health care price listed in the pricing information list if the health care provider determines, in the provider's sole discretion, that payment of the listed price would present a hardship to the patient.

SECTION 8. Except for a health care service or supply or bundled health care services and supplies provided to a patient in an emergency department of a hospital or as the result of

an emergent direct admission, a patient who receives a health care service or supply or bundled health care services and supplies from a health care provider whose health care price listed is greater than the payment provided under the patient's health plan, is personally responsible for the amount that is more than the payment provided under the patient's health plan.

SECTION 9. A health care provider who violates this part is subject to disciplinary action by the board of the profession of the healing arts issuing a license for such health care provider.

SECTION 10. Tennessee Code Annotated, Title 63, Chapter 6, Part 2, is amended by adding a new section thereto, as follows:

63-6-245. A physician shall develop and enforce written policies for billing of health care services and supplies. Such written policies shall include:

- (1) Any discounting of charges for health care services or supplies provided to an indigent patient who qualifies for services or supplies based on a sliding fee scale or a written charity care policy established by the physician;
- (2) Whether interest will be applied to any billed health care service or supply not covered by a third-party payor and the amount of such interest; and
- (3) The procedure for handling complaints relative to billed charges for health care services or supplies.

SECTION 11. Tennessee Code Annotated, Title 63, Chapter 9, Part 1, is amended by adding a new section thereto, as follows:

63-9-122. An osteopathic physician shall develop and enforce written policies for billing of health care services and supplies. Such written policies shall include:

- (1) Any discounting of charges for health care services or supplies provided to an indigent patient who qualifies for services or supplies based on a sliding fee scale or a written charity care policy established by the osteopathic physician;

(2) Whether interest will be applied to any billed health care service or supply not covered by a third-party payor and the amount of such interest;

(3) The procedure for handling complaints relative to billed charges for health care services or supplies.

SECTION 12. Tennessee Code Annotated, Title 68, Chapter 11, Part 2, is amended by adding a new section thereto, as follows:

68-11-276. Each health care facility licensed by the board for licensing health care facilities shall develop and enforce written policies for billing of health care services and supplies. Such written policies shall include:

(1) Any discounting of charges for health care services or supplies provided to an indigent patient who qualifies for services or supplies based on a sliding fee scale or a written charity care policy established by the physician; and

(2) Whether interest will be applied to any billed health care service or supply not covered by a third-party payor and the amount of such interest; and

(3) The procedure for handling complaints relative to billed charges for health care services or supplies.

SECTION 13. This act shall take effect January 1, 2014, the public welfare requiring it.