Representative Mike Winder proposes the following substitute bill:

1 # HEALTH CARE COST TRANSPARENCY

2 2019 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: Mike Winder**

5 Senate Sponsor: Jacob L. Anderegg

6

7 **LONG TITLE**

8 **General Description:**

9 This bill requires the publication of certain prices and information related to health care

10 services.

11 **Highlighted Provisions:**

12 This bill:

13 ▸ requires a hospital to provide a complete list of itemized charges to a patient within

14 a specified time period;

15 ▸ requires a health care facility to publish information related to standard charges;

16 ▸ requires certain health care providers to publish prices and related information for

17 the health care provider's most commonly performed procedures; and

18 ▸ makes technical changes.

19 **Money Appropriated in this Bill:**

20 None

21 **Other Special Clauses:**

22 This bill provides a coordination clause.

23 **Utah Code Sections Affected:**

24 AMENDS:

25 **26-21-20**, as last amended by Laws of Utah 2009, Chapter 11

26 **26-21-27**, as enacted by Laws of Utah 2010, Chapter 68
27 ENACTS:
28 **58-1-509**, Utah Code Annotated 1953
29 **Utah Code Sections Affected by Coordination Clause:**
30 **26-21-20**, as last amended by Laws of Utah 2009, Chapter 11
31 **26-21-27**, as enacted by Laws of Utah 2010, Chapter 68
32 **58-1-509**, Utah Code Annotated 1953
33

34 *Be it enacted by the Legislature of the state of Utah:*
35 Section 1. Section **26-21-20** is amended to read:
36 **26-21-20. Requirement for hospitals to provide statements of itemized charges to**
37 **patients.**
38 (1) For purposes of this section, "hospital" includes:
39 (a) an ambulatory surgical facility;
40 (b) a general acute hospital; and
41 (c) a specialty hospital.
42 (2) (a) A hospital shall provide a complete statement of itemized charges to any patient
43 receiving medical care or other services from that hospital[.] within 120 days after the later of:
44 (i) the day on which the patient is discharged from the hospital; and
45 (ii) the date of the medical care or other services.
46 (b) (i) A hospital may not charge more than the amount listed in the complete
47 statement of itemized charges described in Subsection (2)(a).
48 (ii) If a hospital fails to provide a complete statement of itemized charges in
49 accordance with Subsection (2)(a), the hospital may not charge the patient for the medical care
50 or other services.
51 (3) (a) The statement shall be provided to the patient or the patient's personal
52 representative or agent at the hospital's expense, personally, by mail, or by verifiable electronic
53 delivery after the hospital receives an explanation of benefits from a third party payer which
54 indicates the patient's remaining responsibility for the hospital charges.
55 (b) If the statement is not provided to a third party, it shall be provided to the patient as
56 soon as possible and practicable.

57 (4) The statement required by this section:
58 (a) shall itemize each of the charges actually provided by the hospital to the patient;
59 (b) (i) shall include the words in bold "THIS IS THE BALANCE DUE AFTER
60 PAYMENT FROM YOUR HEALTH INSURER"; or
61 (ii) shall include other appropriate language if the statement is sent to the patient under
62 Subsection (3)(b); and
63 (c) may not include charges of physicians who bill separately.
64 (5) The requirements of this section do not apply to patients who receive services from
65 a hospital under Title XIX of the Social Security Act.
66 (6) Nothing in this section prohibits a hospital from sending an itemized billing
67 statement to a patient before the hospital has received an explanation of benefits from an
68 insurer. If a hospital provides a statement of itemized charges to a patient prior to receiving the
69 explanation of benefits from an insurer, the itemized statement shall be marked in bold:
70 "DUPLICATE: DO NOT PAY" or other appropriate language.
71 Section 2. Section **26-21-27** is amended to read:
72 **26-21-27. Disclosure and publication of health care facility charges.**
73 (1) As used in this section, "standard charges" means the machine readable list of
74 standard charges that a health care facility is required to publish on the internet under 42 U.S.C.
75 Sec. 300gg-18.
76 (2) Beginning January 1, 2011, a health care facility licensed under this chapter shall,
77 when requested by a consumer:
78 [~~(1)~~] (a) make a list of prices charged by the facility available for the consumer that
79 includes the facility's:
80 [~~(a)~~] (i) in-patient procedures;
81 [~~(b)~~] (ii) out-patient procedures;
82 [~~(c)~~] (iii) the 50 most commonly prescribed drugs in the facility;
83 [~~(d)~~] (iv) imaging services; and
84 [~~(e)~~] (v) implants; and
85 [~~(2)~~] (b) provide the consumer with information regarding any discounts the facility
86 provides for:
87 [~~(a)~~] (i) charges for services not covered by insurance; or

88 [(b)] (ii) prompt payment of billed charges.
89 (3) Beginning January 1, 2020, a health care facility licensed under this chapter shall
90 publish the following information with the health care facility's standard charges:
91 (a) a plain-English description of each procedure in the standard charges; and
92 (b) the following statement: "Although the charges shown are based on recent data, the
93 amount you are charged could differ. If you have health insurance, please contact your insurer
94 to confirm the portion of the charge that you may be responsible for. If you do not have health
95 insurance, please contact our billing staff to discuss payment options prior to receiving the
96 procedure."
97 Section 3. Section **58-1-509** is enacted to read:
98 **58-1-509. Publication of health care provider prices.**
99 (1) As used in this section:
100 (a) "Allowed price" means the median of the amount allowed as a claim under the
101 health benefit plans with which a health care provider has a contractual relationship,
102 unweighted by the number of patients participating in each plan.
103 (b) (i) "Charged price" means:
104 (A) the amount most frequently charged during the previous 12 months;
105 (B) the median amount charged during the previous 12 months; or
106 (C) the range of amounts charged during the previous 12 months that begins at the 25th
107 percentile of all amounts charged during the previous 12 months and ends at the 75th percentile
108 of all amounts charged during the previous 12 months.
109 (ii) "Charged price" does not include any reduction based on source of payment or
110 patient circumstance.
111 (c) "Claim" means the same as that term is defined in Section 31A-1-301.
112 (d) "CPT code" means a code within the American Medical Association's Current
113 Procedural Terminology.
114 (e) "Health benefit plan" means the same as that term is defined in Section 31A-1-301.
115 (f) "Health care provider" means an individual who is:
116 (i) described in Section 78B-3-403; and
117 (ii) licensed under this title.
118 (2) Beginning January 1, 2020, in accordance with Subsection (3), a health care

119 provider shall publish at least once each year the charged price and the allowed price for:
120 (a) the 25 procedures most commonly performed by the health care provider; or
121 (b) all procedures performed by the health care provider.
122 (3) The information described in Subsection (2) shall be:
123 (a) (i) published to the health care provider's website in a manner that permits
124 unrestricted access by the public;
125 (ii) published to another website that is readily identifiable by a person trying to find
126 the information; or
127 (iii) if the procedures are performed at a clinic with three or fewer other health care
128 providers of the same type, made available without request in the clinic's patient waiting area;
129 (b) published in a single document;
130 (c) identified by CPT code;
131 (d) accompanied by a plain-English description of each procedure; and
132 (e) accompanied by the following statement: "Although the prices shown are based on
133 recent data, your price could differ. If you have health insurance, please contact your insurer to
134 confirm the portion of the price for which you are responsible. If you do not have health
135 insurance, please contact our billing staff to discuss payment options prior to receiving the
136 procedure."
137 Section 4. **Coordinating H.B. 433 with H.B. 178 -- Omitting substantive changes.**
138 If this H.B. 443 and H.B. 178, Health Care Charges, both pass and become law, it is the
139 intent of the Legislature that the Office of Legislative Research and General Counsel, in
140 preparing the Utah Code database for publication, not make the changes in H.B. 443.