DIGEST

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Talbot HB No. 251

Abstract: Requires provision of cost estimates to patients for procedures at hospitals and ambulatory surgical centers.

<u>Proposed law</u> provides that the intent of <u>proposed law</u> is to improve transparency in prices of health care services through requiring provision of information to the public on costs of the most frequently reported diagnosis-related groups for hospital inpatient care, and for the most common surgical procedures and imaging procedures provided in hospital outpatient settings and ambulatory surgical centers.

<u>Proposed law</u> retains and relocates <u>present law</u> relative to itemized statements of billed services by hospitals.

<u>Proposed law</u> adds the following requirements and conditions relative to disclosure of prices of healthcare services to patients:

- (1) Upon the request of a patient, hospitals and ambulatory surgical centers shall provide an estimate for the amount to be charged for a particular service.
- (2) Hospitals and ambulatory surgical centers shall provide the estimate of the amount to be charged within seven days of the request by the patient verbally, if requested verbally; and in writing, either electronically or by mail, if requested in writing.
- (3) The estimate of the amount to be charged shall be considered a non-binding estimate based on the information provided by the patient or the patient's treating physician at the time of the request, and not a guarantee of the final charge for services delivered.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Adds R.S. 40:2031-2039; Repeals R.S. 40:2010)

Summary of Amendments Adopted by House

Committee Amendments Proposed by <u>House Committee on Health and Welfare</u> to the <u>original</u> bill.

1. Deleted provision stipulating that it shall be unlawful for any hospital to charge or

- accept payment for any health care procedure or component of any health care procedure that it did not perform or supply.
- 2. Deleted the following defined terms and their corresponding definitions: "CPT", "Department", "DRG", "HCPCS", "Health insurer", "Public or private third party".
- 3. Deleted requirement that DHH make available to the public on its website certain price information it would have received from hospitals and ambulatory surgical centers pursuant to deleted provisions of <u>proposed law</u>.
- 4. Deleted requirement that hospitals provide the following information for publication by DHH concerning the 100 most frequently reported admissions by diagnosis-related group (DRG) for inpatients:
 - (a) The amount that will be charged to a patient for each DRG if all charges are paid in full without a public or private third party paying for any portion of the charges.
 - (b) The average negotiated settlement on the amount that will be charged to a patient as provided for in (a).
 - (c) The total amount of Medicaid reimbursements for each DRG, including claims and pro rata supplemental payments.
 - (d) The total amount of Medicare reimbursements for each DRG.
 - (e) For the five largest health insurers providing payment to the hospital on behalf of insured patients, the range of the total amount of payments made for each DRG, with information identifying insurers redacted.
- 5. Deleted requirement that hospitals and ambulatory surgical centers provide information for publication by DHH on the total costs for the 20 most common surgical procedures and the 20 most common imaging procedures, by volume, performed in hospital outpatient settings or in ambulatory surgical centers, along with the related Current Procedural Terminology (CPT) and Healthcare Common Procedure Coding System (HCPCS) codes.
- 6. Deleted requirement that upon request of a patient for a particular DRG, imaging procedure, or surgery procedure, a hospital or ambulatory surgical center shall furnish cost information on the procedure to the patient in writing within three days. Added in lieu thereof the following requirements and conditions:
 - (a) Upon the request of a patient, hospitals and ambulatory surgical centers shall provide an estimate for the amount to be charged for a particular service.

- (b) Hospitals and ambulatory surgical centers shall provide the estimate in (a) within seven days of the request by the patient verbally, if requested verbally; and in writing, either electronically or by mail, if requested in writing.
- (c) The estimate in (a) shall be considered a non-binding estimate based on the information provided by the patient or the patient's treating physician at the time of the request, and not a guarantee of the final charge for services delivered.
- 7. Deleted requirement that certain tax-exempt hospitals and ambulatory surgical centers disclose their charity care policies and costs to patients, and to provide these policies and costs for publication by DHH.
- 8. Deleted provisions for rulemaking by DHH that were rendered inoperable by other deletions made by Committee Amendments.
- 9. Made technical changes.