STATE OF OKLAHOMA

1st Session of the 55th Legislature (2015)

HOUSE BILL 1940 By: Roberts (Sean)

AS INTRODUCED

An Act relating to public health and safety; creating the Oklahoma Health Care Cost Reduction and Transparency Act of 2015; defining certain terms; requiring State Department of Health to make certain information available on its website; providing that certain data be considered property of state; requiring certain hospitals to provide certain information to the Department; requiring State Board of Health to promulgate certain rules; requiring hospitals and ambulatory surgical facilities to provide certain information to the Department; requiring Board to promulgate certain rules; requiring certain hospital or ambulatory surgical facility to provide certain information to patient within certain time period after request; requiring Department to provide certain hyperlinks on its website; providing for inapplicability of certain act; permitting State Commissioner of Health to suspend or revoke certain license if certain act is violated; providing for codification; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1-725 of Title 63, unless there is created a duplication in numbering, reads as follows:

This act shall be known and may be cited as the "Oklahoma Health Care Cost Reduction and Transparency Act of 2015".

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1-725.1 of Title 63, unless there is created a duplication in numbering, reads as follows:

A. As defined in the Oklahoma Health Care Cost Reduction and Transparency Act of 2015:

1. "Ambulatory surgical center" means a healthcare facility as defined in Section 2657 of Title 63 of the Oklahoma Statutes;

2. "Board" means the State Board of Health;

3. "Department" means the State Department of Health;

4. "Health insurer" means an entity as defined in paragraph 7 of Section 4522 of Title 36 of the Oklahoma Statutes; and

5. "Hospital" means a healthcare facility as defined in Section 1-701 of Title 63 of the Oklahoma Statutes.

B. The Department shall make available to the public on its website the most current price information it receives from hospitals and ambulatory surgical facilities pursuant to subsections A and C of Section 3 of the Oklahoma Health Care Cost Reduction and Transparency Act of 2015.

C. Any data disclosed to the Department by a hospital or ambulatory surgical facility pursuant to the Oklahoma Health Care Cost Reduction and Transparency Act of 2015 shall be and will remain the sole property of the facility that submitted the data. Any data

or product derived from the data disclosed pursuant to the Oklahoma Health Care Cost Reduction and Transparency Act of 2015, including a consolidation or analysis of the data, shall be and will remain the sole property of the state. The Department shall not allow proprietary information it receives pursuant to the Oklahoma Health Care Cost Reduction and Transparency Act of 2015 to be used by any person or entity for commercial purposes.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1-725.2 of Title 63, unless there is created a duplication in numbering, reads as follows:

A. Beginning with the quarter ending June 30, 2016, and at least annually thereafter, each hospital that bills Medicaid shall provide to the Department, utilizing electronic health records software, the following information about the one hundred most frequently reported admissions by diagnostic-related groups for inpatients, along with the related CPT and HCPCS codes, as established by the Board on an annual basis:

1. The amount that shall be charged to a patient for each diagnostic-related group if all charges are paid in full without a public or private third party paying for any portion of the charges;

2. The amount of Medicaid reimbursement for each diagnostic-related group, including claims and pro rata supplemental payments; and

3. The amount of Medicare reimbursement for each diagnostic-related group. Prior to providing this information to the Department, each hospital shall redact the names of the insured and any other information that would otherwise identify such individuals.

A hospital shall not be required to report the information required by this subsection for any of the one hundred most frequently reported admissions where the reporting of that information reasonably could lead to the identification of the person or persons admitted to the hospital in violation of the federal Health Insurance Portability and Accountability Act of 1996 or other federal law.

B. The Board shall promulgate rules on or before March 1, 2016, to ensure that subsection A of this section is properly implemented and that hospitals report this information to the Department in a uniform manner. The rules shall include the following:

1. The one hundred most frequently reported diagnostic-related groups for inpatients for which hospitals are required to provide the data set forth in subsection A of this section; and

2. Specific categories by which hospitals shall be grouped for the purpose of disclosing this information to the public on the Department's website.

C. Beginning with the quarter ending September 30, 2016, and at least annually thereafter, each hospital and ambulatory surgical

facility that bills Medicaid shall provide to the Department, utilizing electronic health records software, information on the total costs for the one hundred most common surgical procedures and the fifty most common imaging procedures, by volume, performed in hospital outpatient settings or in ambulatory surgical facilities as established by the Board on an annual basis, along with the related CPT and HCPCS codes. Hospitals and ambulatory surgical facilities shall report this information in the same manner as required by paragraphs 1 through 3 of subsection A of this section, provided that hospitals and ambulatory surgical facilities shall not be required to report information where the reporting of such information reasonably could lead to the identification of the person or persons admitted to the hospital in violation of the federal Health Insurance Portability and Accountability Act of 1996 or other federal law.

D. The Board shall promulgate rules on or before June 1, 2016, to ensure that subsection C of this section is properly implemented and that hospitals and ambulatory surgical facilities report this information to the Department in a uniform manner. The rules shall include the list of the one hundred most common surgical procedures and the fifty most common imaging procedures, by volume, performed in a hospital outpatient setting and those performed in an ambulatory surgical facility, along with the related CPT and HCPCS codes.

E. Upon request of a patient for a particular diagnostic-related group, imaging procedure or surgery procedure reported in this section, a hospital or ambulatory surgical facility shall provide the information required by subsection A or C of this section to the patient in writing, either electronically or by mail, within three (3) business days after receiving the request.

F. The Department shall be required to provide a hyperlink on its website to state and federal websites which provide information on hospital quality. The hyperlink shall be conspicuous and posted prominently on the Department's website.

G. The provisions of the Oklahoma Health Care Cost Reduction and Transparency Act of 2015 shall not apply to hospitals or ambulatory surgical centers which do not accept Medicaid or Medicare funds for the provision of medical services. Such facilities shall be allowed to submit such information to the Department voluntarily.

H. The State Commissioner of Health may suspend or revoke the license for the operation of a hospital or ambulatory surgical center that violates the provisions of the Oklahoma Health Care Cost Reduction and Transparency Act of 2015.

SECTION 4. This act shall become effective November 1, 2015.

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