

1 STATE OF OKLAHOMA

2 2nd Session of the 55th Legislature (2016)

3 SENATE BILL 924

By: Brecheen

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5
6 AS INTRODUCED

7 An Act relating to medical procedure pricing;
8 creating the Oklahoma Health Care Cost Reduction and
9 Transparency Act of 2016; defining certain terms;
10 requiring State Department of Health to make certain
11 information available on its website; providing that
12 certain data be considered property of state;
13 requiring certain hospitals to provide certain
14 information to the Department; requiring State Board
15 of Health to promulgate certain rules; stating
16 subjects to be addressed in rules; requiring
17 hospitals and ambulatory surgical facilities to
18 provide certain information to the Department;
19 requiring Board to promulgate certain rules; stating
20 subjects to be addressed in rules; requiring certain
21 hospital or ambulatory surgical facility to provide
22 certain information to patient within certain time
23 period after request; requiring Department to provide
24 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.

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

26 SECTION 1. NEW LAW A new section of law to be codified
27 in the Oklahoma Statutes as Section 1-725 of Title 63, unless there
28 is created a duplication in numbering, reads as follows:
29

1 This act shall be known and may be cited as the "Oklahoma Health
2 Care Cost Reduction and Transparency Act of 2016".

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

6 A. As defined in this act:

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

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

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

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

13 5. "Hospital" means a healthcare facility defined in Section 1-
14 701 of Title 63 of the Oklahoma Statutes.

15 B. The Department shall make available to the public on its
16 website the most current price information it receives from
17 hospitals and ambulatory surgical facilities pursuant to subsections
18 A and C of Section 3 of this act.

19 C. Any data disclosed to the Department by a hospital or
20 ambulatory surgical facility pursuant to the provisions of this act
21 shall be and will remain the sole property of the facility that
22 submitted the data. Any data or product derived from the data
23 disclosed pursuant to this act, including a consolidation or
24 analysis of the data, shall be and will remain the sole property of

1 the state. The Department shall not allow proprietary information
2 it receives pursuant to the provisions of this act to be used by any
3 person or entity for commercial purposes.

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

7 A. Beginning with the quarter ending June 30, 2017, and at
8 least annually thereafter, each hospital that bills Medicaid shall
9 provide to the Department, utilizing electronic health records
10 software, the following information about the one hundred most
11 frequently reported admissions by diagnostic-related groups for
12 inpatients, as established by the Board on an annual basis, along
13 with the related Current Procedural Terminology (CPT) and Healthcare
14 Common Procedure Coding System (HCPCS) codes:

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

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

21 3. The amount of Medicare reimbursement for each diagnostic-
22 related group.

1 Prior to providing this information to the Department, each
2 hospital shall redact the names of the insured and any other
3 information that would otherwise identify such individuals.

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

11 B. The Board shall promulgate rules on or before March 1, 2017,
12 to ensure that subsection A of this section is properly implemented
13 and that hospitals report this information to the Department in a
14 uniform manner. The rules shall include the following:

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

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

21 C. Beginning with the quarter ending September 30, 2017, and at
22 least annually thereafter, each hospital and ambulatory surgical
23 facility that bills Medicaid shall provide to the Department,
24 utilizing electronic health records software, information on the

1 total costs for the one hundred most common surgical procedures, and
2 the fifty most common imaging procedures, by volume, performed in
3 hospital outpatient settings or in ambulatory surgical facilities as
4 established by the Board on an annual basis, along with the related
5 CPT and HCPCS codes. Hospitals and ambulatory surgical facilities
6 shall report this information in the same manner as required by
7 paragraphs 1 through 3 of subsection A of this section; provided
8 that, hospitals and ambulatory surgical facilities shall not be
9 required to report information where the reporting of such
10 information reasonably could lead to the identification of the
11 person or persons admitted to the hospital in violation of the
12 federal Health Insurance Portability and Accountability Act of 1996
13 or other federal law.

14 D. The Board shall promulgate rules on or before June 1, 2017,
15 to ensure that subsection C of this section is properly implemented
16 and that hospitals and ambulatory surgical facilities report this
17 information to the Department in a uniform manner. The rules shall
18 include the list of the one hundred most common surgical procedures
19 and the fifty most common imaging procedures, by volume, performed
20 in a hospital outpatient setting and those performed in an
21 ambulatory surgical facility, along with the related CPT and HCPCS
22 codes.

23 E. Upon request of a patient, a hospital or ambulatory surgical
24 facility shall provide the information required by subsection A or C

1 of this section, for a particular diagnostic-related group, imaging
2 procedure or surgery procedure reported in this section, to the
3 patient in writing, either electronically or by mail, within three
4 (3) business days after receiving the request.

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

9 G. The provisions of this act shall not apply to hospitals or
10 ambulatory surgical centers which do not accept Medicaid or Medicare
11 funds for the provision of medical services. Such facilities shall
12 be allowed to submit such information to the Department voluntarily.

13 H. The State Commissioner of Health may suspend or revoke the
14 license for the operation of a hospital or ambulatory surgical
15 center that violates the provisions of this act.

16 SECTION 4. This act shall become effective November 1, 2016.

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