

STATE OF OKLAHOMA

2nd Session of the 54th Legislature (2014)

COMMITTEE SUBSTITUTE
FOR

HOUSE BILL NO. 2400

By: Hulbert

COMMITTEE SUBSTITUTE

An Act relating to public health and safety; creating the Oklahoma Health Care Cost Reduction and Transparency Act of 2014; 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:

1 This act shall be known and may be cited as the "Oklahoma Health
2 Care Cost Reduction and Transparency Act of 2014".

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 the Oklahoma Health Care Cost Reduction and
7 Transparency Act of 2014:

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

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

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

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

14 5. "Hospital" means a healthcare facility defined in Section 1-
15 701 of Title 63 of the Oklahoma Statutes.

16 B. The Department shall make available to the public on its
17 website the most current price information it receives from
18 hospitals and ambulatory surgical facilities pursuant to subsections
19 A and C of Section 3 of the Oklahoma Health Care Cost Reduction and
20 Transparency Act of 2014.

21 C. Any data disclosed to the Department by a hospital or
22 ambulatory surgical facility pursuant to the Oklahoma Health Care
23 Cost Reduction and Transparency Act of 2014 shall be and will remain
24 the sole property of the facility that submitted the data. Any data

1 or product derived from the data disclosed pursuant to the Oklahoma
2 Health Care Cost Reduction and Transparency Act of 2014, including a
3 consolidation or analysis of the data, shall be and will remain the
4 sole property of the state. The Department shall not allow
5 proprietary information it receives pursuant to the Oklahoma Health
6 Care Cost Reduction and Transparency Act of 2014 to be used by any
7 person or entity for commercial purposes.

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

11 A. Beginning with the quarter ending June 30, 2015, and at
12 least annually thereafter, each hospital that bills Medicaid shall
13 provide to the Department, utilizing electronic health records
14 software, the following information about the one hundred most
15 frequently reported admissions by diagnostic-related groups for
16 inpatients, along with the related CPT and HCPCS codes, as
17 established by the Board on an annual basis:

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

21 2. The amount of Medicaid reimbursement for each diagnostic-
22 related group, including claims and pro rata supplemental payments;
23 and
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1 3. The amount of Medicare reimbursement for each diagnostic-
2 related group. Prior to providing this information to the
3 Department, each hospital shall redact the names of the insured and
4 any other information that would otherwise identify such
5 individuals.

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

13 B. The Board shall promulgate rules on or before March 1, 2015,
14 to ensure that subsection A of this section is properly implemented
15 and that hospitals report this information to the Department in a
16 uniform manner. The rules shall include the following:

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

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

23 C. Beginning with the quarter ending September 30, 2015, and at
24 least annually thereafter, each hospital and ambulatory surgical

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

16 D. The Board shall promulgate rules on or before June 1, 2015,
17 to ensure that subsection C of this section is properly implemented
18 and that hospitals and ambulatory surgical facilities report this
19 information to the Department in a uniform manner. The rules shall
20 include the list of the one hundred most common surgical procedures
21 and the fifty most common imaging procedures, by volume, performed
22 in a hospital outpatient setting and those performed in an
23 ambulatory surgical facility, along with the related CPT and HCPCS
24 codes.

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

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

11 G. The provisions of the Oklahoma Health Care Cost Reduction
12 and Transparency Act of 2014 shall not apply to hospitals or
13 ambulatory surgical centers which do not accept Medicaid or Medicare
14 funds for the provision of medical services. Such facilities shall
15 be allowed to submit such information to the Department voluntarily.

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

20 SECTION 4. This act shall become effective November 1, 2014.

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