

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 2nd Session of the 54th Legislature (2014)

4 COMMITTEE SUBSTITUTE
5 FOR
6 HOUSE BILL NO. 2400

By: Hulbert, Ritze and Echols
of the House

and

Brecheen of the Senate

11 COMMITTEE SUBSTITUTE

12 An Act relating to public health and safety; creating
13 the Oklahoma Health Care Cost Reduction and
14 Transparency Act of 2014; defining certain terms;
15 requiring State Department of Health to make certain
16 information available on its website; providing that
17 certain data be considered property of state;
18 requiring certain hospitals to provide certain
19 information to the Department; requiring State Board
20 of Health to promulgate certain rules; requiring
21 hospitals and ambulatory surgical facilities to
22 provide certain information to the Department;
23 requiring Board to promulgate certain rules;
24 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.

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

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

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

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

10 A. As defined in the Oklahoma Health Care Cost Reduction and
11 Transparency Act of 2014:

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

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

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

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

18 5. "Hospital" means a healthcare facility defined in Section 1-
19 701 of Title 63 of the Oklahoma Statutes.

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

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

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

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

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

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

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

9 A hospital shall not be required to report the information
10 required by this subsection for any of the one hundred most
11 frequently reported admissions where the reporting of that
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 B. The Board shall promulgate rules on or before March 1, 2015,
17 to ensure that subsection A of this section is properly implemented
18 and that hospitals report this information to the Department in a
19 uniform manner. The rules shall include the following:

20 1. The one hundred most frequently reported diagnostic-related
21 groups for inpatients for which hospitals are required to provide
22 the data set forth in subsection A of this section; and
23
24

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

4 C. Beginning with the quarter ending September 30, 2015, and at
5 least annually thereafter, each hospital and ambulatory surgical
6 facility that bills Medicaid shall provide to the Department,
7 utilizing electronic health records software, information on the
8 total costs for the one hundred most common surgical procedures and
9 the fifty most common imaging procedures, by volume, performed in
10 hospital outpatient settings or in ambulatory surgical facilities as
11 established by the Board on an annual basis, along with the related
12 CPT and HCPCS codes. Hospitals and ambulatory surgical facilities
13 shall report this information in the same manner as required by
14 paragraphs 1 through 3 of subsection A of this section, provided
15 that hospitals and ambulatory surgical facilities shall not be
16 required to report information where the reporting of such
17 information reasonably could lead to the identification of the
18 person or persons admitted to the hospital in violation of the
19 federal Health Insurance Portability and Accountability Act of 1996
20 or other federal law.

21 D. The Board shall promulgate rules on or before June 1, 2015,
22 to ensure that subsection C of this section is properly implemented
23 and that hospitals and ambulatory surgical facilities report this
24 information to the Department in a uniform manner. The rules shall

1 include the list of the one hundred most common surgical procedures
2 and the fifty most common imaging procedures, by volume, performed
3 in a hospital outpatient setting and those performed in an
4 ambulatory surgical facility, along with the related CPT and HCPCS
5 codes.

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

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

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

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

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

COMMITTEE REPORT BY: COMMITTEE ON PUBLIC HEALTH, dated 02/13/2014 -
DO PASS, As Amended and Coauthored.