

1 **SENATE FLOOR VERSION**

2 February 12, 2018

3 **AS AMENDED**

4 SENATE BILL NO. 890

By: Brecheen of the Senate

and

Roberts (Sean) of the House

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8 [medical procedure pricing - the Oklahoma Health
9 Care Cost Reduction and Transparency Act of 2018 -
10 State Department of Health - information on website -
11 State Board of Health to promulgate certain rules -
12 hospitals and ambulatory surgical facilities -
13 information to patient - certain hyperlinks on
14 website - inapplicability of certain act - State
15 Commissioner of Health to suspend or revoke certain
16 license - codification - effective date]

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

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

21 This act shall be known and may be cited as the "Oklahoma Health
22 Care Cost Reduction and Transparency Act of 2018".

23 SECTION 2. NEW LAW A new section of law to be codified
24 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 used in this act:

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

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

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

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

7 5. "Hospital" means a healthcare facility as defined in Section
8 1-701 of Title 63 of the Oklahoma Statutes.

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

13 C. Any data disclosed to the Department by a hospital or
14 ambulatory surgical facility pursuant to the provisions of this act
15 shall be and will remain the sole property of the facility that
16 submitted the data. Any data or product derived from the data
17 disclosed pursuant to this act, including a consolidation or
18 analysis of the data, shall be and will remain the sole property of
19 the state. The Department shall not allow proprietary information
20 it receives pursuant to the provisions of this act to be used by any
21 person or entity for commercial purposes.

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

1 A. Beginning with the quarter ending June 30, 2019, and at
2 least annually thereafter, each hospital that bills Medicaid shall
3 provide to the Department, utilizing electronic health records
4 software, the following information about the one hundred most
5 frequently reported admissions by diagnostic-related groups for
6 inpatients, as established by the Board on an annual basis, along
7 with the related Current Procedural Terminology (CPT) and Healthcare
8 Common Procedure Coding System (HCPCS) codes:

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

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

15 3. The amount of Medicare reimbursement for each diagnostic-
16 related group.

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

20 A hospital shall not be required to report the information
21 required by this subsection for any of the one hundred most
22 frequently reported admissions where the reporting of that
23 information reasonably could lead to the identification of the
24 person or persons admitted to the hospital in violation of the

1 federal Health Insurance Portability and Accountability Act of 1996
2 or other federal law.

3 B. The Board shall promulgate rules on or before March 1, 2019,
4 to ensure that subsection A of this section is properly implemented
5 and that hospitals report this information to the Department in a
6 uniform manner. The rules shall include the following:

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

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

13 C. Beginning with the quarter ending September 30, 2019, and at
14 least annually thereafter, each hospital and ambulatory surgical
15 facility that bills Medicaid shall provide to the Department,
16 utilizing electronic health records software, information on the
17 total costs for the one hundred most common surgical procedures, and
18 the fifty most common imaging procedures, by volume, performed in
19 hospital outpatient settings or in ambulatory surgical facilities as
20 established by the Board on an annual basis, along with the related
21 CPT and HCPCS codes. Hospitals and ambulatory surgical facilities
22 shall report this information in the same manner as required by
23 paragraphs 1 through 3 of subsection A of this section; provided
24 that, hospitals and ambulatory surgical facilities shall not be

1 required to report information where the reporting of such
2 information reasonably could lead to the identification of the
3 person or persons admitted to the hospital in violation of the
4 federal Health Insurance Portability and Accountability Act of 1996
5 or other federal law.

6 D. The Board shall promulgate rules on or before June 1, 2019,
7 to ensure that subsection C of this section is properly implemented
8 and that hospitals and ambulatory surgical facilities report this
9 information to the Department in a uniform manner. The rules shall
10 include the list of the one hundred most common surgical procedures
11 and the fifty most common imaging procedures, by volume, performed
12 in a hospital outpatient setting and those performed in an
13 ambulatory surgical facility, along with the related CPT and HCPCS
14 codes.

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

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

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

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

8 SECTION 4. This act shall become effective November 1, 2018.

9 COMMITTEE REPORT BY: COMMITTEE ON HEALTH AND HUMAN SERVICES
10 February 12, 2018 - DO PASS AS AMENDED
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