

An Act

ENROLLED SENATE
BILL NO. 889

By: Murdock, Bullard,
Bergstrom, Frix, Jett,
Grellner, Sacchieri,
McIntosh, Deevers, Guthrie,
Standridge, and Hamilton of
the Senate

and

Lepak, Cantrell, Wolfley,
Sneed, Ford, Humphrey,
Williams, Woolley, Olsen,
Banning, Hildebrant,
Luttrell, Cornwell,
Schreiber, Chapman, May,
Staires, and Roberts of the
House

An Act relating to hospitals; defining terms; requiring hospitals to make public certain file and list; stating requirements for list of standard charges; requiring certain digital publication of specified information; requiring certain online display of list; stipulating requirements related to accessibility and formatting of list; requiring annual update of list; stating requirements for list of standard charges and selection of shoppable services; requiring list to include certain information; directing certain display and availability of list; authorizing certain compliance monitoring by the State Department of Health; authorizing certain actions for noncompliance; defining material violation; authorizing issuance of certain notice upon certain determination; specifying certain requirements for corrective action plans; prohibiting certain collection actions by noncompliant hospitals; authorizing certain civil actions; imposing certain requirements on hospitals found noncompliant; providing certain construction;

amending 63 O.S. 2021, Section 1-725.2, which relates to definitions in the Transparency in Health Care Prices Act; excluding hospitals; providing for codification; and providing an effective date.

SUBJECT: Hospitals

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 1-725.11 of Title 63, unless there is created a duplication in numbering, reads as follows:

As used in this act:

1. "Ancillary service" means a hospital item or service that a hospital customarily provides as part of a shoppable service;
2. "Chargemaster" means the list of all hospital items or services maintained by a hospital for which the hospital has established a charge;
3. "De-identified maximum negotiated charge" means the highest charge that a hospital has negotiated with all third-party payors for a hospital item or service;
4. "De-identified minimum negotiated charge" means the lowest charge that a hospital has negotiated with all third-party payors for a hospital item or service;
5. "Department" means the State Department of Health;
6. "Discounted cash price" means the charge that applies to an individual who pays cash, or a cash equivalent, for a hospital item or service;
7. "Gross charge" means the charge for a hospital item or service that is reflected on a hospital's chargemaster, absent any discounts;

8. "Hospital" means a hospital:

- a. licensed under Section 1-702 of Title 63 of the Oklahoma Statutes, or
- b. owned or operated by a state agency;

9. "Hospital items or services" means all items and services, including individual items and services and service packages, that may be provided by a hospital to a patient in connection with an inpatient admission or an outpatient department visit, as applicable, for which the hospital has established a standard charge, including:

- a. supplies and procedures,
- b. room and board,
- c. use of the facility and other areas, generally referred to as facility fees,
- d. services of physicians and non-physician practitioners, generally referred to as professional charges, and
- e. any other item or service for which a hospital has established a standard charge;

10. "Machine-readable format" means a digital representation of information in a file that can be imported or read into a computer system for further processing. The term includes Extensible Markup Language (.XML), JavaScript Object Notation (.JSON), and Comma-Separated Values (.CSV) formats;

11. "Payor-specific negotiated charge" means the charge that a hospital has negotiated with a third-party payor for a hospital item or service;

12. "Service package" means an aggregation of individual hospital items or services into a single service with a single charge;

13. "Shoppable service" means a service that may be scheduled by a health care consumer in advance;

14. "Standard charge" means the regular rate established by the hospital for a hospital item or service provided to a specific group of paying patients. The term includes all of the following, as defined under this section:

- a. the gross charge,
- b. the payor-specific negotiated charge,
- c. the de-identified minimum negotiated charge,
- d. the de-identified maximum negotiated charge, and
- e. the discounted cash price; and

15. "Third-party payor" means an entity that is, by statute, contract, or agreement, legally responsible for payment of a claim for a hospital item or service.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1-725.12 of Title 63, unless there is created a duplication in numbering, reads as follows:

Notwithstanding any other law, a hospital shall make public:

1. A digital file in a machine-readable format that contains a list of all standard charges for all hospital items or services as described by Section 3 of this act; and

2. A consumer-friendly list of standard charges for a limited set of shoppable services as provided in Section 4 of this act.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1-725.13 of Title 63, unless there is created a duplication in numbering, reads as follows:

A. A hospital shall:

1. Maintain a list of all standard charges for all hospital items or services in accordance with this section; and

2. Ensure the list required under paragraph 1 of this subsection is available at all times to the public, including by posting the list electronically in the manner provided by this section.

B. The standard charges contained in the list required to be maintained by a hospital under subsection A of this section shall reflect the standard charges applicable to that location of the hospital, regardless of whether the hospital operates in more than one location or operates under the same license as another hospital.

C. The list required under subsection A of this section shall include the following items, as applicable:

1. A description of each hospital item or service provided by the hospital;

2. The following charges for each individual hospital item or service when provided in either an inpatient setting or an outpatient department setting, as applicable:

- a. the gross charge,
- b. the de-identified minimum negotiated charge,
- c. the de-identified maximum negotiated charge,
- d. the discounted cash price, and
- e. the payor-specific negotiated charge, listed by the name of the third-party payor and plan associated with the charge and displayed in a manner that clearly associates the charge with each third-party payor and plan; and

3. Any code used by the hospital for purposes of accounting or billing for the hospital item or service, including the Current Procedural Terminology (CPT) code, the Healthcare Common Procedure

Coding System (HCPCS) code, the Diagnosis Related Group (DRG) code, the National Drug Code (NDC), or other common identifier.

D. The information contained in the list required under subsection A of this section shall be published in a single digital file that is in a machine-readable format.

E. The list required under subsection A of this section shall be displayed in a prominent location on the hospital's publicly accessible Internet website. If the hospital operates multiple locations and maintains a single Internet website, the list required under subsection A of this section shall be posted for each location the hospital operates in a manner that clearly associates the list with the applicable location of the hospital.

F. The list required under subsection A of this section shall:

1. Be available:

- a. free of charge,
- b. without having to establish a user account or password, and
- c. without having to submit personal identifying information;

2. Be digitally searchable; and

3. Use the Centers for Medicare and Medicaid Services naming convention specified under 45 C.F.R., Section 180.50.

G. The hospital shall update the list required under subsection A of this section at least once each year. The hospital shall clearly indicate the date on which the list was most recently updated, either on the list or in a manner that is clearly associated with the list.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1-725.14 of Title 63, unless there is created a duplication in numbering, reads as follows:

A. Except as provided by subsection C of this section, a hospital shall maintain and make publicly available a list of the standard charges described by Section 3 of this act for each of at least three hundred shoppable services provided by the hospital. The hospital may select the shoppable services to be included in the list, except that the list shall include:

1. The seventy services specified as shoppable services by the Centers for Medicare and Medicaid Services; or

2. If the hospital does not provide all of the shoppable services described by paragraph 1 of this subsection, as many of those shoppable services the hospital does provide.

B. In selecting a shoppable service for purposes of inclusion in the list required under subsection A of this section, a hospital shall consider how frequently the hospital provides the service and the hospital's billing rate for that service.

C. If a hospital does not provide three hundred shoppable services, the hospital shall maintain a list of the total number of shoppable services that the hospital provides in a manner that otherwise complies with the requirements of subsection A of this section.

D. The list required under subsection A or C of this section, as applicable, shall:

1. Include:

- a. a plain-language description of each shoppable service included on the list,
- b. the payor-specific negotiated charge that applies to each shoppable service included on the list and any ancillary service, listed by the name of the third-party payor and plan associated with the charge and displayed in a manner that clearly associates the charge with the third-party payor and plan,
- c. the discounted cash price that applies to each shoppable service included on the list and any

ancillary service or, if the hospital does not offer a discounted cash price for one or more of the shoppable or ancillary services on the list, the gross charge for the shoppable service or ancillary service, as applicable,

- d. the de-identified minimum negotiated charge that applies to each shoppable service included on the list and any ancillary service,
- e. the de-identified maximum negotiated charge that applies to each shoppable service included on the list and any ancillary service, and
- f. any code used by the hospital for purposes of accounting or billing for each shoppable service included on the list and any ancillary service, including the Current Procedural Terminology (CPT) code, the Healthcare Common Procedure Coding System (HCPCS) code, the Diagnosis Related Group (DRG) code, the National Drug Code (NDC), or other common identifier; and

2. If applicable:

- a. state each location at which the hospital provides the shoppable service and whether the standard charges included in the list apply at that location to the provision of that shoppable service in an inpatient setting, an outpatient department setting, or in both of those settings, as applicable, and
- b. indicate if one or more of the shoppable services specified by the Centers for Medicare and Medicaid Services is not provided by the hospital.

E. The list required under subsection A or C of this section, as applicable, shall be:

- 1. Displayed in the manner prescribed by subsection E of Section 3 of this act for the list required under that section;

2. Available:

- a. free of charge,
- b. without having to register or establish a user account or password, and
- c. without having to submit personal identifying information;

3. Searchable by service description, billing code, and payor;
and

4. Updated in the manner prescribed by subsection G of Section 3 of this act for the list required under that section.

F. Notwithstanding any other provision of this section, a hospital is considered to meet the requirements of this section if the hospital maintains, as determined by the State Department of Health, an Internet-based price estimator tool that:

1. Provides a cost estimate for each shoppable service and any ancillary service included on the list maintained by the hospital under subsection A of this section;

2. Allows a person to obtain an estimate of the amount the person will be obligated to pay the hospital if the person elects to use the hospital to provide the service; and

3. Is:

- a. prominently displayed on the hospital's publicly accessible Internet website, and
- b. accessible to the public:
 - (1) without charge, and
 - (2) without having to register or establish a user account or password.

SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1-725.15 of Title 63, unless there is created a duplication in numbering, reads as follows:

A. The State Department of Health may monitor each hospital's compliance with the requirements of this act using any of the following methods:

1. Evaluating complaints made by persons to the Department regarding noncompliance with this act;
2. Reviewing any analysis prepared regarding noncompliance with this act; and
3. Auditing the Internet websites of hospitals for compliance with this act.

B. If the Department determines that a hospital is not in compliance with a provision of this act, the Department may take any of the following actions:

1. Provide a written notice to the hospital that clearly explains the manner in which the hospital is not in compliance with this act;
2. Request a corrective action plan from the hospital if the hospital has materially violated a provision of this act, as determined under Section 6 of this act; and
3. Impose an administrative penalty on the hospital and publicize the penalty on the Department's Internet website if the hospital fails to:
 - a. respond to the Department's request to submit a corrective action plan, or
 - b. comply with the requirements of a corrective action plan submitted to the Department.

SECTION 6. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1-725.16 of Title 63, unless there is created a duplication in numbering, reads as follows:

A. A hospital materially violates this act if the hospital fails to publicize:

1. Pricing information as required by Section 2 of this act; or
2. The hospital's standard charges in the form and manner required by Sections 3 and 4 of this act.

B. If the State Department of Health determines that a hospital has materially violated this act, the Department may issue a notice of material violation to the hospital and request that the hospital submit a corrective action plan. The notice shall indicate the form and manner in which the corrective action plan shall be submitted to the Department, and clearly state the date by which the hospital shall submit the plan.

C. A hospital that receives a notice under subsection B of this section shall:

1. Submit a corrective action plan in the form and manner, and by the specified date, prescribed by the notice of violation; and
2. As soon as practicable after submission of a corrective action plan to the Department, act to comply with the plan.

D. A corrective action plan submitted to the Department shall:

1. Describe in detail the corrective action the hospital will take to address any violation identified by the Department in the notice provided under subsection B of this section; and
2. Provide a date by which the hospital will complete the corrective action described by paragraph 1 of this subsection.

E. A corrective action plan is subject to review and approval by the Department. After the Department reviews and approves a hospital's corrective action plan, the Department shall monitor and evaluate the hospital's compliance with the plan.

F. A hospital is considered to have failed to respond to the Department's request to submit a corrective action plan if the hospital fails to submit a corrective action plan:

1. In the form and manner specified in the notice provided under subsection B of this section; or

2. By the date specified in the notice provided under subsection B of this section.

G. A hospital is considered to have failed to comply with a corrective action plan if the hospital fails to address a violation within the specified period of time contained in the plan.

SECTION 7. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1-725.17 of Title 63, unless there is created a duplication in numbering, reads as follows:

A. A hospital that is not in material compliance with this act on the date that items or services are purchased from or provided to a patient by the hospital shall not initiate or pursue collection action against the patient or patient guarantor for a debt owed for the items or services.

B. If a patient believes that a hospital was not in material compliance with this act on a date on or after the effective date of this act that items or services were purchased by or provided to the patient, and the hospital takes a collection action against the patient or patient guarantor, the patient or patient guarantor may file suit to determine if the hospital was materially out of compliance with this act on the date of service and if the noncompliance is related to the items or services. The hospital shall not take a collection action against the patient or patient guarantor while the lawsuit is pending.

C. A hospital that has been found by a judge or jury to be materially out of compliance with this act:

1. Shall refund the payor any amount of the debt the payor has paid and shall pay a penalty to the patient or patient guarantor in an amount equal to the total amount of the debt;

2. Shall dismiss or cause to be dismissed any court action with prejudice and pay any reasonable attorney fees and costs incurred by the patient or patient guarantor relating to the action; and

3. Shall remove or cause to be removed from the patient's or patient guarantor's credit report any report made to a consumer reporting agency relating to the debt.

D. Nothing in this act:

1. Prohibits a hospital from billing a patient, patient guarantor, or third-party payor, including a health insurer, for items or services provided to the patient; or

2. Requires a hospital to refund any payment made to the hospital for items or services provided to the patient, as long as no collection action is taken in violation of this act.

SECTION 8. AMENDATORY 63 O.S. 2021, Section 1-725.2, is amended to read as follows:

Section 1-725.2. As used in the Transparency in Health Care Prices Act:

1. "Agency" means a government department, agency or a government-created entity;

2. "CPT code" means the Current Procedural Terminology code, or its successor code, as developed and copyrighted by the American Medical Association or its successor entity;

3. "Health care facility" means a facility licensed or certified by the State Department of Health, but shall not include a nursing care facility, assisted living facility ~~or~~, home care agency, or hospital;

4. "Health care price" means the cash price that a health care provider or health care facility will charge a recipient for health care services that will be rendered. Health care price is the price charged for the standard service for the particular diagnosis and does not include any amount that may be charged for complications or exceptional treatment;

5. "Health care provider" means a person who is licensed, certified or registered by this state to provide health care services or a medical group, independent practice association or professional corporation providing health care services;

6. "Health care services" or "services" means services included in, or incidental to, furnishing to an individual:

- a. medical, mental, dental or optometric care or hospitalization, or
- b. other services for the purpose of preventing, alleviating, curing or healing a physical or mental illness or injury;

7. "Recipient" means an individual who receives health care services from a health care provider or health care facility; and

8. "Specialty service line" means health care services rendered by a specific medical specialist to include, but not be limited to:

- a. general surgery,
- b. obstetrics or gynecology,
- c. cardiology,
- d. urology,
- e. ophthalmology,
- f. neurology/neurosurgery,
- g. orthopedics,
- h. hematology/oncology,
- i. pathology,
- j. radiology,

- k. emergency medicine,
- l. physical therapy, or
- m. another specialty service provided by a health care facility.

SECTION 9. This act shall become effective November 1, 2025.

Passed the Senate the 20th day of May, 2025.

Presiding Officer of the Senate

Passed the House of Representatives the 7th day of May, 2025.

Presiding Officer of the House
of Representatives

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____

Approved by the Governor of the State of Oklahoma this _____

day of _____, 20_____, at _____ o'clock _____ M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____