Florida Senate - 2008

By Senator Dean

3-02655B-08

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1	A bill to be entitled
2	An act relating to consumer information concerning health
3	care; providing a short title; providing a purpose;
4	amending s. 381.026, F.S.; revising requirements for
5	health care providers and facilities in notifying patients
6	of charges for health care services; requiring an
7	itemized, comprehensible estimate of charges; requiring
8	that a facility publish certain prices for current
9	procedure terminology codes for the most commonly
10	performed procedures, pharmaceuticals, and medical
11	supplies; requiring the Agency for Health Care
12	Administration to determine the codes; requiring that a
13	patient receive a copy of an itemized bill; amending s.
14	395.301, F.S.; revising requirements for billing and
15	written estimates provided to patients by health care
16	facilities; providing that an estimate does not preclude
17	additional charges if the charges are itemized; amending
18	s. 408.05, F.S.; revising the list of patient charge data
19	that may be disclosed by the agency; amending s. 408.061,
20	F.S.; requiring that the health care data submitted by
21	health care facilities to the agency include information
22	concerning prices for common procedures, pharmaceuticals,
23	and supplies; providing an effective date.
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25	Be It Enacted by the Legislature of the State of Florida:
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27	Section 1. This act may be cited as the "Health Care
28	Consumer's Right to Information Act."

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29 Section 2. The purpose of this act is to provide health 30 care consumers with reliable and understandable information about 31 facility charges to assist consumers in making informed decisions about health care. 32 33 Section 3. Paragraph (c) of subsection (4) of section 34 381.026, Florida Statutes, is amended to read: 35 381.026 Florida Patient's Bill of Rights and 36 Responsibilities.--37 (4) RIGHTS OF PATIENTS. -- Each health care facility or 38 provider shall observe the following standards: 39 Financial information and disclosure.--(C)40 1. A patient has the right to be given, upon request, by 41 the responsible provider, his or her designee, or a 42 representative of the health care facility full information and 43 necessary counseling on the availability of known financial 44 resources for the patient's health care. 45 2. A health care provider or a health care facility shall_{au} upon request, disclose to each patient who is eligible for 46 47 Medicare, in advance of treatment, whether the health care 48 provider or the health care facility in which the patient is 49 receiving medical services accepts assignment under Medicare 50 reimbursement as payment in full for medical services and 51 treatment rendered in the health care provider's office or health 52 care facility. 53 3. A health care provider or a health care facility shall, 54 upon request, furnish a person, prior to provision of medical 55 services, a reasonable, itemized estimate of charges for the 56 provision of any medical such services in language that is 57 comprehensible to an ordinary layperson. A health care provider

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58 or health care facility shall automatically furnish a reasonable, 59 itemized estimate of charges in language that is comprehensible 60 to an ordinary layperson to each patient who is uninsured or underinsured before providing any scheduled medical service. Such 61 62 reasonable, itemized estimate does shall not preclude the health 63 care provider or health care facility from exceeding the estimate 64 or making additional charges based on changes in the patient's 65 condition or treatment needs.

66 4. Each licensed facility not operated by the state shall 67 make available to the public on its Internet website or by other electronic means a description of and a link to the performance 68 69 outcome and financial data that is published by the agency 70 pursuant to s. 408.05(3)(k). The facility shall place a notice in 71 the reception area that such information is available 72 electronically and the website address. The licensed facility 73 shall publish the undiscounted prices for the current procedure 74 terminology codes for the 100 most commonly performed procedures, 75 the 100 most commonly prescribed pharmaceuticals, and the 100 76 most commonly provided medical supplies, and this information 77 shall be provided to the Agency for Health Care Administration. 78 The Agency for Health Care Administration shall determine the 79 codes for the most commonly performed procedures, 80 pharmaceuticals, and supplies. If a facility has a charity care 81 discount policy, the policy shall be published and provided to 82 the agency. The facility may indicate that the pricing information is based on a compilation of charges for the average 83 84 patient and that each patient's bill may vary from the average 85 depending upon the severity of illness and individual resources 86 consumed. The licensed facility may also indicate that the price

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87 of service is negotiable for eligible patients based upon the 88 patient's ability to pay.

89 5. A patient <u>shall</u> has the right to receive a copy of an
90 itemized bill upon request. A patient has a right to be given an
91 explanation of charges upon request.

92 Section 4. Subsections (1) and (7) of section 395.301, 93 Florida Statutes, are amended to read:

94 395.301 Itemized patient bill; form and content prescribed 95 by the agency.--

96 (1) A licensed facility not operated by the state shall 97 notify each patient during admission and at discharge of his or 98 her right to receive an itemized bill upon request. Within 7 days 99 following the patient's discharge or release from a licensed facility not operated by the state, the licensed facility 100 providing the service shall, upon request, submit to the patient, 101 102 or to the patient's survivor or legal guardian as may be 103 appropriate, an itemized statement detailing in language 104 comprehensible to an ordinary layperson the specific nature of 105 charges or expenses incurred by the patient, which in the initial 106 billing shall contain a statement of specific services received 107 and expenses incurred for such items of service, enumerating in 108 detail the constituent components of the services received within 109 each department of the licensed facility and including unit price 110 data on rates charged by the licensed facility, as prescribed by 111 the agency.

(7) Each licensed facility not operated by the state shall provide <u>in writing</u>, prior to provision of any nonemergency medical services, <u>an itemized</u>, a written good faith estimate of reasonably anticipated charges for the facility to treat the

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patient's condition upon written request of a prospective 116 117 patient. The estimate shall be provided to the prospective 118 patient within 7 business days after the receipt of the request. The estimate may be the average charges for that diagnosis 119 120 related group or the average charges for that procedure. Upon 121 request, The facility shall notify the patient of any revision to 122 the good faith estimate. Such estimate does shall not preclude the licensed facility actual charges from exceeding the estimate 123 124 or making additional charges based on changes in the patient's 125 condition or treatment needs if the charges are itemized on the 126 patient billing statement. The facility shall place a notice in 127 the reception area that such information is available. Failure to 128 provide the estimate within the provisions established pursuant 129 to this section shall result in a fine of \$500 for each instance of the facility's failure to provide the requested information. 130

131Section 5. Paragraph (k) of subsection (3) of section132408.05, Florida Statutes, is amended to read:

408.05 Florida Center for Health Information and PolicyAnalysis.--

(3) COMPREHENSIVE HEALTH INFORMATION SYSTEM.--In order to
produce comparable and uniform health information and statistics
for the development of policy recommendations, the agency shall
perform the following functions:

(k) Develop, in conjunction with the State Consumer Health Information and Policy Advisory Council, and implement a longrange plan for making available health care quality measures and financial data that will allow consumers to compare health care services. The health care quality measures and financial data the agency must make available shall include, but is not limited to,

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pharmaceuticals, physicians, health care facilities, and health 145 146 plans and managed care entities. The agency shall submit the 147 initial plan to the Governor, the President of the Senate, and the Speaker of the House of Representatives by January 1, 2006, 148 149 and shall update the plan and report on the status of its 150 implementation annually thereafter. The agency shall also make 151 the plan and status report available to the public on its 152 Internet website. As part of the plan, the agency shall identify 153 the process and timeframes for implementation, any barriers to 154 implementation, and recommendations of changes in the law that may be enacted by the Legislature to eliminate the barriers. As 155 preliminary elements of the plan, the agency shall: 156

157 Make available patient-safety indicators, inpatient 1. quality indicators, and performance outcome and patient charge 158 159 data collected from health care facilities pursuant to s. 160 408.061(1)(a) and (2). The terms "patient-safety indicators" and 161 "inpatient quality indicators" shall be as defined by the Centers 162 for Medicare and Medicaid Services, the National Quality Forum, 163 the Joint Commission on Accreditation of Healthcare 164 Organizations, the Agency for Healthcare Research and Quality, 165 the Centers for Disease Control and Prevention, or a similar 166 national entity that establishes standards to measure the 167 performance of health care providers, or by other states. The 168 agency shall determine which conditions, procedures, health care 169 quality measures, and patient charge data to disclose based upon 170 input from the council. When determining which conditions and 171 procedures are to be disclosed, the council and the agency shall 172 consider variation in costs, variation in outcomes, and magnitude

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173 of variations and other relevant information. When determining 174 which health care quality measures to disclose, the agency:

a. Shall consider such factors as volume of cases; average
patient charges; average length of stay; complication rates;
mortality rates; and infection rates, among others, which shall
be adjusted for case mix and severity, if applicable.

b. May consider such additional measures that are adopted
by the Centers for Medicare and Medicaid Studies, National
Quality Forum, the Joint Commission on Accreditation of
Healthcare Organizations, the Agency for Healthcare Research and
Quality, Centers for Disease Control and Prevention, or a similar
national entity that establishes standards to measure the
performance of health care providers, or by other states.

187 When determining which patient charge data to disclose, the agency shall <u>include</u> consider such measures as <u>the undiscounted</u> 189 <u>price list of procedures, pharmaceuticals, and supplies, the</u> 190 average charge, <u>Medicare reimbursement payment</u>, average net 191 revenue per adjusted patient day, average cost per adjusted 192 patient day, and average cost per admission, among others.

193 2. Make available performance measures, benefit design, and 194 premium cost data from health plans licensed pursuant to chapter 195 627 or chapter 641. The agency shall determine which health care 196 quality measures and member and subscriber cost data to disclose, 197 based upon input from the council. When determining which data to 198 disclose, the agency shall consider information that may be 199 required by either individual or group purchasers to assess the 200 value of the product, which may include membership satisfaction, 201 quality of care, current enrollment or membership, coverage

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areas, accreditation status, premium costs, plan costs, premium increases, range of benefits, copayments and deductibles, accuracy and speed of claims payment, credentials of physicians, number of providers, names of network providers, and hospitals in the network. Health plans shall make available to the agency any such data or information that is not currently reported to the agency or the office.

209 3. Determine the method and format for public disclosure of 210 data reported pursuant to this paragraph. The agency shall make 211 its determination based upon input from the State Consumer Health 212 Information and Policy Advisory Council. At a minimum, the data 213 shall be made available on the agency's Internet website in a 214 manner that allows consumers to conduct an interactive search 215 that allows them to view and compare the information for specific 216 providers. The website must include such additional information 217 as is determined necessary to ensure that the website enhances 218 informed decisionmaking among consumers and health care 219 purchasers, which shall include, at a minimum, appropriate 220 guidance on how to use the data and an explanation of why the 221 data may vary from provider to provider. The data specified in 222 subparagraph 1. shall be released no later than January 1, 2006, 223 for the reporting of infection rates, and no later than October 224 1, 2005, for mortality rates and complication rates. The data 225 specified in subparagraph 2. shall be released no later than 226 October 1, 2006.

227 Section 6. Paragraph (a) of subsection (1) of section 228 408.061, Florida Statutes, is amended to read:

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408.061 Data collection; uniform systems of financial reporting; information relating to physician charges; confidential information; immunity.--

(1) The agency shall require the submission by health care facilities, health care providers, and health insurers of data necessary to carry out the agency's duties. Specifications for data to be collected under this section shall be developed by the agency with the assistance of technical advisory panels including representatives of affected entities, consumers, purchasers, and such other interested parties as may be determined by the agency.

239 (a) Data submitted by health care facilities, including the 240 facilities as defined in chapter 395, shall include, but are not 241 limited to: case-mix data, patient admission and discharge data, 242 hospital emergency department data which shall include the number 243 of patients treated in the emergency department of a licensed 244 hospital reported by patient acuity level, data on hospitalacquired infections as specified by rule, data on complications 245 as specified by rule, data on readmissions as specified by rule, 246 247 with patient and provider-specific identifiers included, actual charge data by diagnostic groups, an undiscounted price list for 248 249 no fewer than the 100 most commonly performed procedures, the 100 250 most commonly prescribed pharmaceuticals, and the 100 most 251 commonly provided medical supplies based on a statewide average 252 as determined by the agency, financial data, accounting data, 253 operating expenses, expenses incurred for rendering services to 254 patients who cannot or do not pay, interest charges, depreciation 255 expenses based on the expected useful life of the property and 256 equipment involved, and demographic data. The agency shall adopt 257 nationally recognized risk adjustment methodologies or software

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258 consistent with the standards of the Agency for Healthcare 259 Research and Quality and as selected by the agency for all data 260 submitted as required by this section. Data may be obtained from 261 documents such as, but not limited to: leases, contracts, debt 262 instruments, itemized patient bills, medical record abstracts, 263 and related diagnostic information. Reported data elements shall 264 be reported electronically in accordance with rule 59E-7.012, 265 Florida Administrative Code. Data submitted shall be certified by 266 the chief executive officer or an appropriate and duly authorized 267 representative or employee of the licensed facility that the 268 information submitted is true and accurate.

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Section 7. This act shall take effect July 1, 2008.