

PSSB 5265

Offered by: Senator Mullet

Color: Gold

Effect of Changes in PSSB 5265: (S-1443.1)

- Providers and facilities must post charges on their web site, with a link on the home page, or if a web site is not available they may provide a handout
- The charges must be posed for the uninsured (removes references to charges for the top three carriers determined by enrollment)
- The charges are for the ten most common procedures
- All health insurance plans must post information on costs for services for enrollees on their website, with a link on the home page. The cost information must be posted for providers and facilities for common procedures and must reflect the benefit coverage for the

1 AN ACT Relating to transparency in patient billing; amending RCW  
2 70.01.030 and 70.01.040; and adding a new section to chapter 48.43 RCW.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 70.01.030 and 2009 c 529 s 1 are each amended to read  
5 as follows:

6 (1) Health care providers licensed under Title 18 RCW and health  
7 care facilities licensed under Title 70 RCW shall provide the following  
8 to a patient upon request:

9 (a) ~~((An))~~ A meaningful estimate of fees and charges related to a  
10 specific service, visit, or stay, that can assist the patient in  
11 understanding charges that may be owed prior to meeting a deductible;  
12 and

13 (b) Information regarding other types of fees or charges a patient  
14 may receive in conjunction with their visit to the provider or  
15 facility. ~~((Hospitals licensed under chapter 70.41 RCW may fulfill  
16 this requirement by providing a statement and contact information as  
17 described in RCW 70.41.400.))~~

18 (2) Providers and facilities listed in subsection (1) of this  
19 section may, after disclosing estimated charges and fees to a patient,

1 refer the patient to the patient's insurer, if applicable, for specific  
2 information on the insurer's charges and fees, any cost-sharing  
3 responsibilities required of the patient, and the network status of  
4 ancillary providers who may or may not share the same network status as  
5 the provider or facility.

6 ~~(3) ((Except for hospitals licensed under chapter 70.41 RCW,))~~  
7 Providers and facilities listed in subsection (1) of this section shall  
8 post a sign in patient registration areas containing at least the  
9 following language: "Information about the estimated charges of your  
10 health services is available upon request. Please do not hesitate to  
11 ask for information."

12 (4) Providers and facilities listed in subsection (1) of this  
13 section shall post charges for common procedures on their web site,  
14 with a link on the home page, or if a web site is unavailable, charges  
15 may be provided in a handout. The charges must be displayed for an  
16 uninsured consumer and consumers covered by insurance may be directed  
17 to their insurance carrier for billing information;

18 (a) The charges by providers for the ten most common procedures  
19 must include, but are not limited to, charges for an office visit,  
20 including a separate facility fee as defined in RCW 70.01.040 if  
21 applicable, and must be displayed for an uninsured consumer;

22 (b) The charges by facilities for the ten most common procedures  
23 must include the information available on the hospital association web  
24 site as well as common outpatient procedures, and must include the  
25 facility fee as defined in RCW 70.01.040 if applicable, and must be  
26 displayed for an uninsured consumer. The charges must be available on  
27 each facility web site with a link on the home page.

28 (5) The department of health shall monitor the development and  
29 implementation of the consumer information and report to the  
30 legislature on the progress in providing consumer transparency.

31 **Sec. 2.** RCW 70.01.040 and 2012 c 184 s 1 are each amended to read  
32 as follows:

33 (1) Prior to the delivery of nonemergency services, a provider-  
34 based clinic that charges a facility fee shall provide a notice to any  
35 patient that the clinic is licensed as part of the hospital and the  
36 patient may receive a separate charge or billing for the facility  
37 component, which may result in a higher out-of-pocket expense.

1 (2) Each health care facility must post prominently in locations  
2 easily accessible to and visible by patients, including its web site,  
3 a statement that the provider-based clinic is licensed as part of the  
4 hospital and the patient may receive a separate charge or billing for  
5 the facility, which may result in a higher out-of-pocket expense.

6 (3) Beginning January 1, 2014, each provider-based clinic described  
7 in subsection (1) of this section and each facility licensed under  
8 Title 70 RCW must post the charges to the web site, as required in RCW  
9 70.01.030.

10 (4) Nothing in this section applies to laboratory services, imaging  
11 services, or other ancillary health services not provided by staff  
12 employed by the health care facility.

13 ((+4)) (5) As part of the year-end financial reports submitted to  
14 the department of health pursuant to RCW 43.70.052, all hospitals with  
15 provider-based clinics that bill a separate facility fee shall report:

16 (a) The number of provider-based clinics owned or operated by the  
17 hospital that charge or bill a separate facility fee;

18 (b) The number of patient visits at each provider-based clinic for  
19 which a facility fee was charged or billed for the year;

20 (c) The revenue received by the hospital for the year by means of  
21 facility fees at each provider-based clinic; and

22 (d) The range of allowable facility fees paid by public or private  
23 payers at each provider-based clinic.

24 ((+5)) (6) For the purposes of this section:

25 (a) "Facility fee" means any separate charge or billing by a  
26 provider-based clinic in addition to a professional fee for physicians'  
27 services that is intended to cover building, electronic medical records  
28 systems, billing, and other administrative and operational expenses.

29 (b) "Provider-based clinic" means the site of an off-campus clinic  
30 or provider office located at least two hundred fifty yards from the  
31 main hospital buildings or as determined by the centers for medicare  
32 and medicaid services, that is owned by a hospital licensed under  
33 chapter 70.41 RCW or a health system that operates one or more  
34 hospitals licensed under chapter 70.41 RCW, is licensed as part of the  
35 hospital, and is primarily engaged in providing diagnostic and  
36 therapeutic care including medical history, physical examinations,  
37 assessment of health status, and treatment monitoring. This does not

1 include clinics exclusively designed for and providing laboratory, x-  
2 ray, testing, therapy, pharmacy, or educational services and does not  
3 include facilities designated as rural health clinics.

4 NEW SECTION. **Sec. 3.** A new section is added to chapter 48.43 RCW  
5 to read as follows:

6 All health insurance plans shall post information on costs for  
7 services for enrollees on their web site, with a link on the home page,  
8 to assist enrollees in calculating their out-of-pocket health expenses  
9 and allow enrollees to make informed health care purchasing decisions.  
10 The cost information must be posted for providers and facilities for  
11 common procedures and must reflect the benefit coverage for the  
12 consumer.

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