



Representative Ivy Spohnholz

House Health & Social Services Committee Chair

Serving House District 16: College Gate, Russian Jack, Nunaka Valley, & Reflection Lake

Committee Member: Education, Energy, Military & Veterans Affairs, Legislative Budget & Audit

Sectional Analysis: 30-LS0380\B

House Bill 123

"An Act relating to disclosure of health care services and price information; relating to health care insurer; and providing for an effective date."

Section 1

AS 18.15.360.

Subsection (a) (p. 1, line 14, p. 2, line 1): has been amended to authorize the Department of Health and Social Services (DHSS) to collect, analyze, and maintain databases of information related to health care services and price information collected under AS 18.23.400.

Section 2

AS 18.23.400. (p. 2, line 4): this is a new section that mandates the disclosure and reporting of health care services and price information.

Subsection (a) (p. 2, lines 7-16): providers will compile a list of the 25 most commonly performed health care services from the previous year and for each of the services state the procedure code, the undiscounted price, facility fees, and the payment rates for Medicaid.

Subsection (b) (p. 2, lines 17-25): facilities will compile a list of the 50 most commonly performed health care services from the previous year and for each of the services state the procedure code, the undiscounted price, facility fees, and the payment rates for Medicaid.

Subsection (c) (p. 2, line 26-31): if a provider or facility has fewer than 25 or 50 health care services performed, respectively, the provider or facility will compile a list of all health care services performed with the procedure code, undiscounted price, facility fees, and the payment rates for Medicaid.

Subsection (d) (p. 3, lines 1-7): a provider in a group practice is not required to compile and publish a price information list if the group practice compiles and publishes a list, and the prices and fees that the provider charges are reflected in the list published by the group practice.

Subsection (e) (p. 3, lines 8-30): providers and facilities will publish their list each year by January 31st and submit the list to DHSS along with their name and location. The lists will be posted in font size no smaller than 20, in a public area with the DHSS website address listed, and a statement explaining that the prices posted may be higher or lower than the amount paid by the

patient. The list will also include a statement that says the patient will be provided an estimate upon request, and the provider or facilities' in-network preferred provider. Lastly, the lists will be posted on the website of the facility or provider if they have one.

Subsection (f) (p. 3, line 31, p. 4, lines 1-4): once a year, DHSS will gather the compiled lists from the health care providers and facilities and post the information on their website. The lists will also be entered into the DHSS database under AS. 18.15.360(a).

Subsection (g) (p. 4, lines 5-25): when a patient requests a good faith estimate (GFE) of nonemergency health care services, the provider, facility, or insurer will have 10 days to provide the GFE verbally, in writing, or by electronic means. If the GFE is received verbally, the provider, facility, or insurer will keep a record of that GFE. The provider, facility, or insurer is not required to disclose the total charges for the anticipated course of treatment but should provide a portion of the total charges of the course of treatment, or a range of the charges for the anticipated service if the provider or facility cannot reasonably assess what the services should be.

Subsection (h) (p. 4, lines 26-31, p. 5, lines 1-17): a GFE must include a brief description in plain language of the health care services, products, procedures, and supplies, the in-network preferred providers, the procedure code, facility fees, and the suspected identity of others that may charges for a service, product, procedure or supply in connection with the nonemergent health care service, along with an explanation of whether the charges are included are in the GFE.

Subsection (i) (p. 5, lines 18-21): a provider, facility, or insurer that provides an GFE will not be liable for damages if the GFE is different from the amount charged to the patient.

Subsection (j) (p. 5, lines 22-25): a facility that is an emergency department will not be required to provide a GFE or post that they will provide GFE upon request.

Subsection (k) (p. 5, lines 26-31, p. 6 lines 1-2): Civil penalties for providers and facilities that do not comply with posting the price information in subsections (a) through (e) will be \$100 a day after March 31st. This amount will not exceed \$10,000. Civil penalties for providers, facilities, or insurers who do not provide a GFE upon request in subsections (g) and (h) after 10 business days will be \$100 a day but will not exceed \$10,000.

Subsection (l) (p. 6, lines 3-5): providers and facilities that are penalized are entitled to a hearing conducted by the office of administrative hearings.

Subsection (m) (p. 6, lines 6-8): municipalities may not enforce an ordinance that imposes health care price disclosure requirements inconsistent with the regulations in Section 2.

Subsection (n) (p. 6, lines 9-31, p. 7, lines 1-21): health care facility excludes the Alaska Pioneers' Home, the Alaska Veterans' Home, an assisted living home, a long-term care nursing facility licensed by the department, a hospital operated by the United States Department of Veterans Affairs, the United States Department of Defense, or any other federal institution are described. Department, facility fee, health care facility, health care insurer, health care provider, health care service, nonemergency health care service, patient, third party, and undiscounted price are also defined.

Section 3

(p. 7, lines 22-26): An individual who has health insurance can request a GFE of nonemergency health care services and receive the same information listed in subsection (g) and (h).

Section 4

(p. 7, lines 27-31, p. 8 line 1): The DHSS can adopt regulations to implement the changes in this Act.

Section 5

(p. 8, line 2): Section 4 of this Act will take effective immediately.

Section 6

(p. 8, line 3): Except for Section 5 of this Act, the effective date is January 1, 2019.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill – the bill itself is the best statement of its contents.