

SENATE BILL NO. 11

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FOURTH LEGISLATURE - FIRST SESSION

BY SENATORS DYSON, Davis

Introduced: 1/11/05

Referred: Health, Education and Social Services, Labor and Commerce

A BILL

FOR AN ACT ENTITLED

1 **"An Act requiring certain hospitals to make certain disclosures on patient billings."**

2 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

3 * **Section 1.** AS 18.20 is amended by adding a new section to read:

4 **Sec. 18.20.078. Patient billing disclosures.** A hospital licensed under
5 AS 18.20.010 - 18.20.130 shall comply with the patient billing disclosure
6 requirements of AS 45.45.940 if AS 45.45.940 applies to the hospital.

7 * **Sec. 2.** AS 45.45 is amended by adding a new section to read:

8 **Sec. 45.45.940. Patient billing disclosures.** (a) A hospital that receives
9 government money for the purchase, construction, repair, equipping, or operation of
10 the hospital shall disclose on each patient billing

11 (1) the price that the hospital charges other patients who pay
12 negotiated rates for the same medical service item, including negotiated group and
13 government rates and individual discounts; and

14 (2) an itemized description of the costs and components used to
15 calculate the price of each medical service item on the patient billing, including the

1 cost subsidy for indigent individuals.

2 (b) In this section,

3 (1) "cost subsidy for indigent individuals" means the cost that is
4 included in the charge for medical service items billed by the hospital to compensate
5 the hospital for the uncollected costs that the hospital incurs to provide medical service
6 items to indigent individuals;

7 (2) "government money" means money from a state or municipal
8 governmental unit or the federal government, and includes money received by the
9 hospital under AS 18.25 or AS 18.26;

10 (3) "hospital" means a person licensed as a hospital under
11 AS 18.20.010 - 18.20.130;

12 (4) "medical service item" includes a hospital room, medication,
13 medical treatment, and medical supplies;

14 (5) "negotiated rate" means a rate negotiated for a category of patients
15 by another person, including an insurer, but does not include a rate negotiated by a
16 patient or the patient's relatives directly with the hospital for the patient's own medical
17 service items;

18 (6) "patient billing" means a billing for a patient that is provided to a
19 patient for a medical service item.