

# Insights

## Proposed Bill Would Require Medical Bill and Out of Pocket Estimates to Patients

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Representative Donna Schaibley introduced House Bill No. 1005 to the Indiana House Public Health Committee on January 6, 2020. The stated purpose of the bill is to make pricing for health care services more transparent with the aim of ultimately reducing the overall cost to patients. To do so, the bill requires action from health care providers, health insurers, the Indiana Department of Insurance (IDOI), and more.

*All Health Care Providers.* According to the bill, patients may request a good faith estimate of the total amount that will be charged for non-emergency health care service from a health care provider. If requested, a health care provider has 72 hours to respond. Health care providers must post notice of a patient's right to request a good faith estimate in the waiting room and on the providers' website.

*Hospitals and Ambulatory Surgical Centers.* Another requirement under the bill is that hospitals and ambulatory surgical centers post on their respective websites certain pricing information. Specifically, for each billing code, including, if relevant, each diagnosis related group billing code and each health care common procedure coding system billing code: (1) the number of services provided for the code; (2) a description of the service; (3) the weighted average prices paid per service per provider type for employer sponsored insurance, individually purchased insurance, Medicaid, the children's health insurance program, Medicare, and self pay. The bill requires the information to be made available no later than March 31, 2021, and requires quarterly updates.

*Health Carriers.* The bill also requires health carriers, which includes health insurers, to provide patients with a good faith estimate of the amount that will be paid or reimbursed to the patients for non-emergency services when requested. Health carriers have 24 hours to respond once the patient request is received. Additionally, health carriers must post notice of a patient's right to request an estimate on the health carrier's website.

*Nonprofit Hospitals.* Under the bill, nonprofit hospitals are required to hold semiannual meetings to specifically discuss the pricing of health care services and measures to make those health services more affordable.

*Off-Campus Locations.* The bill also requires that an off-campus location of a hospital apply for, obtain, and use on all claims for reimbursement or payment for health care services provided at the off-campus location a National Provider Identifier that is separate and distinct from the National Provider Identifier of the hospital of which the off-campus location is affiliated with, owned, or controlled.

*The IDOI.* The bill requires the IDOI to submit a request for information by July 1, 2020, and a request for proposal concerning the potential establishment and implementation of an all payer claims database before May 31, 2021. If a proposal is accepted, the IDOI would have until June 30, 2022, to implement the database.