



SENATE BILL 505: Medical Billing Transparency.

2021-2022 General Assembly

Committee:	Senate Health Care. If favorable, re-refer to Commerce and Insurance. If favorable, re-refer to Rules and Operations of the Senate	Date:	April 15, 2021
Introduced by:	Sens. Krawiec, Burgin, Perry	Prepared by:	Jason Moran-Bates
Analysis of:	First Edition		Committee Staff

OVERVIEW: *Senate Bill 505 would require healthcare facilities to notify patients of any healthcare providers at the facility who may not be in the patients' insurance network. The bill would also allow insurance companies to recover overpayments, including interest, by making demands from insureds, healthcare facilities, and healthcare providers.*

BILL ANALYSIS: Under Senate Bill 505, when a patient makes an appointment for healthcare at an in-network health service facility, the facility would be required to notify the patient of any out-of-network health care providers who may be providing care to the patient. The notification would have to be given at least 72 hours prior to the appointment for appointments made that far in advance, on the day of the appointment for appointments made less than 72 hours in advance, and as soon as reasonably possible for emergency care. The notification would have to include all the out-of-network providers who will be involved in the patient's care and the approximate cost to the insured for that care.

"Health care provider" would be defined to include anyone licensed under Chapter 90 to provide healthcare services. "Health services facility" would be defined to include a hospital; long-term care hospital; psychiatric facility; rehabilitation facility; nursing home facility; adult care home; kidney disease treatment center, including freestanding hemodialysis units; intermediate care facility for individuals with intellectual disabilities; home health agency office; chemical dependency treatment facility; diagnostic center; hospice office, hospice inpatient facility, hospice residential care facility; and ambulatory surgical facility.

The bill would also permit insurers to recover overpayments by making demands on insureds, healthcare providers, and health service facilities.

EFFECTIVE DATE: The bill would be effective January 1, 2022, and would apply to contracts entered into, amended, or renewed on or after that date.

BACKGROUND: When insureds seek treatment at a healthcare facility, their insurance can be billed not only by the facility, but also by some of the providers who work at the facility. Although the facility may be an in-network provider under the insurance plan, some of the providers, frequently emergency department personnel and radiologists, may not be in-network providers. This arrangement can result in insureds getting multiple bills for one course of treatment, with some of those bills being reimbursed by the insurer at the out-of-network rate.

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