LRB-3972/1 SWB:ahe

## **2017 ASSEMBLY BILL 1066**

March 22, 2018 - Introduced by Representatives Stuck, Anderson, Crowley, Pope, Sargent and Sinicki. Referred to Committee on Health.

- 1 AN ACT to repeal 146.903 (1) (e) 1. and 2.; to renumber and amend 146.903
- 2 (1) (e) (intro.); and **to amend** 146.903 (2) (a) 3., 146.903 (3) (a), 146.903 (3) (b)
- 3 1., 146.903 (3) (d), 146.903 (4) (a) 1. and 146.903 (4) (c) of the statutes; **relating**
- 4 **to:** mandatory health care pricing disclosures.

### Analysis by the Legislative Reference Bureau

This bill changes the pricing disclosures required from certain health care providers and hospitals. Under current law, certain health care providers and hospitals are required to disclose, among other things, the median billed charge, which means the amount the health care provider or hospital charged, before any discount or contractual rate applicable to certain patients or payers was applied, during a time period set forth in the statutes, and calculated as described in the statutes. This bill requires health care providers and hospitals to disclose, instead of the median billed price, the lowest price accepted, which is defined in the bill as the lowest price a health care provider or hospital accepts as payment in full for a health care related product or service offered for sale to the public.

The bill also changes the amount of time health care providers and hospitals have to update certain charge information. Under current law, health care providers must annually update the document listing 1) the median billed charge, 2) the Medicare payment to the provider (if the health care provider is certified as a provider of Medicare), and 3) the average allowable payment from private, third-party payers, assuming no medical complications, for diagnosing and treating each of 25 conditions identified by the Department of Health Services for the health

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care provider's type. Similarly, current law requires hospitals to update, every calendar quarter, the document listing 1) the median billed charge, 2) the average allowable payment under Medicare, and 3) the average allowable payment from private, third-party payers, assuming no medical complications, for inpatient care for certain diagnosis-related groups and for certain outpatient surgical procedures. This bill substitutes the lowest price accepted for the median billed charge and requires health care providers and hospitals to update the information on a continuous basis as information is available.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

# The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

**SECTION 1.** 146.903 (1) (e) (intro.) of the statutes is renumbered 146.903 (1) (e) and amended to read:

146.903 (1) (e) "Median billed charge" "Lowest price accepted" means one of the following: the lowest price a health care provider or hospital accepts as payment in full for a health care-related product or service offered for sale to the public.

**SECTION 2.** 146.903 (1) (e) 1. and 2. of the statutes are repealed.

**SECTION 3.** 146.903 (2) (a) 3. of the statutes is amended to read:

146.903 (2) (a) 3. Prescribe the methods by which health care providers shall calculate and present median billed charges the lowest price accepted and Medicare and private 3rd-party payer payments under sub. (3) (b).

**Section 4.** 146.903 (3) (a) of the statutes is amended to read:

146.903 (3) (a) Except as provided in par. (g), a health care provider or the health care provider's designee shall, upon request by and at no cost to a health care consumer, disclose to the consumer within a reasonable period of time after the request, the median billed charge lowest price accepted, assuming no medical complications, for a health care service, diagnostic test, or procedure that is specified by the consumer and that is provided by the health care provider.

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1	<b>SECTION 5.</b> 146.903 (3) (b) 1. of the statutes is amended to read:
2	146.903 (3) (b) 1. The median billed charge lowest price accepted.
3	<b>Section 6.</b> 146.903 (3) (d) of the statutes is amended to read:
4	146.903 (3) (d) Except as provided in par. (g), a health care provider shall
5	annually update, on a continuous basis, the document under par. (b) as information
6	<u>is available</u> .
7	<b>Section 7.</b> 146.903 (4) (a) 1. of the statutes is amended to read:
8	146.903 (4) (a) 1. The median billed charge lowest price accepted.
9	<b>Section 8.</b> 146.903 (4) (c) of the statutes is amended to read:
10	146.903 (4) (c) A hospital shall update, on a continuous basis, the document
11	under par. (a) every calendar quarter as information is available.
12	(END)