

SEC. 133. REQUIRING INFORMATION TRANSPARENCY AND PLAN DISCLOSURE.

(a) IN GENERAL.—A qualified health benefits plan shall comply with standards established by the Commissioner for the accurate and timely disclosure of plan documents, plan terms and conditions, claims payment policies, practices, and amounts, periodic financial disclosure, and other information as determined appropriate by the Commissioner. The Commissioner shall require that such disclosure be provided in plain language.

[NEW SECTION] (b) Cost Sharing Transparency. — A qualified health benefits plan shall allow individuals to learn the amount of cost-sharing (including deductibles, copayments, and coinsurance) under the individual’s plan or coverage that the individual would be responsible for paying with respect to the furnishing of a specific item or service by a participating provider in a timely manner upon request. At a minimum, this information shall be made available for such individual via an Internet website.

(c) CONTRACTING REIMBURSEMENT.—A qualified health benefits plan shall comply with standards established by the Commissioner to ensure transparency to each health care provider relating to reimbursement arrangements between such plan and such provider.

(d) ADVANCE NOTICE OF PLAN CHANGES.—A change in a qualified health benefits plan shall not be made without such reasonable and timely advance notice to enrollees of such change.

SEC . HOSPITAL PRICE AND QUALITY TRANSPARENCY

(a) In General- Section 1902(a) of the Social Security Act (42 U.S.C. 1396a(a)), as amended by section 5006(e)(2)(A) of division B of Public Law 111-5, is amended--

- (1) by striking `and' at the end of paragraph (72);
- (2) by striking the period at the end of paragraph (73) and inserting `; and';
- (3) by inserting after paragraph (73) the following new paragraph:
 `(74) provide that the State will establish and maintain laws, in accordance with the requirements of section 1921A, to require disclosure of information on hospital charges and quality, to make such information available to the public and the Secretary.'; and
- (4) by inserting after section 1921 the following new section:

HOSPITAL PRICE TRANSPARENCY

Sec. 1921A. (a) In General- The requirements referred to in section 1902(a)(74) are that the laws of a State must --

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(1) require reporting to a state (or its agent) by each hospital located therein, of information on - ~~the~~

~~(1) at a minimum, the average charges as defined below in (b)(2) for the most common (we'd like to see this in here) inpatient and outpatient hospital services by diagnosis related group and apcs;~~

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~~(2) the Medicare and Medicaid reimbursement amount for such services; and~~

~~(3) if the hospitals allow for or provide reduced charges for individuals based on financial need, the factors considered in making determinations for reductions in charges, including any formula for such determination and the contact information for the specific department of a hospital that responds to such inquiries.~~

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(4) the Secretary shall consult with stakeholders (including those entities in section 1808(d)(6) of this Act and the National Governors Association) through a formal process to obtain guidance prior to issuing implementing policies.

(2) provide for notice to individuals seeking or requiring such services of the availability of information on charges described in (a)(1).

(3) provide for timely access to such information by individuals seeking or requiring such services. At a minimum, this information shall be made available on an Internet website.

(4) provide for timely access to information regarding the quality of care at each hospital made publicly available in accordance with Section 501 of Public Law 108-173 [cross reference to MMA and the Hospital Compare data], Section 1139A [pediatric quality measures], or Section 1139B [maternity care and other quality measures] as amended by this act.

(b) Definitions

~~(1) For the purposes of this section, the term 'hospital' means an institution that meets the requirements of paragraphs (1) and (7) of section 1861(e) and includes those to which section 1820(c) applies.'~~

~~(2) For purposes of this section, the term charge means the average amount billed by a hospital to patients for services provided by such hospital.~~

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(b) Effective Date-

(1) IN GENERAL- Except as provided in paragraph (2), the amendments made by subsection (a) shall take effect on October 1, 2010.

(2) EXCEPTION- In the case of a State plan for medical assistance under title XIX of the Social Security Act which the Secretary of Health and Human Services determines requires State legislation (other than

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legislation appropriating funds) in order for the plan to meet the additional requirements imposed by the amendment made by subsection (a), the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet these additional requirements before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.

`(3) The Secretary shall establish a process by which a state with an existing program may certify to the Secretary that its program satisfies the requirements on this section.

`(4) States that as of the date of enactment administer hospital price transparency policies that do not meet the criteria set forth in subsection (a)(1) shall have two (2) years from the effective date to make modifications.