

SENATE BILL REPORT

SB 5493

As of February 12, 2025

Title: An act relating to hospital price transparency.

Brief Description: Concerning hospital price transparency.

Sponsors: Senators Riccelli, Robinson, Conway, Nobles, Ramos, Stanford, Valdez and Wilson, C..

Brief History:

Committee Activity: Health & Long-Term Care: 2/13/25.

Brief Summary of Bill

- Requires hospitals to comply with federal hospital price transparency rules, as they existed on January 1, 2025, and submit data to the Department of Health.
- Provides enforcement authority to the Department of Health.
- Requires the Department of Health to develop an interactive tool to allow the public to search and compare hospital prices.

SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

Staff: Greg Attanasio (786-7410)

Background: Federal regulations require hospitals to make public a machine-readable file containing a list of all standard charges for all items and services provided by that hospital. This data must include:

- a description of each item or service provided by the hospital;
- the gross charge that applies to each individual item or service when provided in, as applicable, the hospital inpatient setting and outpatient department setting;
- the payer-specific negotiated charge that applies to each item or service when

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- provided in, as applicable, the hospital inpatient setting and outpatient department setting;
- the de-identified minimum negotiated charge that applies to each item or service when provided in, as applicable, the hospital inpatient setting and outpatient department setting;
 - the deidentified maximum negotiated charge that applies to each item or service when provided in, as applicable, the hospital inpatient setting and outpatient department setting;
 - the discounted cash price that applies to each item or service when provided in, as applicable, the hospital inpatient setting and outpatient department setting; and
 - any code used by the hospital for purposes of accounting or billing for the item or service.

Federal regulations also require hospitals to make public a consumer-friendly list of standard charges for a set of at least 300 shoppable services, including 70 Centers for Medicare and Medicaid Services (CMS)-specified shoppable services, if those services are provided at the hospital. If a hospital does not provide 300 shoppable services, the hospital must make public information for as many shoppable services as it provides. The list must include:

- a plain-language description of each shoppable service;
- an indicator when one or more of the CMS-specified shoppable services are not offered by the hospital;
- the payer-specific negotiated charge that applies to each shoppable service;
- the discounted cash price that applies to each shoppable service. If the hospital does not offer a discounted cash price for one or more shoppable services, the hospital must list its undiscounted gross charge for the shoppable service;
- the deidentified minimum negotiated charge that applies to each shoppable service;
- the deidentified maximum negotiated charge that applies to each shoppable service;
- the location at which the shoppable service is provided, including whether the standard charges for the shoppable service apply at that location in the inpatient setting, the outpatient department setting, or both; and
- any primary code used by the hospital for purposes of accounting or billing for the shoppable service.

Hospitals may meet the shoppable services requirement by maintaining an Internet-based price estimator tool. A shoppable service is a service that can be scheduled by a health care consumer in advance.

Summary of Bill: The bill as referred to committee not considered.

Summary of Bill (Proposed Substitute): By July 1, 2027, hospitals must publish all data and comply with all rules related to federal regulations on standard charges and shoppable services.

Beginning July 1, 2027, hospitals must submit the most recent machine-readable file containing a list of all standard charges for all hospital items or services and the most recent consumer-friendly list of standard charges for a limited set of shoppable services to the Department of Health (DOH) at least once a year.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.