

1 **BALANCE BILLING AMENDMENTS**

2 2014 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: Jim Bird**

5 Senate Sponsor: \_\_\_\_\_

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7 **LONG TITLE**

8 **General Description:**

9 This bill amends provisions of the Insurance Code related to hospital billing and  
10 amends the Occupations and Professions Code related to health care provider billing.

11 **Highlighted Provisions:**

12 This bill:

13 ▶ prohibits a hospital from billing a patient for an amount that exceeds the amount the  
14 patient is required to pay under an agreement between the hospital and the patient's  
15 health insurer;

16 ▶ prohibits a health care provider from billing a patient for an amount that exceeds the  
17 amount the patient is required to pay under an agreement between the health care  
18 provider and the patient's insurer; and

19 ▶ makes technical changes.

20 **Money Appropriated in this Bill:**

21 None

22 **Other Special Clauses:**

23 None

24 **Utah Code Sections Affected:**

25 AMENDS:

26 **26-21-20**, as last amended by Laws of Utah 2009, Chapter 11

27 ENACTS:



28 [58-1-501.8](#), Utah Code Annotated 1953

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30 *Be it enacted by the Legislature of the state of Utah:*

31 Section 1. Section **26-21-20** is amended to read:

32 **26-21-20. Hospital billing -- Itemized charges and balance billing.**

33 (1) For purposes of this section[, "hospital" includes]:

34 (a) "Health care" is as defined in Section [31A-1-301](#).

35 (b) "Health insurer" means a person that:

36 (i) offers a health benefit plan, as defined in Section [31A-1-301](#);

37 (ii) offers a policy or certificate that provides solely for:

38 (A) dental;

39 (B) vision; or

40 (C) a Medicare supplement, as defined in Section [31A-1-301](#); or

41 (iii) provides self-insurance, as defined in Section [31A-1-301](#).

42 (c) "Hospital" includes:

43 ~~(a)~~ (i) an ambulatory surgical facility;

44 ~~(b)~~ (ii) a general acute hospital; and

45 ~~(c)~~ (iii) a specialty hospital.

46 (2) A hospital shall provide a statement of itemized charges to any patient receiving  
47 medical care or other services from that hospital.

48 (3) (a) The statement shall be provided to the patient or the patient's personal  
49 representative or agent at the hospital's expense, personally, by mail, or by verifiable electronic  
50 delivery after the hospital receives an explanation of benefits from a third party payer which  
51 indicates the patient's remaining responsibility for the hospital charges.

52 (b) If the statement is not provided to a third party, it shall be provided to the patient as  
53 soon as possible and practicable.

54 (4) The statement required by this section:

55 (a) shall itemize each of the charges actually provided by the hospital to the patient;

56 (b) (i) shall include the words in bold "THIS IS THE BALANCE DUE AFTER  
57 PAYMENT FROM YOUR HEALTH INSURER"; or

58 (ii) shall include other appropriate language if the statement is sent to the patient under

59 Subsection (3)(b); and

60 (c) may not include charges of physicians who bill separately.

61 (5) The requirements of this section do not apply to patients who receive services from  
62 a hospital under Title XIX of the Social Security Act.

63 (6) A hospital may not bill a patient for an amount that exceeds the copay, coinsurance,  
64 or other amount that the patient is required to pay for health care under an agreement between  
65 the hospital and the patient's health insurer.

66 ~~[(6)]~~ (7) Nothing in this section prohibits a hospital from sending an itemized billing  
67 statement to a patient before the hospital has received an explanation of benefits from an  
68 insurer. If a hospital provides a statement of itemized charges to a patient prior to receiving the  
69 explanation of benefits from an insurer, the itemized statement shall be marked in bold:  
70 "DUPLICATE: DO NOT PAY" or other appropriate language.

71 Section 2. Section **58-1-501.8** is enacted to read:

72 **58-1-501.8. Unauthorized billing -- Unprofessional conduct.**

73 (1) As used in this section:

74 (a) "Health care" is as defined in Section [31A-1-301](#).

75 (b) "Health care provider" means a person that is:

76 (i) defined as a health care provider in Section [78B-3-403](#); and

77 (ii) licensed under this title.

78 (c) "Health insurer" means a person that:

79 (i) offers a health benefit plan, as defined in Section [31A-1-301](#);

80 (ii) offers a policy or certificate that provides solely for:

81 (A) dental;

82 (B) vision; or

83 (C) a Medicare supplement, as defined in Section [31A-1-301](#); or

84 (iii) provides self-insurance, as defined in Section [31A-1-301](#).

85 (2) It is unprofessional conduct for a health care provider to bill a patient for an amount  
86 that exceeds the copay, coinsurance, or other amount that the patient is required to pay for  
87 health care under an agreement between the health care provider and the patient's health  
88 insurer.

**Legislative Review Note**  
**as of 11-5-13 1:06 PM**

**Office of Legislative Research and General Counsel**