BALANCE BILLING AMENDMENTS

2014 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jim Bird

Senate Sponsor: ____________

LONG TITLE

General Description:

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

Highlighted Provisions:

This bill:

- prohibits a hospital from billing a patient for an amount that exceeds the amount the patient is required to pay under an agreement between the hospital and the patient's health insurer;
- prohibits a health care provider from billing a patient for an amount that exceeds the amount the patient is required to pay under an agreement between the health care provider and the patient's insurer; and
- makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

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

ENACTS:
Be it enacted by the Legislature of the state of Utah:

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

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

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

(a) "Health care" is as defined in Section 31A-1-301;

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

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

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

(A) dental;

(B) vision; or

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

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

(c) "Hospital" includes:

[(a)] (i) an ambulatory surgical facility;

[(b)] (ii) a general acute hospital; and

[(c)] (iii) a specialty hospital.

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

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

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

4 (4) The statement required by this section:

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

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

(ii) shall include other appropriate language if the statement is sent to the patient under
Subsection (3)(b); and
(c) may not include charges of physicians who bill separately.

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

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

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

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


(1) As used in this section:
(a) "Health care" is as defined in Section 31A-1-301.
(b) "Health care provider" means a person that is:
(i) defined as a health care provider in Section 78B-3-403; and
(ii) licensed under this title.
(c) "Health insurer" means a person that:
(i) offers a health benefit plan, as defined in Section 31A-1-301;
(ii) offers a policy or certificate that provides solely for:
(A) dental;
(B) vision; or
(C) a Medicare supplement, as defined in Section 31A-1-301; or
(iii) provides self-insurance, as defined in Section 31A-1-301.
(2) It is unprofessional conduct for a health care provider to bill a patient for an amount that exceeds the copay, coinsurance, or other amount that the patient is required to pay for health care under an agreement between the health care provider and the patient's health insurer.
Legislative Review Note
as of 11-5-13 1:06 PM

Office of Legislative Research and General Counsel