

HEALTH CARE CHARGES

2019 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Brad M. Daw

Senate Sponsor: Allen M. Christensen

LONG TITLE

General Description:

This bill creates provisions regarding health care price data.

Highlighted Provisions:

This bill:

- ▶ creates a reporting requirement;
- ▶ requires the Department of Health to produce an estimate for creating and maintaining a health care price transparency tool, with technical support from the Public Employees' Benefit and Insurance Program and the Insurance Department;
- ▶ permits the Department of Health to create and maintain a health care price transparency tool that is accessible by the public; and
- ▶ makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

26-33a-106.5, as last amended by Laws of Utah 2016, Chapters 74 and 222

63I-2-226, as last amended by Laws of Utah 2018, Chapters 38 and 281

ENACTS:



28 **26-33a-116**, Utah Code Annotated 1953



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

31 Section 1. Section **26-33a-106.5** is amended to read:

32 **26-33a-106.5. Comparative analyses.**

33 (1) The committee may publish compilations or reports that compare and identify
34 health care providers or data suppliers from the data it collects under this chapter or from any
35 other source.

36 (2) (a) Except as provided in Subsection [~~(7)(c)~~] (8)(c), the committee shall publish
37 compilations or reports from the data it collects under this chapter or from any other source
38 which:

- 39 (i) contain the information described in Subsection (2)(b); and
- 40 (ii) compare and identify by name at least a majority of the health care facilities, health
41 care plans, and institutions in the state.

42 (b) Except as provided in Subsection [~~(7)(c)~~] (8)(c), the report required by this
43 Subsection (2) shall:

- 44 (i) be published at least annually; [~~and~~]
- 45 (ii) list, as determined by the committee, the median paid amount for the top 50
46 medical procedures performed in the state by volume;
- 47 (iii) describe the methodology approved by the committee to determine the amounts
48 described in Subsection (2)(b)(ii); and

49 [~~(ii)~~] (iv) contain comparisons based on at least the following factors:

- 50 (A) nationally or other generally recognized quality standards;
- 51 (B) charges; and
- 52 (C) nationally recognized patient safety standards.

53 (3) (a) The committee may contract with a private, independent analyst to evaluate the
54 standard comparative reports of the committee that identify, compare, or rank the performance
55 of data suppliers by name.

56 (b) The evaluation described in this Subsection (3) shall include a validation of
57 statistical methodologies, limitations, appropriateness of use, and comparisons using standard
58 health services research practice.

59 (c) The independent analyst described in Subsection (3)(a) shall be experienced in
 60 analyzing large databases from multiple data suppliers and in evaluating health care issues of
 61 cost, quality, and access.

62 (d) The results of the analyst's evaluation shall be released to the public before the
 63 standard comparative analysis upon which it is based may be published by the committee.

64 (4) The committee may contract with an independent entity to:

65 (a) publicize the compilations or reports described in this section;

66 (b) convene a work group to provide recommendations to the committee on actions
 67 that the state could take based on the compilations or reports described in this section; and

68 (c) identify future applications of the data in a report to the Health and Human Services
 69 Interim Committee.

70 [~~(4)~~] (5) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking
 71 Act, the committee, with the concurrence of the department, shall adopt by rule a timetable for
 72 the collection and analysis of data from multiple types of data suppliers.

73 [~~(5)~~] (6) The comparative analysis required under Subsection (2) shall be available[
 74 ~~(a)] free of charge and easily accessible to the public[~~; and~~].~~

75 [~~(b) on the Health Insurance Exchange either directly or through a link.~~]

76 [~~(6)~~] (7) (a) The department shall include in the report required by Subsection (2)(b), or
 77 include in a separate report, comparative information on commonly recognized or generally
 78 agreed upon measures of cost and quality identified in accordance with Subsection [~~(7)~~] (8),
 79 for:

80 (i) routine and preventive care; and

81 (ii) the treatment of diabetes, heart disease, and other illnesses or conditions as
 82 determined by the committee.

83 (b) The comparative information required by Subsection [~~(6)~~] (7)(a) shall be based on
 84 data collected under Subsection (2) and clinical data that may be available to the committee,
 85 and shall compare:

86 (i) [~~beginning December 31, 2014,~~] results for health care facilities or institutions;

87 (ii) [~~beginning December 31, 2014,~~] results for health care providers by geographic
 88 regions of the state;

89 (iii) [~~beginning July 1, 2016,~~] a clinic's aggregate results for a physician who practices

90 at a clinic with five or more physicians; and

91 (iv) [~~beginning July 1, 2016,~~] a geographic region's aggregate results for a physician
92 who practices at a clinic with less than five physicians, unless the physician requests
93 physician-level data to be published on a clinic level.

94 (c) The department:

95 (i) may publish information required by this Subsection [~~(6)~~] (7) directly or through
96 one or more nonprofit, community-based health data organizations;

97 (ii) may use a private, independent analyst under Subsection (3)(a) in preparing the
98 report required by this section; and

99 (iii) shall identify and report to the Legislature's Health and Human Services Interim
100 Committee by July 1, 2014, and every July 1 thereafter until July 1, 2019, at least three new
101 measures of quality to be added to the report each year.

102 (d) A report published by the department under this Subsection [~~(6)~~] (7):

103 (i) is subject to the requirements of Section 26-33a-107; and

104 (ii) shall, prior to being published by the department, be submitted to a neutral,
105 non-biased entity with a broad base of support from health care payers and health care
106 providers in accordance with Subsection [~~(7)~~] (8) for the purpose of validating the report.

107 [~~(7)~~] (8) (a) The Health Data Committee shall, through the department, for purposes of
108 Subsection [~~(6)~~] (7)(a), use the quality measures that are developed and agreed upon by a
109 neutral, non-biased entity with a broad base of support from health care payers and health care
110 providers.

111 (b) If the entity described in Subsection [~~(7)~~] (8)(a) does not submit the quality
112 measures, the department may select the appropriate number of quality measures for purposes
113 of the report required by Subsection [~~(6)~~] (7).

114 (c) (i) For purposes of the reports published on or after July 1, 2014, the department
115 may not compare individual facilities or clinics as described in Subsections [~~(6)~~] (7)(b)(i)
116 through (iv) if the department determines that the data available to the department can not be
117 appropriately validated, does not represent nationally recognized measures, does not reflect the
118 mix of cases seen at a clinic or facility, or is not sufficient for the purposes of comparing
119 providers.

120 (ii) The department shall report to the Legislature's Health and Human Services Interim

121 Committee prior to making a determination not to publish a report under Subsection [(7)]
122 (8)(c)(i).

123 Section 2. Section **26-33a-116** is enacted to read:

124 **26-33a-116. Health care price transparency tool -- Project scoping --**
125 **Transparency tool requirements.**

126 (1) On or before October 1, 2019, the department shall:

127 (a) with technical support from the Public Employees' Benefit and Insurance Program
128 created in Section [49-20-103](#), and the Insurance Department, produce an estimate of the cost of
129 creating and maintaining a health care price transparency tool described in this section; and

130 (b) report to the Health and Human Services Interim Committee:

131 (i) the estimate described in Subsection (1)(a);

132 (ii) other policy options for increasing health care price transparency; and

133 (iii) if applicable, the department's plans for creating a health care price transparency
134 tool in accordance with this section.

135 (2) The department may create a health care price transparency tool:

136 (a) subject to appropriations from the Legislature and any available funding from
137 third-party sources;

138 (b) with technical support from the Public Employees' Benefit and Insurance Program
139 created in Section [49-20-103](#), and the Insurance Department; and

140 (c) in accordance with the requirements in Subsection (3).

141 (3) A health care price transparency tool created by the department under this section
142 shall:

143 (a) present health care price information for consumers in a manner that is clear and
144 accurate;

145 (b) be available to the public through a user-friendly online portal;

146 (c) incorporate existing data collected under Section [26-33a-106.1](#);

147 (d) group billing codes for common health care procedures;

148 (e) be updated on a regular basis; and

149 (f) be created and operated in accordance with all applicable state and federal laws.

150 (4) The department may make the health care pricing data from the health care price
151 transparency tool available to the public through an application program interface format if the

152 data meets state and federal data privacy requirements.

153 (5) The department may contract with one or more state agencies to create a health care
154 price transparency tool described in this section.

155 (6) If the department creates a health care price transparency tool, the committee shall
156 outline steps to minimize the cost of maintaining the health care price transparency tool.

157 (7) (a) Before making a health care price transparency tool available to the public, the
158 department shall:

159 (i) seek input from third-party payers, health care providers, health care facilities, and
160 other stakeholders on the overall accuracy and effectiveness of the reports created by the health
161 care price transparency tool;

162 (ii) present a draft of the health care price transparency tool to the Health and Human
163 Services Interim Committee;

164 (iii) establish by rule made in accordance with Title 63G, Chapter 3, Utah
165 Administrative Rulemaking Act, a written procedure to correct any material errors within a
166 reasonable period of time if a data supplier submits any corrections of errors with supporting
167 evidence and comments; and

168 (iv) create a plan to review and report to the committee on the utilization of the health
169 care price transparency tool at least once in each 12 month period.

170 (b) If the department complies with the requirements of Subsection (7)(a), the health
171 care price transparency tool is not subject to the requirements of Section [26-33a-107](#).

172 (8) Each year in which a health care price transparency tool is operational, the
173 department shall report to the Health and Human Services Interim Committee before
174 November 1 of that year:

175 (a) the utilization of the health care price transparency tool; and

176 (b) policy options for improving access to health care price transparency data.

177 Section 3. Section **63I-2-226** is amended to read:

178 **63I-2-226. Repeal dates -- Title 26.**

179 (1) Subsection [26-7-8\(3\)](#) is repealed January 1, 2027.

180 [~~(2) Subsection [26-7-9\(5\)](#) is repealed January 1, 2019.~~]

181 [~~(3)~~] (2) Section [26-8a-107](#) is repealed July 1, 2019.

182 [~~(4)~~] (3) Subsection [26-8a-203\(3\)\(a\)\(i\)](#) is repealed January 1, 2023.

- 183 [~~(5)~~] (4) Subsection [26-18-2.3](#)(5) is repealed January 1, 2020.
- 184 [~~(6)~~] (5) Subsection [26-18-2.4](#)(3)(e) is repealed January 1, 2023.
- 185 [~~(7)~~ Subsection [26-18-408](#)(6) is repealed January 2, 2019.]
- 186 [~~(8)~~] (6) Subsection [26-18-410](#)(5) is repealed January 1, 2026.
- 187 [~~(9)~~] (7) Subsection [26-18-411](#)(5) is repealed January 1, 2023.
- 188 [~~(10)~~] (8) Subsection [26-18-604](#)(2) is repealed January 1, 2020.
- 189 [~~(11)~~] (9) Subsection [26-21-28](#)(2)(b) is repealed January 1, 2021.
- 190 [~~(12)~~] (10) Subsection [26-33a-106.1](#)(2)(a) is repealed January 1, 2023.
- 191 [~~(13)~~] (11) Subsection [26-33a-106.5](#)[~~(6)~~](7)(c)(iii) is repealed January 1, 2020.
- 192 (12) Subsection [26-33a-116](#)(8), which addresses reporting to the Health and Human
- 193 Services Interim Committee, is repealed July 1, 2024.
- 194 [~~(14)~~] (13) Title 26, Chapter 46, Utah Health Care Workforce Financial Assistance
- 195 Program, is repealed July 1, 2027.
- 196 [~~(15)~~] (14) Subsection [26-50-202](#)(7)(b) is repealed January 1, 2020.
- 197 [~~(16)~~] (15) Subsections [26-54-103](#)(6)(d)(ii) and (iii) are repealed January 1, 2020.
- 198 [~~(17)~~] (16) Subsection [26-55-107](#)(8) is repealed January 1, 2021.
- 199 [~~(18)~~] (17) Subsection [26-56-103](#)(9)(d) is repealed January 1, 2020.
- 200 [~~(19)~~] (18) Title 26, Chapter 59, Telehealth Pilot Program, is repealed January 1, 2020.
- 201 [~~(20)~~] (19) Subsection [26-61-202](#)(4)(b) is repealed January 1, 2022.
- 202 [~~(21)~~] (20) Subsection [26-61-202](#)(5) is repealed January 1, 2022.