

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 266

BY EDUCATION COMMITTEE

AN ACT

1 RELATING TO THE HEALTH CARE TRANSPARENCY ACT; PROVIDING A SHORT TITLE;
2 PROVIDING LEGISLATIVE INTENT; AND AMENDING CHAPTER 2, TITLE 41, IDAHO
3 CODE, BY THE ADDITION OF A NEW SECTION 41-241, IDAHO CODE, TO PROVIDE
4 THAT THE DIRECTOR OF THE DEPARTMENT OF INSURANCE SHALL ESTABLISH A WEB-
5 SITE FOR HEALTH CARE DATA, TO PROVIDE WHAT SHALL BE ON THE WEBSITE AND TO
6 DEFINE TERMS.
7

8 Be It Enacted by the Legislature of the State of Idaho:

9 SECTION 1. SHORT TITLE. This act shall be known and may be cited as the
10 "Health Care Transparency Act."

11 SECTION 2. LEGISLATIVE INTENT. It is the intent of the "Health Care
12 Transparency Act" to assist and allow consumers to make educated choices
13 regarding their health care needs and to require health care providers and
14 insurance carriers to share more information on prices and reimbursement
15 rates.

16 SECTION 3. That Chapter 2, Title 41, Idaho Code, be, and the same is
17 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
18 ignated as Section 41-241, Idaho Code, and to read as follows:

19 41-241. WEBSITE FOR HEALTH CARE DATA. (1) The director of the depart-
20 ment of insurance in conjunction with an organization representing hospi-
21 tals and an organization representing physicians shall annually compile
22 data and launch a website to assist consumers in making informed decisions.
23 The first website shall be launched no later than January 1, 2012, and shall
24 be updated no less frequently than annually. The director of the department
25 of insurance, in consultation with an organization representing hospitals
26 and an organization representing physicians with four (4) or more physicians
27 in a clinic, shall determine the charges for the twenty-five (25) most common
28 procedures based upon the most commonly reported diagnostic-related groups
29 for which there are at least ten (10) cases rendered by the hospital, health
30 care provider or clinic during the calendar year immediately preceding the
31 release of the hospital charge, health care provider or clinic report. If
32 a hospital, health care provider or clinic with four (4) or more physicians
33 does not have twenty-five (25) of the most common diagnostic-related groups
34 with at least ten (10) or more cases rendered, the hospital, health care
35 provider or clinic shall report only on those most common diagnostic-related
36 groups that have at least ten (10) cases rendered.

37 (2) Each insurance carrier issuing policies regarding accident, health
38 or insurance of human beings against bodily injury, disablement, or death by
39 accident or accidental means, or the expense thereof, or against disable-
40 ment or expense resulting from sickness, and every insurance appertaining

1 thereto shall remit to the director reimbursement rate or rates for the
2 twenty-five (25) most common inpatient procedures based upon the most com-
3 monly reported diagnostic-related groups.

4 (3) As used in this section:

5 (a) "Charge" means the amount that a hospital, outpatient facility
6 or clinic with four (4) or more physicians expects to charge for an
7 inpatient or outpatient diagnostic-related group. A charge that is
8 required to be reported to the public shall be the mean charge for all
9 cases of the diagnostic-related group occurring in the calendar year
10 prior to the release of the hospital charge, outpatient facility or
11 clinic report.

12 (b) "Diagnostic-related group" means the classification assigned to an
13 inpatient or outpatient hospital service claim or clinic claim based on
14 the patient's age and sex, the principal and secondary diagnoses, the
15 procedures performed and the discharge status.

16 (4) The director shall post the information submitted pursuant to this
17 section on the department's website. The director shall ensure that the web-
18 site and information is easy to navigate, contains consumer-friendly lan-
19 guage and fulfills the intent of this section. At a minimum, the website
20 shall contain the following information: charge information that includes
21 the number of discharges; average length of stay; average charge; median
22 charge; demographic information; payer mix; charges not paid and charges
23 paid by medicare, medicaid and other government programs, private insurance
24 and uncompensated care.