



January 24, 2020

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## SENATE BILL No. 3

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DIGEST OF SB 3 (Updated January 22, 2020 1:33 pm - DI 104)

**Citations Affected:** IC 16-21; IC 25-1.

**Synopsis:** Health care provider billing. Prohibits billing a patient who receives emergency services: (1) from an out of network provider; and (2) at specified facilities that are in network; for amounts that exceed the cost paid by the patient's insurance plus any deductibles, copayments, and coinsurance amounts. Requires certain health care providers to provide, upon request from the patient, a good faith estimate to the patient for the cost of care at least five business days before a health care service or procedure is provided. Sets forth requirements of the good faith estimate. Requires the patient to acknowledge in writing receipt of the estimate and indicate whether to proceed with the service or procedure.

**Effective:** July 1, 2020.

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**Charbonneau, Garten, Ford Jon,  
Melton, Stoops**

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January 6, 2020, read first time and referred to Committee on Health and Provider Services.  
January 23, 2020, amended, reported favorably — Do Pass.

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SB 3—LS 6979/DI 104





January 24, 2020

Second Regular Session of the 121st General Assembly (2020)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2019 Regular Session of the General Assembly.

## SENATE BILL No. 3

A BILL FOR AN ACT to amend the Indiana Code concerning health.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 16-21-2-17 IS ADDED TO THE INDIANA CODE  
2 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2020]: **Sec. 17. (a) As used in this section, "emergency services"**  
4 **means services that are:**  
5 (1) **furnished by a provider qualified to furnish emergency**  
6 **services; and**  
7 (2) **needed to evaluate or stabilize an emergency medical**  
8 **condition.**  
9 (b) **A patient who receives emergency services from an out of**  
10 **network provider at a hospital, an ambulatory outpatient surgical**  
11 **center, or a birthing center that is an in network provider of the**  
12 **patient's health plan described in subdivision (1)(A) through (1)(C)**  
13 **may not be billed at a rate that exceeds:**  
14 (1) **an in network payment made under:**  
15 (A) **a policy of accident and sickness insurance (as defined**  
16 **in IC 27-8-5-1);**  
17 (B) **an individual contract (as defined in IC 27-13-1-21); or**

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- 1           **(C) a group contract (as defined in IC 27-13-1-16);**  
 2           **for covered services rendered at the hospital or ambulatory**  
 3           **outpatient surgical center to the patient; and**  
 4           **(2) any copayment, deductible, or coinsurance amounts**  
 5           **applicable under the policy or contract.**

6           **(c) This subsection does not apply to the provision of emergency**  
 7           **services. A hospital, an ambulatory outpatient surgical center, or**  
 8           **a birthing center shall, at the request of a patient or the patient's**  
 9           **guardian or health care representative, provide a good faith**  
 10           **estimate of the cost of care, including the patient's share of the cost,**  
 11           **at least five (5) business days before the services or procedure are**  
 12           **to be provided. The estimate must include whether the cost**  
 13           **included in the estimate is an in network rate or an out of network**  
 14           **rate, and the cost of any:**

- 15           **(1) expected facility, professional, and imaging services; and**  
 16           **(2) drugs or medical devices associated with the service or**  
 17           **procedure.**

18           **If the estimate includes costs for an out of network provider**  
 19           **providing the service or procedure, the estimate may include a**  
 20           **range for the cost of the service or procedure.**

21           **(d) If the service or procedure is scheduled within five (5)**  
 22           **business days of a request for an estimate under subsection (c), the**  
 23           **hospital, ambulatory outpatient surgical center, or birthing center**  
 24           **shall make a good faith effort to provide an estimate of the cost of**  
 25           **care, including the patient's share of the cost.**

26           **(e) Upon receipt of the good faith estimate under this section,**  
 27           **the patient, patient's representative, or health care representative**  
 28           **shall acknowledge in writing receipt of the estimate and indicate**  
 29           **whether to proceed with the service or procedure.**

30           **SECTION 2. IC 25-1-9-23 IS ADDED TO THE INDIANA CODE**  
 31           **AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY**  
 32           **1, 2020]: Sec. 23. (a) This section applies to a practitioner that is**  
 33           **providing services to a patient:**

- 34           **(1) for whom the practitioner is not in the patient's health**  
 35           **plan network; and**  
 36           **(2) at a facility that is in the network of the patient's health**  
 37           **plan.**

38           **(b) As used in this section, "health plan" means:**

- 39           **(1) a policy of accident and sickness insurance (as defined in**  
 40           **IC 27-8-5-1);**  
 41           **(2) an individual contract (as defined in IC 27-13-1-21); or**  
 42           **(3) a group contract (as defined in IC 27-13-1-16);**



1 (c) A practitioner shall, at the request of a patient or the  
2 patient's guardian or health care representative, provide a good  
3 faith estimate of the cost of care, including the patient's share of  
4 the cost, at least five (5) business days before the services or  
5 procedure are to be provided. The estimate must include the cost  
6 of any:

- 7 (1) expected facility, professional, and imaging services; and  
8 (2) drugs or medical devices associated with the service or  
9 procedure.

10 (d) When the estimate under this section is for a service or  
11 procedure that will be provided in a hospital, an ambulatory  
12 outpatient surgical center, or a birthing center, the hospital,  
13 ambulatory outpatient surgical center, or birthing center is  
14 responsible for providing the complete good faith estimate to the  
15 patient, patient's guardian, or health care representative under  
16 IC 16-21-2-17.

17 (e) If the service or procedure is scheduled within five (5)  
18 business days of a request for an estimate under subsection (c), the  
19 practitioner shall make a good faith effort to provide an estimate  
20 of the cost of care, including the patient's share of the cost.

21 (f) Upon receipt of the good faith estimate under this section, the  
22 patient, patient's representative, or health care representative shall  
23 acknowledge in writing receipt of the estimate and indicate  
24 whether to proceed with the service or procedure.



## COMMITTEE REPORT

Madam President: The Senate Committee on Health and Provider Services, to which was referred Senate Bill No. 3, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, line 3, after "(a)" insert **"As used in this section, "emergency services" means services that are:**

- (1) furnished by a provider qualified to furnish emergency services; and**
- (2) needed to evaluate or stabilize an emergency medical condition.**

**(b)".**

Page 1, line 3, after "receives" insert **"emergency"**.

Page 1, line 17, delete "(b)" and insert **"(c) This subsection does not apply to the provision of emergency services."**

Page 2, line 4, after "(5)" insert **"business"**.

Page 2, line 5, after "include" insert **"whether the cost included in the estimate is an in network rate or an out of network rate, and"**.

Page 2, between lines 8 and 9, begin a new line blocked left and insert:

**"If the estimate includes costs for an out of network provider providing the service or procedure, the estimate may include a range for the cost of the service or procedure.**

**(d) If the service or procedure is scheduled within five (5) business days of a request for an estimate under subsection (c), the hospital, ambulatory outpatient surgical center, or birthing center shall make a good faith effort to provide an estimate of the cost of care, including the patient's share of the cost.**

**(e) Upon receipt of the good faith estimate under this section, the patient, patient's representative, or health care representative shall acknowledge in writing receipt of the estimate and indicate whether to proceed with the service or procedure."**

Page 2, delete lines 22 through 27.

Page 2, line 28, delete "(d)" and insert **"(c)"**.

Page 2, line 31, after "(5)" insert **"business"**.

Page 2, after line 35, begin a new paragraph and insert:

**"(d) When the estimate under this section is for a service or procedure that will be provided in a hospital, an ambulatory outpatient surgical center, or a birthing center, the hospital, ambulatory outpatient surgical center, or birthing center is responsible for providing the complete good faith estimate to the**



patient, patient's guardian, or health care representative under IC 16-21-2-17.

(e) If the service or procedure is scheduled within five (5) business days of a request for an estimate under subsection (c), the practitioner shall make a good faith effort to provide an estimate of the cost of care, including the patient's share of the cost.

(f) Upon receipt of the good faith estimate under this section, the patient, patient's representative, or health care representative shall acknowledge in writing receipt of the estimate and indicate whether to proceed with the service or procedure."

and when so amended that said bill do pass.

(Reference is to SB 3 as introduced.)

CHARBONNEAU, Chairperson

Committee Vote: Yeas 10, Nays 0.

