

1 S.251

2 Introduced by Senator Lyons

3 Referred to Committee on

4 Date:

5 Subject: Health; health insurance; durable medical equipment; cost

6 transparency

7 Statement of purpose of bill as introduced: This bill proposes to require health
8 insurers to inform patients about their out-of-pocket exposure for the purchase
9 or lease of items of durable medical equipment (DME). It would require DME
10 providers to inform a patient whether it would be more cost-effective to
11 purchase a specific item of DME for cash rather than using insurance. The bill
12 would also prohibit health insurers from restricting the ability of DME
13 providers to disclose cost-sharing or cash price information to patients.

14 An act relating to durable medical equipment cost transparency

15 It is hereby enacted by the General Assembly of the State of Vermont:

16 Sec. 1. 18 V.S.A. chapter 221, subchapter 8 is added to read:

17 Subchapter 8. Durable Medical Equipment

18 § 9481. DURABLE MEDICAL EQUIPMENT; COST TRANSPARENCY

19 (a) As used in this section, “durable medical equipment” means equipment,
20 such as a walker, wheelchair, or home oxygen equipment, that:

1 (1) can withstand repeated use;

2 (2) primarily and customarily serves a medical purpose;

3 (3) generally is not useful to an individual without an illness or injury;

4 and

5 (4) is appropriate for use in the home.

6 (b) A health insurer shall provide clear information to patients regarding
7 their out-of-pocket exposure for the purchase of items of durable medical
8 equipment.

9 (c)(1) A provider of durable medical equipment shall inform a patient
10 whether it would be more cost-effective for that patient to purchase a specific
11 item of durable medical insurance for cash rather than using insurance.

12 (2) A health insurer shall not prohibit or penalize a provider of durable
13 medical equipment for disclosing to an insured the cash price for an item of
14 durable medical equipment or for providing information to an insured
15 regarding the insured's cost-sharing amount for an item of durable medical
16 equipment.

17 Sec. 2. EFFECTIVE DATE

18 This act shall take effect on July 1, 2020.