



# 126th MAINE LEGISLATURE

## SECOND REGULAR SESSION-2014

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Legislative Document

No. 1760

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S.P. 698

In Senate, February 4, 2014

**An Act To Implement the Recommendations of the Commission To  
Study Transparency, Costs and Accountability of Health Care  
System Financing**

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Reported by Senator GRATWICK of Penobscot for the Joint Standing Committee on Insurance and Financial Services pursuant to Joint Rule 353.

Reference to the Committee on Insurance and Financial Services suggested and ordered printed pursuant to Joint Rule 218.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT  
Secretary of the Senate

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 22 MRSA §1718**, as repealed and replaced by PL 2009, c. 71, §3, is  
3 amended to read:

4 **§1718. Consumer information**

5 Each hospital or ambulatory surgical center licensed under chapter 405 shall, upon  
6 request by an individual, provide the average charge for any inpatient service or  
7 outpatient procedure provided by the licensee. For emergency services, the hospital must  
8 provide the average charges for facility and physician services according to the level of  
9 emergency services provided by the hospital and based on the time and intensity of  
10 services provided. The hospital or ambulatory surgical center shall prominently display a  
11 notice informing individuals of an individual's authority to request information on the  
12 average charges described in this paragraph from the hospital or ambulatory surgical  
13 center.

14 **Sec. 2. 22 MRSA §1718-A**, as enacted by PL 2013, c. 332, §1 and affected by §3,  
15 is amended to read:

16 **§1718-A. Consumer information regarding health care practitioner prices**

17 Each health care practitioner, as defined in section 1711-C, subsection 1, paragraph  
18 F, shall maintain a price list of the health care practitioner's most frequently provided  
19 health care services and procedures. The prices stated must be the prices that the health  
20 care practitioner charges clients directly, when there is no insurance coverage for the  
21 services or procedures or when reimbursement by an insurance company is denied. The  
22 prices stated must be accompanied by the applicable standard medical codes listed by  
23 diagnosis. For purposes of this section, "frequently provided health care services and  
24 procedures" means those health care services and procedures that were provided by the  
25 health care practitioner at least 50 times in the preceding calendar year. Health care  
26 practitioners shall inform clients about the availability of the price list and provide copies  
27 of the price list upon request. Health care practitioners shall ~~make available written~~  
28 ~~information on health claims data that may be obtained through the publicly accessible~~  
29 ~~website of the Maine Health Data Organization established pursuant to chapter 1683~~  
30 prominently display in a location that is readily accessible to clients information on the  
31 price transparency tools available from the publicly accessible website of the Maine  
32 Health Data Organization established pursuant to chapter 1683 to assist consumers with  
33 obtaining estimates of costs associated with health care services and procedures. Health  
34 care practitioners shall make printed copies of the information described in this paragraph  
35 available to clients upon their request. This section does not apply to pharmacists.

36 **Sec. 3. 22 MRSA §1718-B** is enacted to read:

37 **§1718-B. Individualized health care cost estimate**

38 Upon the request of a client, each health care practitioner and health care facility, as  
39 defined in section 1711-C, subsection 1, paragraphs F and D, respectively, shall provide  
40 an individualized cost estimate for the client's anticipated health care services and

1 procedures that must include all health care charges that the practitioner or facility  
2 reasonably anticipates to charge directly to the client. For purposes of this section, "cost  
3 estimate" includes the practitioner's or facility's costs at the unit for which services and  
4 procedures are billed, as well as any negotiated discounts, and any costs reasonably  
5 anticipated to be charged by that practitioner or facility for the client associated with a  
6 service or procedure, including hospital, physician, pharmacy and laboratory fees, and  
7 must identify the client's out-of-pocket cost. The cost estimate must be accompanied by a  
8 description of the service or procedure and the applicable standard medical codes or  
9 current procedural terminology code.

10 **Sec. 4. 22 MRSA §8704, sub-§7**, as amended by PL 2011, c. 494, §8, is further  
11 amended to read:

12 **7. Annual report.** The board shall prepare and submit an annual report on the  
13 operation of the organization and the Maine Health Data Processing Center as authorized  
14 in Title 10, section 681, including any activity contracted for by the organization or  
15 contracted services provided by the center, with resulting net earnings, as well as on  
16 collaborative activities with other health data collection and management organizations  
17 and stakeholder groups on their efforts to improve consumer access to health care quality  
18 and price information and price transparency initiatives, to the Governor and the joint  
19 standing committee of the Legislature having jurisdiction over health and human services  
20 matters and the joint standing committee of the Legislature having jurisdiction over  
21 insurance and financial services matters no later than February 1st of each year. The  
22 report must include an annual accounting of all revenue received and expenditures  
23 incurred in the previous year and all revenue and expenditures planned for the next year.  
24 The report must include a list of persons or entities that requested data from the  
25 organization in the preceding year with a brief summary of the stated purpose of the  
26 request.

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## 28 SUMMARY

29 This bill implements the recommendations of the Commission To Study the  
30 Transparency, Costs and Accounting of Health Care System Financing. The bill requires  
31 health care practitioners and health care facilities to provide clients, upon request, with an  
32 individualized cost estimate for anticipated health care services associated with that  
33 specific entity's services. It directs health care practitioners to expand public awareness  
34 of the Maine Health Data Organization and its website by displaying at practitioners'  
35 offices information on the Maine Health Data Organization and how consumers can  
36 become more informed of the costs associated with health care procedures. It amends the  
37 laws governing the information that hospitals and ambulatory surgical centers are  
38 required to make available to consumers by adding a requirement that these entities  
39 prominently display a notice informing consumers of their ability to request and receive  
40 information on the average charges for any inpatient service or outpatient procedure  
41 provided by the hospital or center upon request. It amends the annual statutory reporting  
42 requirement for the Maine Health Data Organization to include language requiring the  
43 Maine Health Data Organization to include in its report an update on its collaborative

1 efforts with other health data organizations to improve consumer access to information on  
2 health care quality and price and health care transparency initiatives in this State. The bill  
3 also amends the statutory provisions governing the Maine Health Data Organization  
4 annual report to require that the joint standing committee of the Legislature having  
5 jurisdiction over insurance and financial services matters, in addition to the joint standing  
6 committee of the Legislature having jurisdiction over health and human services matters,  
7 be provided with the annual report.