

114TH CONGRESS
2D SESSION

H. R. 5497

To amend the Public Health Service Act to provide for the public disclosure of charges for certain hospital and ambulatory surgical center treatment episodes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 16, 2016

Mr. LIPINSKI introduced the following bill; which was referred to the
Committee on Energy and Commerce

A BILL

To amend the Public Health Service Act to provide for the public disclosure of charges for certain hospital and ambulatory surgical center treatment episodes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Hospital Price Trans-
5 parency and Disclosure Act of 2016”.

6 **SEC. 2. PUBLIC DISCLOSURE OF HOSPITAL DATA.**

7 Part B of title II of the Public Health Service Act
8 (42 U.S.C. 238 et seq.) is amended by adding at the end
9 the following new section:

1 “DATA REPORTING BY HOSPITALS AND AMBULATORY
2 SURGICAL CENTERS AND PUBLIC POSTING

3 “SEC. 249. (a) SEMIANNUAL REPORTING REQUIRE-
4 MENT.—Not later than 80 days after the end of each semi-
5 annual period beginning January 1 or July 1 (beginning
6 more than one year after the date of the enactment of
7 this section), a hospital and an ambulatory surgical center
8 shall report to the Secretary the following data:

9 “(1) In the case of a hospital—

10 “(A) the frequency of occurrence for such
11 hospital during such period of each treatment
12 episode identified under subsection (c)(1) for a
13 condition or disease selected under subpara-
14 graph (A) or (B) of such subsection (or up-
15 dated under subsection (c)(3)), furnished in an
16 inpatient or outpatient setting, respectively; and

17 “(B) if care was furnished for such a
18 treatment episode by such hospital during such
19 period—

20 “(i) the total number of such treat-
21 ment episodes for which care was so fur-
22 nished by the hospital during such period;

23 “(ii) the insured individual average
24 charge (as computed under subsection

1 (e)(3)) by the hospital for such treatment
2 episode during such period; and

3 “(iii) the uninsured individual average
4 charge (as computed under subsection
5 (e)(4)) by the hospital for such treatment
6 episode during such period.

7 “(2) In the case of an ambulatory surgical cen-
8 ter—

9 “(A) the frequency of occurrence for such
10 center during such period of each treatment
11 episode identified under subsection (c)(1) for a
12 condition or disease selected under subpara-
13 graph (C) of such subsection (or updated under
14 subsection (c)(3)); and

15 “(B) if care was furnished for such a
16 treatment episode by such center during such
17 period—

18 “(i) the total number of such treat-
19 ment episodes for which care was so fur-
20 nished by the center during such period;

21 “(ii) the insured individual average
22 charge (as computed under subsection
23 (e)(3)) by the center for such episode dur-
24 ing such period; and

1 “(iii) the uninsured individual average
2 charge (as computed under subsection
3 (e)(4)) by the center for such episode dur-
4 ing such period.

5 “(b) PUBLIC AVAILABILITY OF DATA.—

6 “(1) PUBLIC POSTING OF DATA.—The Sec-
7 retary shall promptly post, on the official public
8 Internet site of the Department of Health and
9 Human Services, the data reported under subsection
10 (a) and an appropriate link, with respect to a hos-
11 pital or center for which the data is reported, to
12 other consumer quality information maintained on
13 such site (or a site maintained by the Centers for
14 Medicare & Medicaid Services) relating to the hos-
15 pital or center. Such data shall be set forth in a
16 manner that promotes charge comparison among
17 hospitals and among ambulatory surgical centers.

18 “(2) NOTICE OF AVAILABILITY.—A hospital
19 and an ambulatory surgical center shall prominently
20 post at each admission site of the hospital or center
21 a notice of the availability of the data reported
22 under subsection (a) on the official public Internet
23 site under paragraph (1).

24 “(c) SPECIFICATION OF TREATMENT EPISODES.—

25 For purposes of this section:

1 “(1) IN GENERAL.—The Secretary shall identify
2 treatment episodes for each of the following:

3 “(A) The 100 conditions and diseases selected
4 by the Secretary as being the most frequently
5 treated conditions and diseases in a
6 hospital inpatient setting.

7 “(B) The 100 conditions and diseases selected
8 by the Secretary as being the most frequently
9 treated conditions and diseases in a
10 hospital outpatient setting.

11 “(C) The 100 conditions and diseases selected
12 by the Secretary as being the most frequently
13 treated conditions and diseases in an
14 ambulatory surgical center setting.

15 “(2) AGREEMENT WITH IOM.—In carrying out
16 paragraph (1), the Secretary may enter into an
17 agreement with the Institute of Medicine to define a
18 treatment episode for any condition or disease selected
19 by the Secretary under this subsection. Such
20 a definition may take into account the varying complexity
21 associated with respect to different treatments.
22 ments.

23 “(3) UPDATING SELECTION.—The Secretary
24 shall periodically update the conditions and diseases
25 selected under paragraph (1).

1 “(d) CIVIL MONEY PENALTY.—The Secretary may
2 impose a civil money penalty of not more than \$10,000
3 for each knowing violation of subsection (a) or (b)(2) by
4 a hospital or an ambulatory surgical center. The provi-
5 sions of subsection (i)(2) of section 351A shall apply with
6 respect to civil money penalties under this subsection in
7 the same manner as such provisions apply to civil money
8 penalties under subsection (i)(1) of such section.

9 “(e) ADMINISTRATIVE PROVISIONS.—

10 “(1) IN GENERAL.—The Secretary shall pre-
11 scribe such regulations and issue such guidelines as
12 may be required to carry out this section.

13 “(2) CLASSIFICATION OF SERVICES.—The regu-
14 lations and guidelines under paragraph (1) shall in-
15 clude rules on the classification of different treat-
16 ment episodes and the assignment of items and pro-
17 cedures to those episodes.

18 “(3) COMPUTATION OF INSURED INDIVIDUAL
19 AVERAGE CHARGES.—

20 “(A) IN GENERAL.—For purposes of sub-
21 sections (a)(1)(B)(ii) and (a)(2)(B)(ii), an in-
22 sured individual average charge for a treatment
23 episode, with respect to a hospital or ambula-
24 tory surgical center during a period, shall be
25 computed as the average of the rates (including

1 any applicable copayment, coinsurance, other
2 cost sharing, or other fees, such as facility fees,
3 associated with treatment in the hospital or
4 center) for such episode that have been nego-
5 tiated by the hospital or ambulatory surgical
6 center, respectively, with the 5 most used health
7 insurance providers for such hospital or center
8 during such period.

9 “(B) 5 MOST USED HEALTH INSURANCE
10 PROVIDERS.—For purposes of subparagraph
11 (A), the 5 most used health insurance pro-
12 viders, with respect to a hospital or ambulatory
13 surgical center during a period, are the 5 group
14 health plans or insurance issuers offering health
15 insurance coverage—

16 “(i) that have negotiated with the hos-
17 pital or center a rate for the treatment epi-
18 sode involved; and

19 “(ii) the enrollees of which represent
20 the highest number of patients of the hos-
21 pital or center, respectively.

22 “(4) COMPUTATION OF UNINSURED INDIVIDUAL
23 AVERAGE CHARGES.—

24 “(A) IN GENERAL.—For purposes of sub-
25 sections (a)(1)(B)(iii) and (a)(2)(B)(iii), an un-

1 insured individual average charge for a treat-
2 ment episode, with respect to a hospital or am-
3 bulatory surgical center during a period, shall
4 be computed as the average of the total
5 amounts charged for such an episode for which
6 care was furnished to an uninsured individual
7 by such hospital or ambulatory surgical center
8 during such period.

9 “(B) UNINSURED INDIVIDUAL DEFINED.—

10 For purposes of subparagraph (A), the term
11 ‘uninsured individual’ means, with respect to
12 care furnished to the individual by a hospital or
13 ambulatory surgical center, an individual who
14 does not have insurance or other third-party
15 contractual benefits that provides payment for
16 costs incurred for such care.

17 “(5) FORM OF REPORT AND NOTICE.—The reg-

18 ulations and guidelines under paragraph (1) shall
19 specify the electronic form and manner by which a
20 hospital or an ambulatory surgical center shall re-
21 port data under subsection (a) and the form for
22 posting of notices under subsection (b)(2).

23 “(f) RULES OF CONSTRUCTION.—

24 “(1) NON-PREEMPTION OF STATE LAWS.—

25 Nothing in this section shall be construed as pre-

1 emptying or otherwise affecting any provision of
2 State law relating to the disclosure of charges or
3 other information for a hospital or an ambulatory
4 surgical center.

5 “(2) CHARGES.—Nothing in this section shall
6 be construed to regulate or set hospital or ambula-
7 tory surgical center charges.

8 “(g) HOSPITAL AND AMBULATORY SURGICAL CEN-
9 TER DEFINED.—For purposes of this section, the terms
10 ‘hospital’ and ‘ambulatory surgical center’ have the mean-
11 ing given such terms by the Secretary.”

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