

CHAMBER ACTION

1 The Committee on Health Care recommends the following:

2  
3 **Committee Substitute**

4 Remove the entire bill and insert:

5 A bill to be entitled

6 An act relating to consumer health care spending  
7 protection; providing a popular name; providing a purpose;  
8 amending s. 408.05, F.S.; revising membership of the State  
9 Comprehensive Health Information System Advisory Council;  
10 amending s. 408.061, F.S.; revising a requirement for  
11 submission of health care data; requiring the council to  
12 assist the Agency for Health Care Administration in  
13 developing specifications for data collection; amending s.  
14 408.08, F.S.; conforming provisions to changes made by the  
15 act; amending s. 395.10973, F.S.; revising powers and  
16 duties of the agency to include patient charge and  
17 performance outcome reporting; requiring the agency to  
18 provide such information to the public and implement  
19 effective methods for making public disclosure; requiring  
20 the agency to annually report findings to the Governor and  
21 Legislature; requiring the agency to adopt certain rules;  
22 amending s. 395.301, F.S.; requiring disclosure to  
23 nonemergency patients of a good faith estimate of

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24 anticipated charges; revising the timeframe in which to  
 25 provide a statement of itemized expenses to a patient;  
 26 requiring the facility to disclose information necessary  
 27 to verify the accuracy of the bill; requiring the facility  
 28 to establish a method for reviewing billing disputes;  
 29 requiring the facility to maintain a log of all such  
 30 disputes and report certain information annually to the  
 31 agency; providing an effective date.

32  
 33 Be It Enacted by the Legislature of the State of Florida:

34  
 35 Section 1. This act may be referred to by the popular name  
 36 the "Health Care Consumer's Right to Know Act."

37 Section 2. The purpose of this act is to provide health  
 38 care consumers with reliable and understandable information  
 39 about facility charges and performance outcomes to assist  
 40 consumers in making informed decisions about health care.

41 Section 3. Paragraph (a) of subsection (8) of section  
 42 408.05, Florida Statutes, is amended to read:

43 408.05 State Center for Health Statistics.--

44 (8) STATE COMPREHENSIVE HEALTH INFORMATION SYSTEM ADVISORY  
 45 COUNCIL.--

46 (a) There is established in the agency the State  
 47 Comprehensive Health Information System Advisory Council to  
 48 assist the center in reviewing the comprehensive health  
 49 information system and to recommend improvements for such  
 50 system. The council shall consist of the following 13 members:

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51 1. An employee of the Executive Office of the Governor, a  
 52 representative of an insurer licensed under chapter 627, a  
 53 consumer advocate, a representative of a business/health  
 54 coalition, and two representatives of statewide business  
 55 associations, to be appointed by the Governor.

56 2. An employee of the Office of Insurance Regulation  
 57 ~~Department of Financial Services,~~ to be appointed by the  
 58 director of the office ~~Chief Financial Officer.~~

59 3. Three physicians, to be appointed by the Secretary of  
 60 Health, one of whom is a general surgeon licensed under chapter  
 61 458 or chapter 459, one of whom is a general internist licensed  
 62 under chapter 458 or chapter 459, and one of whom is a  
 63 radiologist or pathologist licensed under chapter 458 or chapter  
 64 459 ~~An employee of the Department of Education, to be appointed~~  
 65 ~~by the Commissioner of Education.~~

66 4. Three ~~Ten~~ persons, to be appointed by the Secretary of  
 67 Health Care Administration, one of whom is the chief executive  
 68 officer of a hospital, one of whom is the chief executive  
 69 officer of a teaching hospital, and one of whom is a hospital  
 70 nursing executive ~~representing other state and local agencies,~~  
 71 ~~state universities, the Florida Association of Business/Health~~  
 72 ~~Coalitions, local health councils, professional health-care-~~  
 73 ~~related associations, consumers, and purchasers.~~

74 Section 4. Subsection (1) of section 408.061, Florida  
 75 Statutes, is amended to read:

76 408.061 Data collection; uniform systems of financial  
 77 reporting; information relating to physician charges;  
 78 confidential information; immunity.--

79 |           (1) The agency may require the submission by health care  
80 | facilities, ~~health care providers, and health insurers~~ of data  
81 | necessary to carry out the agency's duties. Specifications for  
82 | data to be collected under this section shall be developed by  
83 | the agency with the assistance of the State Comprehensive Health  
84 | Information System Advisory Council ~~technical advisory panels~~  
85 | ~~including representatives of affected entities, consumers,~~  
86 | ~~purchasers, and such other interested parties as may be~~  
87 | ~~determined by the agency.~~

88 |           (a) Data to be submitted by health care facilities may  
89 | include, but are not limited to: case-mix data, patient  
90 | admission or discharge data with patient and provider-specific  
91 | identifiers included, actual charge data by diagnostic groups,  
92 | financial data, accounting data, operating expenses, expenses  
93 | incurred for rendering services to patients who cannot or do not  
94 | pay, interest charges, depreciation expenses based on the  
95 | expected useful life of the property and equipment involved, and  
96 | demographic data. Data may be obtained from documents such as,  
97 | but not limited to: leases, contracts, debt instruments,  
98 | itemized patient bills, medical record abstracts, and related  
99 | diagnostic information. All discharge data shall be submitted  
100 | quarterly as prescribed by rule.

101 |           ~~(b) Data to be submitted by health care providers may~~  
102 | ~~include, but are not limited to: Medicare and Medicaid~~  
103 | ~~participation, types of services offered to patients, amount of~~  
104 | ~~revenue and expenses of the health care provider, and such other~~  
105 | ~~data which are reasonably necessary to study utilization~~  
106 | ~~patterns.~~

107       ~~(c) Data to be submitted by health insurers may include,~~  
 108 ~~but are not limited to: claims, premium, administration, and~~  
 109 ~~financial information.~~

110       (b)~~(d)~~ Data required to be submitted by health care  
 111 facilities, ~~health care providers, or health insurers~~ shall not  
 112 include specific provider contract reimbursement information.  
 113 However, such specific provider reimbursement data shall be  
 114 reasonably available for onsite inspection by the agency as is  
 115 necessary to carry out the agency's regulatory duties. Any such  
 116 data obtained by the agency as a result of onsite inspections  
 117 may not be used by the state for purposes of direct provider  
 118 contracting and are confidential and exempt from the provisions  
 119 of s. 119.07(1) and s. 24(a), Art. I of the State Constitution.

120       (c)~~(e)~~ A requirement to submit data shall be adopted by  
 121 rule if the submission of data is being required of all members  
 122 of any type of health care facility, ~~health care provider, or~~  
 123 ~~health insurer~~. Rules are not required, however, for the  
 124 submission of data for a special study mandated by the  
 125 Legislature or when information is being requested for a single  
 126 health care facility, health care provider, or health insurer.

127       Section 5. Subsections (5) and (6) of section 408.08,  
 128 Florida Statutes, are renumbered as subsections (4) and (5),  
 129 respectively, and present subsections (3) and (4) of said  
 130 section are amended to read:

131       408.08 Inspections and audits; violations; penalties;  
 132 fines; enforcement.--

133       (3) Any health care provider that refuses to file a  
 134 report, fails to timely file a report, files a false report, or

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135 | files an incomplete report ~~and upon notification fails to timely~~  
 136 | ~~file a complete report required under s. 408.061~~; that violates  
 137 | this section, ~~s. 408.061~~, or s. 408.20, or rule adopted  
 138 | thereunder; or that fails to provide documents or records  
 139 | requested by the agency under this chapter shall be referred to  
 140 | the appropriate licensing board which shall take appropriate  
 141 | action against the health care provider.

142 |       ~~(4) If a health insurer does not comply with the~~  
 143 | ~~requirements of s. 408.061, the agency shall report a health~~  
 144 | ~~insurer's failure to comply to the Office of Insurance~~  
 145 | ~~Regulation of the Financial Services Commission, which shall~~  
 146 | ~~take into account the failure by the health insurer to comply in~~  
 147 | ~~conjunction with its approval authority under s. 627.410. The~~  
 148 | ~~agency shall adopt any rules necessary to carry out its~~  
 149 | ~~responsibilities required by this subsection.~~

150 |       Section 6. Subsections (9) through (13) are added to  
 151 | section 395.10973, Florida Statutes, to read:

152 |       395.10973 Powers and duties of the agency.--It is the  
 153 | function of the agency to:

154 |       (9)(a) Make available on its Internet website no later  
 155 | than October 1, 2004, and in a hard-copy format upon request,  
 156 | patient charge and performance outcome data collected from  
 157 | licensed facilities pursuant to s. 408.061(1)(a) and (2) for not  
 158 | less than 100 conditions or procedures and the volume of  
 159 | inpatient hospitalizations or procedures by the appropriate  
 160 | Medicare diagnostic-related groups International Classification  
 161 | of Diseases 9 or Common Procedural Terminology code. Procedures  
 162 | performed 50 or fewer times shall not be included. The Internet

163 website shall also provide an interactive search that allows  
164 consumers to view and compare the information for specific  
165 facilities, a map that allows consumers to select a county or  
166 region, definitions of all of the data, descriptions of each  
167 procedure, and an explanation about why the data may differ from  
168 facility to facility. Such public data shall be updated on a  
169 quarterly basis.

170 (b) Analyze and trend for comparison by and between  
171 facilities the gross charges for the 100 conditions or  
172 procedures following an adjustment to reflect changes in patient  
173 acuity, case mix, and severity of illness. This information  
174 shall be posted annually on the agency's Internet website.

175 (c) Establish by rule the conditions and procedures to be  
176 disclosed based upon input from the State Comprehensive Health  
177 Information System Advisory Council. When determining which  
178 conditions and procedures are to be disclosed, the council and  
179 the agency shall consider their variation in costs, variation in  
180 outcomes and magnitude of variations, and other relevant  
181 information so that the disclosed list of conditions and  
182 procedures will assist health care consumers in differentiating  
183 between facilities when making health treatment decisions. This  
184 data shall be adjusted for case mix and severity, if applicable,  
185 comparing volume of cases, patient charges, length of stay,  
186 readmission rates, complication rates, mortality rates,  
187 infection rates, and use of computerized drug order systems.

188 (d) Make available educational information relevant to the  
189 disclosed 100 conditions and procedures pursuant to this  
190 subsection, including, but not limited to, an explanation of the

191 medical condition or procedure, potential side effects,  
 192 alternative treatments and costs, and additional resources that  
 193 can assist consumers in informed decisionmaking. Such  
 194 information may be made available by linking consumers to  
 195 credible national resources such as, but not limited to, the  
 196 National Library of Medicine.

197 (10) Publicly disclose comparison information as to each  
 198 medical condition or procedure pursuant to subsection (9),  
 199 including the age of the data and an explanation of the  
 200 methodology used to adjust the data, in language that is  
 201 understandable to laypersons and accessible to consumers using  
 202 an interactive query system to allow for the comparison of the  
 203 latest reported patient charge and performance outcome data  
 204 among all licensed facilities in the state. The agency shall  
 205 provide guidance to consumers on how to use this information to  
 206 make informed health care decisions.

207 (11) Study and implement by October 1, 2005, the most  
 208 effective methods for public disclosure of patient charge and  
 209 performance outcome data pursuant to subsection (9), including  
 210 additional mechanisms to deliver this information to consumers,  
 211 that would enhance informed decisionmaking among consumers and  
 212 health care purchasers. The agency shall also evaluate the value  
 213 of disclosing additional measures that are adopted by the  
 214 National Quality Forum, the Joint Commission on Accreditation of  
 215 Healthcare Organizations, The Leapfrog Group, or a similar  
 216 national entity that establishes standards to measure the  
 217 performance of health care providers.



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218       (12) Report its findings and recommendations pursuant to  
 219 subsection (11) to the Governor, the President of the Senate,  
 220 and the Speaker of the House of Representatives by October 1,  
 221 2005, and on an annual basis thereafter. The agency shall also  
 222 make this annual report available to the public on its Internet  
 223 website.

224       (13) Adopt rules to implement the provisions of  
 225 subsections (9)-(12) no later than July 1, 2004.

226       Section 7. Section 395.301, Florida Statutes, is amended  
 227 to read:

228       395.301 Itemized patient bill; form and content prescribed  
 229 by the agency.--

230       (1) A licensed facility as defined in s. 395.002(17) shall  
 231 disclose to a prospective patient upon request, prior to  
 232 treatment being rendered or admission in a nonemergency  
 233 situation, a written good faith estimate of the reasonably  
 234 anticipated charges generally required for the facility to treat  
 235 the patient's condition. In order to comply with this  
 236 subsection, the facility may provide, upon request, the median  
 237 charges for its top 100 conditions or procedures by the  
 238 appropriate Medicare diagnostic-related group International  
 239 Classification of Diseases 9 or Common Procedural Terminology  
 240 code. The facility shall notify the patient or patient-  
 241 designated next of kin or designated health care surrogate of  
 242 any revision to the good faith estimate in a timely manner if  
 243 the good faith estimate represented one of the top 100  
 244 procedures. Such estimate shall not prohibit the actual charges  
 245 from exceeding the estimate.

246        (2)~~(1)~~ A licensed facility not operated by the state shall  
 247        notify each patient during admission and at discharge of his or  
 248        her right to receive an itemized bill upon request. Within 7  
 249        days following the patient's discharge or release from a  
 250        licensed facility not operated by the state, ~~or within 7 days~~  
 251        ~~after the earliest date at which the loss or expense from the~~  
 252        ~~service may be determined,~~ the licensed facility providing the  
 253        service shall, upon request, submit to the patient, or to the  
 254        patient's survivor or legal guardian, as may be appropriate, an  
 255        itemized statement detailing in language comprehensible to an  
 256        ordinary layperson the specific nature of charges or expenses  
 257        incurred by the patient, which in the initial billing shall  
 258        contain a statement of specific services received and expenses  
 259        incurred for such items of service, enumerating in detail the  
 260        constituent components of the services received within each  
 261        department of the licensed facility and including unit price  
 262        data on rates charged by the licensed facility, as prescribed by  
 263        the agency.

264        (3)~~(2)~~ Each ~~such~~ statement submitted pursuant to  
 265        subsection (2):

266            (a) May not include charges of hospital-based physicians  
 267            if billed separately.

268            (b) May not include any generalized category of expenses  
 269            such as "other" or "miscellaneous" or similar categories.

270            (c) Shall list drugs by brand or generic name and not  
 271            refer to drug code numbers when referring to drugs of any sort.

272            (d) Shall specifically identify therapy treatment as to  
 273            the date, type, and length of treatment when therapy treatment

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274 is a part of the statement. Any person receiving a statement  
275 pursuant to this section shall be fully and accurately informed  
276 as to each charge and service provided by the institution  
277 preparing the statement.

278 (4)~~(3)~~ On each ~~such~~ itemized statement submitted pursuant  
279 to subsection (2), there shall appear the words "A FOR-PROFIT  
280 (or NOT-FOR-PROFIT or PUBLIC) HOSPITAL (or AMBULATORY SURGICAL  
281 CENTER) LICENSED BY THE STATE OF FLORIDA" or substantially  
282 similar words sufficient to identify clearly and plainly the  
283 ownership status of the licensed facility. Each itemized  
284 statement must prominently display the phone number of the  
285 medical facility's patient liaison who is responsible for  
286 expediting the resolution of any billing dispute between the  
287 patient, or his or her representative, and the billing  
288 department.

289 (5)~~(4)~~ An itemized bill shall be provided once to the  
290 patient's physician at the physician's request, at no charge.

291 (6)~~(5)~~ In any billing for services subsequent to the  
292 initial billing for such services, the patient, or the patient's  
293 survivor or legal guardian, may elect, at his or her option, to  
294 receive a copy of the detailed statement of specific services  
295 received and expenses incurred for each such item of service as  
296 provided in subsection (2)~~(1)~~.

297 (7)~~(6)~~ No physician, dentist, podiatric physician, or  
298 licensed facility may add to the price charged by any third  
299 party except for a service or handling charge representing a  
300 cost actually incurred as an item of expense; however, the  
301 physician, dentist, podiatric physician, or licensed facility is

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302 entitled to fair compensation for all professional services  
 303 rendered. The amount of the service or handling charge, if any,  
 304 shall be set forth clearly in the bill to the patient.

305 (8) A licensed facility shall make available to a patient  
 306 all records necessary for verification of the accuracy of the  
 307 patient's bill within 7 business days after the request for such  
 308 records. The verification information must be made available in  
 309 the facility's offices. Such records shall be available to the  
 310 patient prior to and after payment of the bill or claim. The  
 311 facility may not charge the patient for making such verification  
 312 records available; however, the facility may charge its usual  
 313 fee for providing copies of records as specified in s. 395.3025.

314 (9) Each facility shall establish an impartial method for  
 315 reviewing billing disputes of patients and provide a written  
 316 response, with a clear explanation of the grounds for the  
 317 response, to the patient making the dispute within 30 days after  
 318 the receipt of the dispute. A facility shall maintain a complete  
 319 and accurate log of all disputes and shall report to the agency  
 320 the number of disputes, the total of the charges subject to  
 321 dispute, and a summary of the dispositions of the disputes no  
 322 later than January 1 of each year.

323 Section 8. This act shall take effect July 1, 2004.