

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Health Policy

BILL: SB 488

INTRODUCER: Senator Ring

SUBJECT: Out-of-network Physician Charges

DATE: March 6, 2014

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Peterson	Stovall	HP	Pre-meeting
2.			CF	
3.			AHS	
4.			AP	

I. Summary:

SB 488 requires facilities licensed under ch. 395, F.S., to provide written notice to patients at admission that the patient may incur out-of-network physician charges. The bill also amends the Florida Patient's Bill of Rights and Responsibilities to make patients responsible for reviewing the notice.

II. Present Situation:

The Florida Patient's Bill of Rights and Responsibilities

The Florida Patient's Bill of Rights and Responsibilities¹ is intended to promote better communication and eliminate misunderstandings between the patient and health care provider or health care facility.² The rights of patients include: standards related to individual dignity; information about the provider, facility, diagnosis, treatments, risks, etc.; financial information and disclosure; access to health care; experimental research; and patient's knowledge of rights and responsibilities. Patient responsibilities include giving the provider accurate and complete information regarding the patient's health, comprehending the course of treatment and following the treatment plan, keeping appointments, fulfilling financial obligations, and following the facility's rules and regulations affecting patient care and conduct.

Currently under the financial information and disclosure provisions:

- A health care provider or a health care facility, upon request, must provide a patient with full and necessary counseling on available financial resources for the patient's health care.

¹ Section 381.026, F.S.

² A health care facility is a facility licensed under ch. 395, F.S., (a hospital, ambulatory surgical center, or mobile surgical facility) and a health care provider means a physician, osteopathic physician, or a podiatric physician licensed under chapters 458, 459, or 461, respectively.

- A health care provider or health care facility must disclose to a Medicare-eligible patient when requested whether the provider or facility accepts Medicare payment as full payment for medical services and treatment rendered in the provider's office or health care facility;
- A health care provider or health care facility is required to furnish to a person, upon request, an estimate of charges for medical services before providing the services. In addition, a health care provider or health care facility must provide an uninsured person, before planned nonemergency medical services, a reasonable estimate of the charges for the medical services and information regarding the provider's or facility's discount or charity policies for which the uninsured person may be eligible. These estimates are required to be written in a language that is comprehensible to an ordinary layperson. However, the provider or facility may exceed the estimates or make additional charges based on changes in the patient's condition or treatment needs;
- A licensed facility must place a notice in its reception area that financial information related to that facility is available on the Agency for Health Care Administration's (AHCA) website.³ The facility may indicate that the pricing information is based on a compilation of charges for the average patient and that an individual patient's charges may vary; and,
- A patient has the right to receive an itemized bill and explanation of the charges upon request.

Health care providers and health care facilities are required to make available to patients a summary of their rights and responsibilities. The applicable regulatory board or the AHCA may impose an administrative fine when a provider or facility fails to make the summary available.⁴ There are no penalties provided in statute related to patient responsibilities.

Health Care Facility Regulation

Hospitals, ambulatory surgical centers, and mobile surgical facilities are health care facilities licensed under and regulated by part I of ch. 395, F.S.⁵

A health care facility is required to provide, within 7 days of a written request, a good faith estimate of reasonably anticipated charges for the facility to treat the patient's condition. Upon request, the facility must also provide revisions to the estimate. The facility is required to place a notice in the reception area that this information is available. A facility that fails to provide the estimate as required may be fined \$500 for each instance of the facility's failure to provide the requested information.⁶

The AHCA may impose an administrative fine, not to exceed \$1,000 per violation, per day, for the violation of any provision of part I of ch. 395, F.S.

³ The Florida Center for Health Information and Policy Analysis (Florida Center) within the AHCA is responsible for collecting, compiling, analyzing, and disseminating health-related data and statistics. The information is published on the FloridaHealthFinder website at <http://www.floridahealthfinder.gov>. This website currently discloses and allows price comparisons for certain inpatient and outpatient procedures in licensed health care facilities and certain prescription drugs. Long-range plans include the availability of similar price comparisons for physician services. *See* s. 408.05(3)(k), F.S.

⁴ Section 381.0261, F.S.

⁵ Section 395.002(16), F.S.

⁶ Section 395.301(7), F.S.

III. Effect of Proposed Changes:

Section 1 amends the Florida Patient's Bill of Rights and Responsibilities to make patients responsible for reviewing a document presented upon admission informing the patient that he or she may be charged for out-of-network physician services.

Section 2 requires a facility licensed under ch. 395, F.S., to provide a patient with a document notifying the patient that he or she may be charged for out-of-network physician services. The patient may sign the document acknowledging that he or she has reviewed the information, or, if the patient refuses to sign, a representative of the licensed facility may sign to verify that the information was presented.

Section 3 provides an effective date of January 1, 2015.

IV. Constitutional Issues:**A. Municipality/County Mandates Restrictions:**

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

Privately-owned hospitals will incur an indeterminate cost to prepare, present, and request signatures on forms containing the required information.

C. Government Sector Impact:

Publicly-owned hospitals will incur an indeterminate cost to prepare, present, and request signatures on forms containing the required information.

VI. Technical Deficiencies:

Line 99 should be amended to read: A patient is responsible for reviewing a document presented by a health care facility

The changes to s. 395.301, F.S., have been drafted to subsection (5), which is one in a series of subsections (1 – 5) related specifically to itemized bills. The changes proposed by the bill would be more appropriate to add as a new subsection (12).

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 381.026 and 395.301.

IX. Additional Information:**A. Committee Substitute – Statement of Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.