

## S.F. No. 2110 – Health Care Price Transparency; Notice and Disclosure of Medicare Percent

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**Section 1 (62J.701)** clarifies that the language in section 2, paragraph (b) does not apply to the prepaid medical assistance program (PMAP).

**Section 2 (62J.72, subdivision 3), paragraph (a)** requires a health plan company and a healthcare provider to provide an enrollee and patient with a copy of a bill. (Currently, a bill is required to be provided to an enrollee or patient only when there is a bill and the enrollee or patient is responsible for paying any portion of the bill.)

**Paragraph (b)** specifies what information the bill must contain regarding the services provided:

- (1) the dollar amount the provider is willing to accept as payment in full;
- (2) the Medicare-allowable fee for service payment rate; and
- (3) the provider's Medicare percent as defined under section 62J.85.

If the patient is covered by a health plan, the provider must also include a copy of the Medicare percent disclosure form signed by the patient as required under section 62J.85.

**Section 3 (62J.85)** requires a health care provider to establish a Medicare percent and disclose the Medicare percent to a patient before a health care service is provided.

**Subd. 1** defines the following terms: health plan; Medicare percent.

**Subd. 2, paragraph (a)** requires a health care provider, before performing any health care service, to determine whether the service is covered by the patient's health plan. If a service is not covered the provider must provide the patient with a notice specifying the services not covered and must retain a copy of the notice signed by the patient. If the provider fails to disclose that a service is not covered the provider is prohibited from billing the patient for the uncovered service. If the provider

complies with the disclosure and signature requirements the patient is responsible for paying for the uncovered services provided.

**Paragraph (b)** requires the provider, before performing any service to the patient, to determine whether the provider participates in the patient's health plan provider network and to disclose to the patient the provider's network status. If the provider is not in the patient's provider network the provider must obtain a signed acknowledgement from the patient stating that the patient understands that the provider is out of network. If the provider fails to obtain the signed acknowledgement the provider shall not bill the patient for any service provided for an amount greater than the amount authorized for the service in the in network average fee schedule of the patient's health plan.

**Subd. 3** requires a health care provider to establish a Medicare percent that the provider will accept as payment in full for services provided and provide notice to patients and the public of the provider's Medicare percent. Requires that the notice include a statement of what the Medicare percent means and that the patient can use the Medicare percent to compare the cost of care between providers.

**Subd. 4** specifies that a health care provider who is employed by, affiliated with, or under contract with a hospital, facility, or clinic must not be reimbursed at an amount greater than the amount the hospital or clinic's Medicare percent.

**Subd. 5, paragraph (a)** requires a health care provider, before providing a health care service to a patient, to provide the patient with a Medicare disclosure form describing the Medicare percent and obtain the patient's signature on the form. Requires the Medicare disclosure form of a hospital, facility, or clinic to include a statement stating that all providers of the health care support services at the facility or clinic have agreed to accept the facility's or clinic's Medicare percent as payment in full for their services. If a provider fails to provide a patient with the disclosure form, the provider is subject to a \$1,000 fine to be paid to the patient or credited to the patient's account with the provider, as provided under paragraph (c).

**Paragraph (b)** requires a provider to submit with any claim submitted to a health plan company a copy of the disclosure form signed by the patient. If the provider fails to include a copy of the form, the provider shall not be reimbursed at an amount greater than the Medicare allowable payment rate for the services included on the claim submitted as payment in full.

**Paragraph (c)** requires that a provider be reimbursed at a percentage of the Medicare allowable payment rate for a specific health care service or at the provider's disclosed Medicare percent whichever is less if the provider fails to provide a patient or a patient's representative with the required disclosure form because the patient is unconscious or incapacitated and unable to sign the disclosure form and no representative for the patient is present at the time the service is provided.