THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 549

Session of 2017

INTRODUCED BY READSHAW, D. COSTA, DEASY, MATZIE, MURT, JAMES, WARD, KORTZ AND THOMAS, FEBRUARY 17, 2017

REFERRED TO COMMITTEE ON HEALTH, FEBRUARY 17, 2017

AN ACT

- 1 Establishing pricing disclosures for certain health care
- 2 providers; and prohibiting certain discounts and kickbacks.
- 3 The General Assembly of the Commonwealth of Pennsylvania
- 4 hereby enacts as follows:
- 5 Section 1. Short title.
- 6 This act shall be known and may be cited as the Patient
- 7 Medical Access and Affordability Act.
- 8 Section 2. Definitions.
- 9 The following words and phrases when used in this act shall
- 10 have the meanings given to them in this section unless the
- 11 context clearly indicates otherwise:
- 12 "Health care provider." An entity or individual who provides
- 13 health care but is not licensed by a professional licensing
- 14 board of the Department of State. This term shall include
- 15 hospitals, long-term care facilities, outpatient diagnostic
- 16 facilities, medical equipment providers, medical practices not
- 17 owned by private practitioners or outpatient surgical centers.
- 18 The term shall not include physicians who are private

- 1 practitioners, private duty nurses, chiropractors, dentists,
- 2 podiatrists or independent psychologists.
- 3 "Third-party payor." An entity that pays for medical
- 4 treatments on behalf of the patient. This may include insurance
- 5 companies. The term shall not include a private individual or
- 6 charity that is not regularly in the business of handling
- 7 medical payments.
- 8 Section 3. Pricing disclosures.
- 9 (a) Health care providers.--A health care provider shall
- 10 establish a set price for all services, supplies and charges. A
- 11 health care provider shall report its charges using the
- 12 Healthcare Common Procedure Coding System and the diagnosis-
- 13 related grouping system. The Secretary of Health may designate
- 14 other reporting systems as needed for implementation of this
- 15 act. These prices shall be posted on a publicly accessible
- 16 Internet website.
- 17 (b) Third-party payors.--A third-party payor shall establish
- 18 a fee schedule applicable to all covered individuals. A third-
- 19 party payor shall utilize the same coding system which is
- 20 utilized by health care providers. The fee schedule shall be
- 21 posted on a publicly accessible Internet website.
- 22 (c) Individuals. -- An individual shall be responsible to pay
- 23 any remaining balance after the third-party payor has submitted
- 24 the established fee for any service, supply or charge to the
- 25 health care provider.
- 26 Section 4. Discounts.
- 27 (a) Individuals.--A health care provider may allow for
- 28 discounts to be given to individuals who prepay or provide early
- 29 payment based on financial need or other criteria that is
- 30 applied on a uniform basis to all individuals.

- 1 (b) Prohibited discounts. -- A health care provider may not
- 2 give discounts of any type to a third-party payor. These
- 3 prohibited discounts include rebates and kickbacks.
- 4 Section 5. Limitation.
- 5 Services provided by a health care provider for programs
- 6 administered, regulated or paid for by government entities are
- 7 exempt from the requirements of this act. The services that
- 8 qualify under this section shall include Medicare, Medicaid, the
- 9 Chronic Renal Disease Program, the Workers' Compensation Program
- 10 and any successor programs.
- 11 Section 6. Effective date.
- 12 This act shall take effect in 60 days.