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H.197

Introduced by Representatives Sheldon of Middlebury, Botzow of Pownal,  
Dakin of Colchester, Jewett of Ripton, Nuovo of Middlebury,  
Townsend of South Burlington, and Troiano of Stannard

Referred to Committee on

Date:

Subject: Health; hospitals; health care professionals; health insurance;  
transparency; disclosure; costs

Statement of purpose of bill as introduced: This bill proposes to require health  
care providers, except in an emergency, to disclose to a patient or other health  
care consumer the cost of a health care service prior to the patient or consumer  
incurring any charges. It would also require hospital bills to list each service  
provided using language commonly understood by patients.

An act relating to disclosure of the cost of health care services and clarity in  
hospital billing

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 18 V.S.A. chapter 44 is added to read:

CHAPTER 44. HEALTH CARE COST DISCLOSURE

§ 1951. DEFINITIONS

As used in this chapter:

1           (1) “Health care provider” means a hospital as defined in section 1902  
2           of this title, a physician licensed pursuant to 26 V.S.A. chapter 23 or 33, a  
3           nurse licensed pursuant to 26 V.S.A. chapter 28, a physician assistant licensed  
4           pursuant to 26 V.S.A. chapter 31, a radiologist licensed pursuant to 26 V.S.A.  
5           chapter 51, a chiropractor licensed pursuant to 26 V.S.A. chapter 10, or a  
6           podiatrist licensed pursuant to 26 V.S.A. chapter 7.

7           (2) “Health insurance plan” means any health insurance policy or health  
8           benefit plan offered by a health insurer, as defined in section 9402 of this title,  
9           as well as Medicaid or any other public health care assistance program offered  
10           or administered by the State or by any subdivision or instrumentality of the  
11           State. The term includes policies or plans providing coverage for specific  
12           disease or other limited benefit coverage.

13           § 1952. DISCLOSURE OF COST OF HEALTH CARE SERVICES

14           (a) Except in an emergency, prior to the patient or consumer incurring any  
15           charge, a health care provider shall disclose to a patient or other prospective  
16           health care consumer:

17           (1) the actual cost of a procedure, surgery, treatment, or other health  
18           care service;

19           (2) the amount the health care provider will bill the patient or consumer  
20           or his or her health insurance plan for the procedure, surgery, treatment, or  
21           other health care service, if different from the actual cost;

1           (3) the portion of the billed amount, if any, that the health insurance plan  
2           is expected to pay; and

3           (4) the portion of the billed amount, if any, and any additional  
4           cost-sharing amounts that the patient or consumer is expected to pay.

5           (b) A health care provider shall obtain a written acknowledgment from the  
6           patient or consumer of the costs disclosed pursuant to subsection (a) of this  
7           section prior to engaging in any procedure, surgery, treatment, or other health  
8           care service for which the patient or consumer will incur a charge. A health  
9           care provider that engages any a procedure, surgery, treatment, or other health  
10           care service without obtaining a written acknowledgment of the costs from the  
11           patient or consumer may be subject to discipline by the appropriate licensing  
12           authority. A parent or guardian shall provide the written acknowledgment for  
13           a patient or consumer who is a minor. For a patient or consumer who is not a  
14           minor but who lacks the capacity to make medical decisions, a guardian or  
15           agent under an advance directive shall provide the written acknowledgment.

16           § 1953. CLARITY IN HOSPITAL BILLING

17           All bills for health care services and related charges sent from a hospital to a  
18           patient or other responsible party other than a health insurance plan shall list a  
19           separate charge for each service provided and shall describe the services using  
20           language commonly understood by patients.

1 Sec. 2. 18 V.S.A. § 1852 is amended to read:

2 § 1852. PATIENTS' BILL OF RIGHTS; ADOPTION

3 (a) The General Assembly hereby adopts the “Bill of Rights for Hospital  
4 Patients” as follows:

5 \* \* \*

6 (12) The patient has the right to be informed, in advance, of the cost of  
7 all services to be performed and to receive an itemized, detailed, and  
8 understandable explanation of all charges regardless of the source of payment.

9 \* \* \*

10 Sec. 3. EFFECTIVE DATE

11 This act shall take effect on July 1, 2015.