

1 AN ACT relating to healthcare charges.

2 ***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

3 ➔Section 1. KRS 216B.250 is amended to read as follows:

4 (1) ~~{For purposes of this section, "paying patient" means persons receiving health care~~
 5 ~~services who pay directly for services rendered, patients with private health~~
 6 ~~insurance or health maintenance organization coverage, persons receiving Medicaid~~
 7 ~~or Medicaid benefits under Title XVIII and Title XIX of the Social Security Act and~~
 8 ~~persons receiving veteran's health care benefits. "Paying patient" does not include~~
 9 ~~medically indigent persons with no source of payment whatsoever.~~

10 ~~(2)}~~ (a) ***On or after January 1, 2023***~~{When a copy of an itemized statement is~~
 11 ~~requested by any paying patient},~~ each health facility shall furnish to the
 12 patient within thirty (30) days of the patient's discharge or within ***seven***
 13 ***(7)***~~{fifteen (15)}~~ days of the patient's request, whichever is ***sooner***~~{later},~~ ***a***
 14 ***consolidated***~~{one (1) copy free of charge of the}~~ itemized statement ***detailing,***
 15 ***in plain language that is comprehensible to an ordinary layperson, the***
 16 ***specific nature of the charges or expenses for health care services received***
 17 ***by the patient at the health facility***~~{of services rendered and charges incurred~~
 18 ~~by the patient}.~~

19 (b) ***The itemized statement required under paragraph (a) of this subsection:***

20 ***1. May include technical terms in its description of billed charges to***
 21 ***describe the health care services if the technical terms are defined***
 22 ***using limited medical nomenclature as permitted under the***
 23 ***administrative regulations adopted pursuant to subsection (6) of this***
 24 ***section; and***

25 ***2. Shall:***

26 ***a. Not describe a billed charge using only medical billing codes or***
 27 ***general terms, including miscellaneous charges, supply charges,***

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or other charges;

b. List the specific health care services received, and expenses incurred, by date and provider, enumerating in detail the constituent components of the health care services received within each department of the health facility and include unit price data on rates charged by the health facility;

c. Identify each item as paid, assigned to a third-party payor, or chargeable directly to the patient, and include the amount due and the due date for any amount expected from the patient;

d. Not refer to drug code numbers without also including the appropriate brand or generic name for each drug;

e. Include the health care services provided by any hospital-based physicians and other health care providers who may not bill separately;

f. Specifically identify physical, rehabilitative, occupational, or speech therapy treatment by date, type, and length of treatment;

g. Conspicuously display the telephone number of the health facility's patient liaison responsible for expediting the resolution of any billing dispute between the patient, or the patient's survivor or legal guardian under subsection (4) of this section;

and~~[A summary statement of services rendered and charges incurred by the patient shall be included with the invoice sent by a health facility to the patient. Each invoice shall indicate that an itemized statement may be obtained upon request. The Cabinet for Human Resources shall impose a civil fine of five hundred dollars (\$500) for each violation by a health care facility for failure to provide an itemized statement as required under this section.]~~

1 h. ~~[(c) The itemized statement shall]~~ Be stamped "Kentucky
2 Revised Statutes prohibit the use of this statement for insurance
3 payment purposes where benefits have been assigned."

4 (c) After delivery of the itemized statement required under paragraph (a) of this
5 subsection, any subsequent statement provided to a patient, or to the
6 patient's survivor or legal guardian as appropriate, relating to the same
7 episode of care shall include all of the information required by paragraph
8 (b) of this subsection with any revisions clearly delineated.

9 (d) A health facility shall:

- 10 1. Not bill or otherwise charge a patient for the preparation of any
11 itemized statement required under this section; and
12 2. Transmit the itemized statement via secure e-mail, a secure online
13 portal, or upon request, by mail.

14 (2) [(3)] Each health facility shall post in a publicly visible place in their admission,
15 outpatient areas and, where applicable, emergency areas that a consolidated~~[an]~~
16 itemized statement is required to be provided under state law within the sooner of
17 the following:

18 (a) Thirty (30) days after the patient's discharge; or

19 (b) Seven (7) days after the health facility receives a written request~~[available to~~
20 ~~any paying patient upon request].~~

21 (3) [(4)] The itemized statement or statements rendered under subsection (2) of this
22 section shall be the record maintained by the health facility that details the charges
23 made for services rendered to patients and shall indicate whether an assignment of
24 benefits has been obtained.

25 (4) [(5)] Each health facility shall:

26 (a) Establish policies and procedures for reviewing and responding to questions
27 from a patient concerning the patient's itemized statement; and

1 **(b)** Designate and make available appropriate staff to provide **a response to**
2 **questions from the patient concerning the patient's**~~[, upon patient request, an~~
3 ~~explanation of charges listed in the]~~ itemized statement **no later than seven**
4 **(7) days after the date the question was received.**

5 ~~(5)~~~~(6)~~ If a health facility knows of a discrepancy in the total charges as reported in an
6 itemized statement and that which is reported to a third party payor, or at any time
7 that a health facility becomes aware of such a discrepancy, the health facility shall
8 provide the patient and third party payor with notification, an explanation, and~~[,]~~ if
9 applicable, any reconciliation of the discrepancy in total charges.

10 **(6) (a) The cabinet, in consultation with the commissioner of insurance, shall**
11 **promulgate administrative regulations establishing the requirements for**
12 **health facilities to develop and provide plain-language consolidated**
13 **itemized statements in accordance with this section.**

14 **(b) The administrative regulations promulgated pursuant to this subsection**
15 **shall, at a minimum, establish:**

16 **1. The required contents of the statements, which shall include the**
17 **patient's rights and payment obligations under the patient's health**
18 **insurance plan; and**

19 **2. Disclosure requirements specific to health facilities, including the**
20 **terms used to differentiate in-network and out-of-network services and**
21 **health care providers.**

22 **(7) The cabinet shall impose a civil fine of five hundred dollars (\$500) for each**
23 **violation by a health care facility for failure to provide an itemized statement as**
24 **required under this section.**