
SENATE BILL 5265

State of Washington

63rd Legislature

2013 Regular Session

By Senators Mullet, Benton, Rolfes, Nelson, Hatfield, Keiser, Hobbs, Shin, and Kline

Read first time 01/24/13. Referred to Committee on Health Care .

1 AN ACT Relating to transparency in patient billing; and amending
2 RCW 70.01.030 and 70.01.040.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 70.01.030 and 2009 c 529 s 1 are each amended to read
5 as follows:

6 (1) Health care providers licensed under Title 18 RCW and health
7 care facilities licensed under Title 70 RCW shall provide the following
8 to a patient upon request:

9 (a) ~~((An))~~ A meaningful estimate of fees and charges related to a
10 specific service, visit, or stay, that can assist the patient in
11 understanding charges that may be owed prior to meeting a deductible;
12 and

13 (b) Information regarding other types of fees or charges a patient
14 may receive in conjunction with their visit to the provider or
15 facility. ~~((Hospitals licensed under chapter 70.41 RCW may fulfill
16 this requirement by providing a statement and contact information as
17 described in RCW 70.41.400.))~~

18 (2) Providers and facilities listed in subsection (1) of this
19 section may, after disclosing estimated charges and fees to a patient,

1 refer the patient to the patient's insurer, if applicable, for specific
2 information on the insurer's charges and fees, any cost-sharing
3 responsibilities required of the patient, and the network status of
4 ancillary providers who may or may not share the same network status as
5 the provider or facility.

6 ~~(3) ((Except for hospitals licensed under chapter 70.41 RCW,))~~
7 Providers and facilities listed in subsection (1) of this section shall
8 post a sign in patient registration areas containing at least the
9 following language: "Information about the estimated charges of your
10 health services is available upon request. Please do not hesitate to
11 ask for information."

12 (4) Providers and facilities listed in subsection (1) of this
13 section shall post charges for common procedures on a consumer friendly
14 web site. The charges must be displayed for an uninsured consumer and
15 for consumers covered by the provider's top three carriers as
16 determined by enrollment;

17 (a) The charges by providers for common procedures must include,
18 but are not limited to, charges for an office visit, including a
19 separate facility fee as defined in RCW 70.01.040 if applicable, and
20 must be displayed for an uninsured consumer and for consumers covered
21 by the provider's top three carriers as determined by enrollment;

22 (b) The charges by facilities for common procedures must include
23 the information available on the hospital association web site as well
24 as common outpatient procedures, and must include the facility fee as
25 defined in RCW 70.01.040 if applicable, and must be displayed for an
26 uninsured consumer and for consumers covered by the facilities' top
27 three carriers as determined by enrollment.

28 (5) The department of health shall monitor the development and
29 implementation of the consumer information and report to the
30 legislature on the progress in providing consumer transparency.

31 **Sec. 2.** RCW 70.01.040 and 2012 c 184 s 1 are each amended to read
32 as follows:

33 (1) Prior to the delivery of nonemergency services, a provider-
34 based clinic that charges a facility fee shall provide a notice to any
35 patient that the clinic is licensed as part of the hospital and the
36 patient may receive a separate charge or billing for the facility
37 component, which may result in a higher out-of-pocket expense.

1 (2) Each health care facility must post prominently in locations
2 easily accessible to and visible by patients, including its web site,
3 a statement that the provider-based clinic is licensed as part of the
4 hospital and the patient may receive a separate charge or billing for
5 the facility, which may result in a higher out-of-pocket expense.

6 (3) Beginning January 1, 2014, each provider-based clinic described
7 in subsection (1) of this section and each facility licensed under
8 Title 70 RCW must post the charges to the web site, as required in RCW
9 70.01.030.

10 (4) Nothing in this section applies to laboratory services, imaging
11 services, or other ancillary health services not provided by staff
12 employed by the health care facility.

13 ((+4)) (5) As part of the year-end financial reports submitted to
14 the department of health pursuant to RCW 43.70.052, all hospitals with
15 provider-based clinics that bill a separate facility fee shall report:

16 (a) The number of provider-based clinics owned or operated by the
17 hospital that charge or bill a separate facility fee;

18 (b) The number of patient visits at each provider-based clinic for
19 which a facility fee was charged or billed for the year;

20 (c) The revenue received by the hospital for the year by means of
21 facility fees at each provider-based clinic; and

22 (d) The range of allowable facility fees paid by public or private
23 payers at each provider-based clinic.

24 ((+5)) (6) For the purposes of this section:

25 (a) "Facility fee" means any separate charge or billing by a
26 provider-based clinic in addition to a professional fee for physicians'
27 services that is intended to cover building, electronic medical records
28 systems, billing, and other administrative and operational expenses.

29 (b) "Provider-based clinic" means the site of an off-campus clinic
30 or provider office located at least two hundred fifty yards from the
31 main hospital buildings or as determined by the centers for medicare
32 and medicaid services, that is owned by a hospital licensed under
33 chapter 70.41 RCW or a health system that operates one or more
34 hospitals licensed under chapter 70.41 RCW, is licensed as part of the
35 hospital, and is primarily engaged in providing diagnostic and
36 therapeutic care including medical history, physical examinations,
37 assessment of health status, and treatment monitoring. This does not

1 include clinics exclusively designed for and providing laboratory, x-
2 ray, testing, therapy, pharmacy, or educational services and does not
3 include facilities designated as rural health clinics.

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