

House Bill 694

By: Representatives Brockway of the 102nd, Dudgeon of the 25th, and Raffensperger of the 50th

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 24 of Title 33 of the Official Code of Georgia, relating to insurance
2 generally, so as to provide for disclosure of health care fees; to provide for a short title; to
3 provide for legislative findings; to provide for definitions; to provide for disclosures by
4 health care providers; to provide for certain notices; to provide for penalties; to provide for
5 prohibitions for filing credit reports and violation penalties; to provide for related matters;
6 to provide for an effective date; to repeal conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Chapter 24 of Title 33 of the Official Code of Georgia Annotated, relating to insurance
10 generally, is amended by adding a new Code section to read as follows:

11 "33-24-59.18.

12 (a) This Code section shall be known and may cited as the 'Disclosure of Health Care Fees
13 Act.'

14 (b)(1) The General Assembly finds that health care patients are often unable to make
15 appropriate financial arrangements for medical services not payable by their health
16 insurance plan.

17 (2) The General Assembly further finds that patients are often unaware that a health care
18 provider does not participate in the patient's health insurance plan's provider network and
19 that the provider may bill the patient for additional charges.

20 (3) Therefore, it is the intent of this Act to make information available to health care
21 patients to assist in their ability to plan for the financial impact of receiving medical care.

22 (c) As used in this Code section, the term:

23 (1) 'Contracted health care provider' means any health care provider that holds a contract
24 with a health insurance plan to provide health care services to the health insurance plan's
25 enrollees or insureds at a specified rate of reimbursement.

26 (2) 'Health care provider' means all hospitals, including public, private, osteopathic, and
27 tuberculosis hospitals; other special care units, including podiatric facilities, skilled
28 nursing facilities, and kidney disease treatment centers, including freestanding
29 hemodialysis units; intermediate care facilities; ambulatory surgical or obstetrical
30 facilities; health maintenance organizations; and home health agencies. Such term shall
31 also mean any person licensed to practice under Chapter 9, 11, 26, 34, 35, or 39 of Title
32 43.

33 (3) 'Health insurance plan' means any person or entity obligated to provide or pay for
34 health benefits under a health insurance policy or contract, including to the extent
35 permitted by the Employee Retirement Income Security Act of 1974 any person or entity
36 acting under a contract or arrangement to provide or administer any health benefit and
37 any agent of the health insurance plan.

38 (d)(1) Prior to rendering services in nonemergency situations, a health care provider shall
39 disclose to patients whether the provider is a contracted health care provider with the
40 patient's health insurance plan and whether the provider is prohibited from billing
41 activities consistent with subsection (f) of this Code section.

42 (2) Prior to rendering services in nonemergency situations, a noncontracted health care
43 provider or noncontracted health care facility shall inform patients that they may be billed
44 for services provided by the noncontracted health care provider or noncontracted health
45 care facility for amounts in addition to coinsurance, deductibles, and copayments payable
46 under their health insurance coverage.

47 (e)(1) Upon scheduling or registering a patient for nonemergency services, a contracted
48 health care facility shall notify patients of any services that will be provided at the
49 contracted health care facility by noncontracted health care providers and of the fact that
50 the patient may be billed for services by the noncontracted health care provider for
51 amounts in addition to coinsurance, deductibles, and copayments or for services not
52 covered under the patient's health insurance coverage.

53 (2) If a health care facility fails to provide the notification under paragraph (1) of this
54 subsection and a patient receives services from a noncontracted health care provider, the
55 health care facility and the noncontracted health care provider will be paid an amount
56 equal to the amount that the Medicare program pays for all services provided by the
57 contracted health care facility and the noncontracted health care provider for the provided
58 services. Neither the contracted health care facility nor the noncontracted health care
59 provider shall bill the enrollee for any amounts other than amounts for coinsurance,
60 deductible, or copayment or for services not covered under the patient's health insurance
61 plan.

62 (f) Every contract between a health insurance plan and a health care provider shall be in
 63 writing and shall set forth, in addition to any other provisions required by this title, a
 64 provision which prohibits the health care provider from billing an enrollee for contracted
 65 health care services for which the health insurance plan is obligated to pay.

66 (g)(1) Any contracted health care provider that submits a claim to a health insurance plan
 67 for reimbursement of contracted services rendered to an enrollee of the health insurance
 68 plan is prohibited from billing the enrollee for services for which the health insurance
 69 plan is obligated to pay.

70 (2) No contracted health care provider shall bill, collect, or attempt to bill or collect from
 71 an enrollee any amounts other than those representing coinsurance, deductibles, or
 72 copayments, or payments for noncovered services, for which a health insurance plan is
 73 obligated to pay.

74 (3) Except as provided in paragraph (4) of this subsection, a statement sent to an enrollee
 75 by a contracted health care provider shall clearly state the amounts billed to the health
 76 insurance plan and shall contain the following language conspicuously displayed on the
 77 front of such statement in at least 12 point boldface capital letters:

78 'NOTICE: THIS IS NOT A BILL. DO NOT PAY.'

79 (4) Any bill sent to an enrollee or insured by a contracted health care provider for
 80 payment of coinsurance, deductible, or copayment amounts or for noncovered services
 81 shall clearly state any amount for which the health insurance plan of the enrollee is
 82 obligated to pay and shall contain the following language conspicuously displayed at the
 83 bottom of such bill in at least 12 point boldface capital letters:

84 'NOTICE: YOU ARE NOT RESPONSIBLE FOR ANY AMOUNTS OWED BY YOUR
 85 HEALTH INSURANCE PLAN.'

86 (h)(1) Any violation of the provisions of this Code section shall constitute an unfair trade
 87 practice pursuant to Article 1 of Chapter 6 of this title and shall subject the health care
 88 provider to the monetary penalties of subsection (e) of Code Section 33-1-9.

89 (2) A health care provider that demands or receives payment from an enrollee for any
 90 amount for which the health care provider is prohibited from billing or collecting
 91 pursuant to this Code section shall correct the billings and refund any amount paid within
 92 30 days of service of a cease and desist order by the Commissioner.

93 (3) Any health care provider that files, or causes to be filed, a report with a credit
 94 reporting agency for any nonpayment by an enrollee of any amount for which the health
 95 care provider is prohibited from billing or collecting pursuant to the terms of this Code
 96 section shall be legally liable for the provision of any required documentation and for all
 97 costs, including attorney fees and court costs, associated with correcting the erroneous
 98 credit report."

99 **SECTION 2.**

100 This Act shall become effective on July 1, 2016.

101 **SECTION 3.**

102 All laws and parts of laws in conflict with this Act are repealed.