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State of Minnesota
HOUSE OF REPRESENTATIVES
NINETIETH SESSION

H. F. No. 3449

03/08/2018 Authored by Loonan and Gruenhagen
The bill was read for the first time and referred to the Committee on Commerce and Regulatory Reform

1.1 A bill for an act
1.2 relating to health care; requiring providers to provide patients with written estimates
1.3 of charges; proposing coding for new law in Minnesota Statutes, chapter 62J;
1.4 repealing Minnesota Statutes 2016, section 62J.823.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. 62J.824 HEALTH CARE SERVICES PRICING TRANSPARENCY.

1.7 Subdivision 1. Short title. This section may be cited as the Health Care Services Pricing
1.8 Transparency Act.

1.9 Subd. 2. Definition. For the purposes of this section, "estimate" means the actual price
1.10 expected to be billed to the patient or to the patient's health plan company based on the
1.11 specific diagnostic-related group code or specific procedure code or codes, reflecting any
1.12 known discounts the patient would receive.

1.13 Subd. 3. Estimate. (a) A health care provider, as defined in section 62J.03, subdivision
1.14 8, or the health care provider's designee as agreed to by that designee, shall provide a written
1.15 estimate of the cost of each specific service or stay to the patient or the patient's representative
1.16 before the services or stays are billed by the health care provider.

1.17 (b) An estimate provided by the health care provider must contain:

1.18 (1) the method used to calculate the estimate;

1.19 (2) the specific diagnostic-related group or procedure code or codes used to calculate
1.20 the estimate, and a description of the diagnostic-related group or procedure code or codes
1.21 that is reasonably understandable to a patient; and

2.1 (3) a statement indicating that the estimate, while accurate, may not reflect the actual
2.2 billed charges and that the final bill may be higher or lower depending on the patient's
2.3 specific circumstances.

2.4 (c) The estimate may be provided in any method that meets the needs of the patient,
2.5 including electronically; however, a paper copy must be provided if specifically requested.

2.6 Sec. 2. **REPEALER.**

2.7 Minnesota Statutes 2016, section 62J.823, is repealed.

62J.823 HOSPITAL PRICING TRANSPARENCY.

Subdivision 1. **Short title.** This section may be cited as the Hospital Pricing Transparency Act.

Subd. 2. **Definition.** For the purposes of this section, "estimate" means the actual price expected to be billed to the individual or to the individual's health plan company based on the specific diagnostic-related group code or specific procedure code or codes, reflecting any known discounts the individual would receive.

Subd. 3. **Applicability and scope.** Any hospital, as defined in section 144.696, subdivision 3, and outpatient surgical center, as defined in section 144.696, subdivision 4, shall provide a written estimate of the cost of a specific service or stay upon the request of a patient, doctor, or the patient's representative. The request must include:

- (1) the health coverage status of the patient, including the specific health plan or other health coverage under which the patient is enrolled, if any; and
- (2) at least one of the following:
 - (i) the specific diagnostic-related group code;
 - (ii) the name of the procedure or procedures to be performed;
 - (iii) the type of treatment to be received; or
 - (iv) any other information that will allow the hospital or outpatient surgical center to determine the specific diagnostic-related group or procedure code or codes.

Subd. 4. **Estimate.** (a) An estimate provided by the hospital or outpatient surgical center must contain:

- (1) the method used to calculate the estimate;
 - (2) the specific diagnostic-related group or procedure code or codes used to calculate the estimate, and a description of the diagnostic-related group or procedure code or codes that is reasonably understandable to a patient; and
 - (3) a statement indicating that the estimate, while accurate, may not reflect the actual billed charges and that the final bill may be higher or lower depending on the patient's specific circumstances.
- (b) The estimate may be provided in any method that meets the needs of the patient and the hospital or outpatient surgical center, including electronically; however, a paper copy must be provided if specifically requested.