

HCS HB 475 -- DISCLOSURE OF HEALTH CARE DATA (Funderburk)

COMMITTEE OF ORIGIN: Committee on Health Insurance

This substitute changes the laws regarding health care quality data standardization and transparency and establishes criteria for programs of insurers that publicly assess and compare the quality and cost efficiency of health care providers.

A health care provider must furnish a patient without health insurance, upon request, a timely cost estimate for any elective or non-emergency health care service. The health insurer of a covered individual must furnish, upon request, a timely cost estimate and all patient cost-sharing obligations for any elective or non-emergency service. Data regarding cost estimates may be provided to the public via the Internet.

An insurer must retain, at its own expense, the services of a nationally recognized independent health care quality standard-setting organization to review the plan's programs for consumers that measure, report, and tier providers based on its performance. The program measures must provide performance information that reflects consumers' health needs and includes both quality and cost-efficiency information.

Consumers or consumer organizations, relevant providers, and provider organizations must be solicited to provide input on the program, including methods used to determine performance strata. A clearly defined process must be established for receiving and resolving consumer complaints and for providers to request review of their own performance results. All quality measures must be endorsed by the National Quality Forum (NQF) or other certain specified national organizations when NQF-endorsed measures do not exist for a particular level of measures.

A health plan must be deemed compliant with the provisions of the substitute regarding the measurement of quality if it currently offers a program that has been granted or awarded certification from the National Committee for Quality Assurance (NCQA) as of January 1, 2012. Any non-accredited health plan must offer an accredited program upon a contract renewal with a provider on or after January 1, 2013.

Any person or entity who sells or distributes health care quality and cost-efficiency data in a comparative format to the public must identify the measure source or evidence-based science used to confirm the validity of the data and its analysis as an objective indicator of health care quality. Articles or research studies that are published in peer-reviewed academic journals which do not receive funding from or are not affiliated with a

health care insurer or by state or local governments are exempt from this requirement.

The Department of Health and Senior Services must investigate a complaint of an alleged violation of these provisions by a person or entity other than a health carrier and is authorized to impose a penalty of up to \$1,000. An alleged violation by a health insurer must be investigated by the Department of Insurance, Financial Institutions and Professional Registration.

FISCAL NOTE: Estimated Net Cost on General Revenue Fund of Unknown greater than \$833,334 in FY 2012, Unknown greater than \$1,000,000 in FY 2013, and Unknown greater than \$1,000,000 in FY 2014. Estimated Net Cost on Other State Funds of Unknown greater than \$83,333 in FY 2012, Unknown greater than \$100,000 in FY 2013, and Unknown greater than \$100,000 in FY 2014.