

HB 1612 – AS INTRODUCED

2014 SESSION

14-2472
01/06

HOUSE BILL **1612**

AN ACT relative to health insurance cost-reduction incentives.

SPONSORS: Rep. Kurk, Hills 2

COMMITTEE: Commerce and Consumer Affairs

ANALYSIS

This bill requires hospitals to charge self-pay patients no more than the Medicaid rate for medical services. This bill also adds certain standards to be contained in provider contracts under managed care.

Explanation: Matter added to current law appears in ***bold italics***.
 Matter removed from current law appears [~~in brackets and struck through.~~]
 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Fourteen

AN ACT relative to health insurance cost-reduction incentives.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 New Paragraphs; Managed Care; Provider Contract Standards. Amend RSA 420-J:8 by
2 inserting after paragraph XIV the following new paragraphs:

3 XV. A health carrier shall not contract with any health care provider or provider
4 organization, except a hospital as defined in RSA 151-C:2, when the health care provider or provider
5 organization is under control of a hospital. The provider or provider organization shall be considered
6 under control of the hospital if any of these circumstances exist:

7 (a) The health care provider or provider organization and the hospital are considered a
8 controlled group of corporations or “affiliated” under IRS tax rules.

9 (b) The provider or provider organization uses a management team or governing board
10 that is shared with the hospital.

11 (c) The provider or provider organization maintains a financial relationship with the
12 hospital.

13 (d) The provider or provider organization is permitted to discuss with the hospital
14 charges for services, or proposed or actual contract rates negotiated with a carrier for health care
15 services provided to carrier members.

16 XVI. No contract between a health carrier and a hospital, as defined in RSA 151-C:2, shall
17 include payment terms for physicians, nurse practioners, physical therapists, or any health care
18 provider the carrier maintains a separate professional contract with for participation in the carrier
19 provider network and such professional or professional organization shall be identified separately
20 from a hospital in the carrier provider directory.

21 2 Hospitals; Self-Pay Patients; Version Effective Until June 30, 2015. Amend RSA 151:12-b to
22 read as follows:

23 151:12-b Hospital Rates for Self-Pay Patients. When billing self-pay patients for a service
24 rendered, a hospital, as defined in RSA 151-C:2, shall accept as payment in full an amount no
25 greater than the amount generally billed and received by the hospital for that service for patients
26 covered by ~~health insurance. A hospital shall determine the amount generally billed to health~~
27 ~~carriers in a manner consistent with Section 9007 of the Patient Protection and Affordable Care Act~~
28 ~~of 2009] **Medicaid**. A hospital shall provide written notice to a self-pay patient in advance of~~
29 providing a service and at the time the service is billed regarding the requirements under this
30 section.

31 3 Self-Pay Patients; Hospitals; Version Effective June 30, 2015. Amend RSA 151:12-b to read as

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1 follows:

2 151:12-b Hospital Rates for Self-Pay Patients. When billing self-pay patients for a service
3 rendered, a hospital shall accept as payment in full an amount no greater than the amount generally
4 billed and received by the hospital for that service for patients covered by ~~health insurance. A~~
5 ~~hospital shall determine the amount generally billed to health carriers in a manner consistent with~~
6 ~~Section 9007 of the Patient Protection and Affordable Care Act of 2009] **Medicaid.** A hospital shall
7 provide written notice to a self-pay patient in advance of providing a service and at the time the
8 service is billed regarding the requirements under this section. For the purposes of this section
9 “hospital” means an institution which is engaged in providing to patients, under supervision of
10 physicians, diagnostic and therapeutic services for medical diagnosis, treatment, and care of injured,
11 disabled, or sick persons, or rehabilitation services for the rehabilitation of such persons. The term
12 “hospital” includes psychiatric and substance abuse treatment hospitals.~~

13 4 Effective Date. This act shall take effect January 1, 2015.