

1 **SENATE FLOOR VERSION**

2 March 3, 2025

3 SENATE BILL NO. 889

4 By: Murdock, Frix, Bullard,
5 Bergstrom, Jett, Grellner,
6 Sacchieri, and McIntosh of
7 the Senate

8 and

9 Luttrell of the House

10 An Act relating to hospitals; defining terms;
11 requiring hospitals to make public certain file and
12 list; stating requirements for list of standard
13 charges; requiring certain digital publication of
14 specified information; requiring certain online
15 display of list; stipulating requirements related to
16 accessibility and formatting of list; requiring
17 annual update of list; stating requirements for list
18 of standard charges and selection of shoppable
19 services; requiring list to include certain
20 information; directing certain display and
21 availability of list; authorizing certain compliance
22 monitoring by the State Department of Health;
23 authorizing certain actions for noncompliance;
24 defining material violation; authorizing issuance of
certain notice upon certain determination; specifying
certain requirements for corrective action plans;
prohibiting certain collection actions by
noncompliant hospitals; authorizing certain civil
actions; imposing certain requirements on hospitals
found noncompliant; providing certain construction;
repealing 63 O.S. 2021, Sections 1-725.1, 1-725.2, 1-
725.3, 1-725.4, and 1-725.5, which relate to the
Transparency in Health Care Prices Act; providing for
codification; and providing an effective date.

1 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

2 SECTION 1. NEW LAW A new section of law to be codified
3 in the Oklahoma Statutes as Section 1-725.11 of Title 63, unless
4 there is created a duplication in numbering, reads as follows:

5 As used in this act:

6 1. "Ancillary service" means a hospital item or service that a
7 hospital customarily provides as part of a shoppable service;

8 2. "Chargemaster" means the list of all hospital items or
9 services maintained by a hospital for which the hospital has
10 established a charge;

11 3. "De-identified maximum negotiated charge" means the highest
12 charge that a hospital has negotiated with all third-party payors
13 for a hospital item or service;

14 4. "De-identified minimum negotiated charge" means the lowest
15 charge that a hospital has negotiated with all third-party payors
16 for a hospital item or service;

17 5. "Department" means the State Department of Health;

18 6. "Discounted cash price" means the charge that applies to an
19 individual who pays cash, or a cash equivalent, for a hospital item
20 or service;

21 7. "Gross charge" means the charge for a hospital item or
22 service that is reflected on a hospital's chargemaster, absent any
23 discounts;

24 8. "Hospital" means a hospital:

- 1 a. licensed under Section 1-702 of Title 63 of the
- 2 Oklahoma Statutes, or
- 3 b. owned or operated by a state agency;

4 9. "Hospital items or services" means all items and services,
5 including individual items and services and service packages, that
6 may be provided by a hospital to a patient in connection with an
7 inpatient admission or an outpatient department visit, as
8 applicable, for which the hospital has established a standard
9 charge, including:

- 10 a. supplies and procedures,
- 11 b. room and board,
- 12 c. use of the facility and other areas, generally
- 13 referred to as facility fees,
- 14 d. services of physicians and non-physician
- 15 practitioners, generally referred to as professional
- 16 charges, and
- 17 e. any other item or service for which a hospital has
- 18 established a standard charge;

19 10. "Machine-readable format" means a digital representation of
20 information in a file that can be imported or read into a computer
21 system for further processing. The term includes Extensible Markup
22 Language (.XML), JavaScript Object Notation (.JSON), and Comma-
23 Separated Values (.CSV) formats;

1 11. "Payor-specific negotiated charge" means the charge that a
2 hospital has negotiated with a third-party payor for a hospital item
3 or service;

4 12. "Service package" means an aggregation of individual
5 hospital items or services into a single service with a single
6 charge;

7 13. "Shoppable service" means a service that may be scheduled
8 by a health care consumer in advance;

9 14. "Standard charge" means the regular rate established by the
10 hospital for a hospital item or service provided to a specific group
11 of paying patients. The term includes all of the following, as
12 defined under this section:

- 13 a. the gross charge,
- 14 b. the payor-specific negotiated charge,
- 15 c. the de-identified minimum negotiated charge,
- 16 d. the de-identified maximum negotiated charge, and
- 17 e. the discounted cash price; and

18 15. "Third-party payor" means an entity that is, by statute,
19 contract, or agreement, legally responsible for payment of a claim
20 for a hospital item or service.

21 SECTION 2. NEW LAW A new section of law to be codified
22 in the Oklahoma Statutes as Section 1-725.12 of Title 63, unless
23 there is created a duplication in numbering, reads as follows:

24 Notwithstanding any other law, a hospital shall make public:

1 1. A digital file in a machine-readable format that contains a
2 list of all standard charges for all hospital items or services as
3 described by Section 3 of this act; and

4 2. A consumer-friendly list of standard charges for a limited
5 set of shoppable services as provided in Section 4 of this act.

6 SECTION 3. NEW LAW A new section of law to be codified
7 in the Oklahoma Statutes as Section 1-725.13 of Title 63, unless
8 there is created a duplication in numbering, reads as follows:

9 A. A hospital shall:

10 1. Maintain a list of all standard charges for all hospital
11 items or services in accordance with this section; and

12 2. Ensure the list required under paragraph 1 of this
13 subsection is available at all times to the public, including by
14 posting the list electronically in the manner provided by this
15 section.

16 B. The standard charges contained in the list required to be
17 maintained by a hospital under subsection A of this section shall
18 reflect the standard charges applicable to that location of the
19 hospital, regardless of whether the hospital operates in more than
20 one location or operates under the same license as another hospital.

21 C. The list required under subsection A of this section shall
22 include the following items, as applicable:

23 1. A description of each hospital item or service provided by
24 the hospital;

1 2. The following charges for each individual hospital item or
2 service when provided in either an inpatient setting or an
3 outpatient department setting, as applicable:

- 4 a. the gross charge,
- 5 b. the de-identified minimum negotiated charge,
- 6 c. the de-identified maximum negotiated charge,
- 7 d. the discounted cash price, and
- 8 e. the payor-specific negotiated charge, listed by the
9 name of the third-party payor and plan associated with
10 the charge and displayed in a manner that clearly
11 associates the charge with each third-party payor and
12 plan; and

13 3. Any code used by the hospital for purposes of accounting or
14 billing for the hospital item or service, including the Current
15 Procedural Terminology (CPT) code, the Healthcare Common Procedure
16 Coding System (HCPCS) code, the Diagnosis Related Group (DRG) code,
17 the National Drug Code (NDC), or other common identifier.

18 D. The information contained in the list required under
19 subsection A of this section shall be published in a single digital
20 file that is in a machine-readable format.

21 E. The list required under subsection A of this section shall
22 be displayed in a prominent location on the hospital's publicly
23 accessible Internet website. If the hospital operates multiple
24 locations and maintains a single Internet website, the list required

1 under subsection A of this section shall be posted for each location
2 the hospital operates in a manner that clearly associates the list
3 with the applicable location of the hospital.

4 F. The list required under subsection A of this section shall:

5 1. Be available:

6 a. free of charge,

7 b. without having to establish a user account or
8 password, and

9 c. without having to submit personal identifying
10 information;

11 2. Be digitally searchable; and

12 3. Use the Centers for Medicare and Medicaid Services naming
13 convention specified under 45 C.F.R., Section 180.50.

14 G. The hospital shall update the list required under subsection
15 A of this section at least once each year. The hospital shall
16 clearly indicate the date on which the list was most recently
17 updated, either on the list or in a manner that is clearly
18 associated with the list.

19 SECTION 4. NEW LAW A new section of law to be codified
20 in the Oklahoma Statutes as Section 1-725.14 of Title 63, unless
21 there is created a duplication in numbering, reads as follows:

22 A. Except as provided by subsection C of this section, a
23 hospital shall maintain and make publicly available a list of the
24 standard charges described by Section 3 of this act for each of at

1 least three hundred shoppable services provided by the hospital.

2 The hospital may select the shoppable services to be included in the
3 list, except that the list shall include:

4 1. The seventy services specified as shoppable services by the
5 Centers for Medicare and Medicaid Services; or

6 2. If the hospital does not provide all of the shoppable
7 services described by paragraph 1 of this subsection, as many of
8 those shoppable services the hospital does provide.

9 B. In selecting a shoppable service for purposes of inclusion
10 in the list required under subsection A of this section, a hospital
11 shall consider how frequently the hospital provides the service and
12 the hospital's billing rate for that service.

13 C. If a hospital does not provide three hundred shoppable
14 services, the hospital shall maintain a list of the total number of
15 shoppable services that the hospital provides in a manner that
16 otherwise complies with the requirements of subsection A of this
17 section.

18 D. The list required under subsection A or C of this section,
19 as applicable, shall:

20 1. Include:

21 a. a plain-language description of each shoppable service
22 included on the list,

23 b. the payor-specific negotiated charge that applies to
24 each shoppable service included on the list and any

1 ancillary service, listed by the name of the third-
2 party payor and plan associated with the charge and
3 displayed in a manner that clearly associates the
4 charge with the third-party payor and plan,

5 c. the discounted cash price that applies to each
6 shoppable service included on the list and any
7 ancillary service or, if the hospital does not offer a
8 discounted cash price for one or more of the shoppable
9 or ancillary services on the list, the gross charge
10 for the shoppable service or ancillary service, as
11 applicable,

12 d. the de-identified minimum negotiated charge that
13 applies to each shoppable service included on the list
14 and any ancillary service,

15 e. the de-identified maximum negotiated charge that
16 applies to each shoppable service included on the list
17 and any ancillary service, and

18 f. any code used by the hospital for purposes of
19 accounting or billing for each shoppable service
20 included on the list and any ancillary service,
21 including the Current Procedural Terminology (CPT)
22 code, the Healthcare Common Procedure Coding System
23 (HCPCS) code, the Diagnosis Related Group (DRG) code,
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1 the National Drug Code (NDC), or other common
2 identifier; and

3 2. If applicable:

- 4 a. state each location at which the hospital provides the
5 shoppable service and whether the standard charges
6 included in the list apply at that location to the
7 provision of that shoppable service in an inpatient
8 setting, an outpatient department setting, or in both
9 of those settings, as applicable, and
- 10 b. indicate if one or more of the shoppable services
11 specified by the Centers for Medicare and Medicaid
12 Services is not provided by the hospital.

13 E. The list required under subsection A or C of this section,
14 as applicable, shall be:

15 1. Displayed in the manner prescribed by subsection E of
16 Section 3 of this act for the list required under that section;

17 2. Available:

- 18 a. free of charge,
19 b. without having to register or establish a user account
20 or password, and
21 c. without having to submit personal identifying
22 information;

23 3. Searchable by service description, billing code, and payor;

24 and

1 4. Updated in the manner prescribed by subsection G of Section
2 3 of this act for the list required under that section.

3 F. Notwithstanding any other provision of this section, a
4 hospital is considered to meet the requirements of this section if
5 the hospital maintains, as determined by the State Department of
6 Health, an Internet-based price estimator tool that:

7 1. Provides a cost estimate for each shoppable service and any
8 ancillary service included on the list maintained by the hospital
9 under subsection A of this section;

10 2. Allows a person to obtain an estimate of the amount the
11 person will be obligated to pay the hospital if the person elects to
12 use the hospital to provide the service; and

13 3. Is:

14 a. prominently displayed on the hospital's publicly
15 accessible Internet website, and

16 b. accessible to the public:

17 (1) without charge, and

18 (2) without having to register or establish a user
19 account or password.

20 SECTION 5. NEW LAW A new section of law to be codified
21 in the Oklahoma Statutes as Section 1-725.15 of Title 63, unless
22 there is created a duplication in numbering, reads as follows:

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1 A. The State Department of Health may monitor each hospital's
2 compliance with the requirements of this act using any of the
3 following methods:

4 1. Evaluating complaints made by persons to the Department
5 regarding noncompliance with this act;

6 2. Reviewing any analysis prepared regarding noncompliance with
7 this act; and

8 3. Auditing the Internet websites of hospitals for compliance
9 with this act.

10 B. If the Department determines that a hospital is not in
11 compliance with a provision of this act, the Department may take any
12 of the following actions:

13 1. Provide a written notice to the hospital that clearly
14 explains the manner in which the hospital is not in compliance with
15 this act;

16 2. Request a corrective action plan from the hospital if the
17 hospital has materially violated a provision of this act, as
18 determined under Section 6 of this act; and

19 3. Impose an administrative penalty on the hospital and
20 publicize the penalty on the Department's Internet website if the
21 hospital fails to:

22 a. respond to the Department's request to submit a
23 corrective action plan, or

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1 b. comply with the requirements of a corrective action
2 plan submitted to the Department.

3 SECTION 6. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 1-725.16 of Title 63, unless
5 there is created a duplication in numbering, reads as follows:

6 A. A hospital materially violates this act if the hospital
7 fails to publicize:

8 1. Pricing information as required by Section 2 of this act; or

9 2. The hospital's standard charges in the form and manner
10 required by Sections 3 and 4 of this act.

11 B. If the State Department of Health determines that a hospital
12 has materially violated this act, the Department may issue a notice
13 of material violation to the hospital and request that the hospital
14 submit a corrective action plan. The notice shall indicate the form
15 and manner in which the corrective action plan shall be submitted to
16 the Department, and clearly state the date by which the hospital
17 shall submit the plan.

18 C. A hospital that receives a notice under subsection B of this
19 section shall:

20 1. Submit a corrective action plan in the form and manner, and
21 by the specified date, prescribed by the notice of violation; and

22 2. As soon as practicable after submission of a corrective
23 action plan to the Department, act to comply with the plan.

24 D. A corrective action plan submitted to the Department shall:

1 1. Describe in detail the corrective action the hospital will
2 take to address any violation identified by the Department in the
3 notice provided under subsection B of this section; and

4 2. Provide a date by which the hospital will complete the
5 corrective action described by paragraph 1 of this subsection.

6 E. A corrective action plan is subject to review and approval
7 by the Department. After the Department reviews and approves a
8 hospital's corrective action plan, the Department shall monitor and
9 evaluate the hospital's compliance with the plan.

10 F. A hospital is considered to have failed to respond to the
11 Department's request to submit a corrective action plan if the
12 hospital fails to submit a corrective action plan:

13 1. In the form and manner specified in the notice provided
14 under subsection B of this section; or

15 2. By the date specified in the notice provided under
16 subsection B of this section.

17 G. A hospital is considered to have failed to comply with a
18 corrective action plan if the hospital fails to address a violation
19 within the specified period of time contained in the plan.

20 SECTION 7. NEW LAW A new section of law to be codified
21 in the Oklahoma Statutes as Section 1-725.17 of Title 63, unless
22 there is created a duplication in numbering, reads as follows:

23 A. A hospital that is not in material compliance with this act
24 on the date that items or services are purchased from or provided to

1 a patient by the hospital shall not initiate or pursue collection
2 action against the patient or patient guarantor for a debt owed for
3 the items or services.

4 B. If a patient believes that a hospital was not in material
5 compliance with this act on a date on or after the effective date of
6 this act that items or services were purchased by or provided to the
7 patient, and the hospital takes a collection action against the
8 patient or patient guarantor, the patient or patient guarantor may
9 file suit to determine if the hospital was materially out of
10 compliance with this act on the date of service and if the
11 noncompliance is related to the items or services. The hospital
12 shall not take a collection action against the patient or patient
13 guarantor while the lawsuit is pending.

14 C. A hospital that has been found by a judge or jury to be
15 materially out of compliance with this act:

16 1. Shall refund the payor any amount of the debt the payor has
17 paid and shall pay a penalty to the patient or patient guarantor in
18 an amount equal to the total amount of the debt;

19 2. Shall dismiss or cause to be dismissed any court action with
20 prejudice and pay any reasonable attorney fees and costs incurred by
21 the patient or patient guarantor relating to the action; and

22 3. Shall remove or cause to be removed from the patient's or
23 patient guarantor's credit report any report made to a consumer
24 reporting agency relating to the debt.

- 1 D. Nothing in this act:
- 2 1. Prohibits a hospital from billing a patient, patient
- 3 guarantor, or third-party payor, including a health insurer, for
- 4 items or services provided to the patient; or
- 5 2. Requires a hospital to refund any payment made to the
- 6 hospital for items or services provided to the patient, as long as
- 7 no collection action is taken in violation of this act.
- 8 SECTION 8. REPEALER 63 O.S. 2021, Sections 1-725.1, 1-
- 9 725.2, 1-725.3, 1-725.4, and 1-725.5, are hereby repealed.
- 10 SECTION 9. This act shall become effective November 1, 2025.

11 COMMITTEE REPORT BY: COMMITTEE ON HEALTH AND HUMAN SERVICES
12 March 3, 2025 - DO PASS

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