### As Reported by the Senate General Government Committee

# 135th General Assembly

Regular Session 2023-2024

Sub. H. B. No. 173

# **Representative Troy**

Cosponsors: Representatives Gross, Richardson, Forhan, Brennan, Rogers, McNally, Brewer, Thomas, C., Liston, Abdullahi, Abrams, Barhorst, Brent, Brown, Callender, Carruthers, Creech, Dell'Aquila, Denson, Dobos, Galonski, Grim, Hall, Hoops, Humphrey, Isaacsohn, John, Johnson, Jones, Lightbody, Lorenz, Manning, Mathews, Miller, A., Miller, J., Miller, M., Miranda, Mohamed, Patton, Pavliga, Peterson, Pizzulli, Ray, Russo, Skindell, Somani, Weinstein, White, Williams

#### A BILL

То	amend section 3727.44; to amend, for the purpose	1
	of adopting a new section number as indicated in	2
	parentheses, section 3727.44 (3727.40); to enact	3
	sections 5.2410, 5.54, 3727.31, 3727.32,	4
	3727.33, 3727.34, 3727.35, 3727.36, 3727.37,	5
	3727.38, 3727.381, and 3727.39; and to repeal	6
	sections 3727.42, 3727.43, and 3727.45 of the	7
	Revised Code to require hospitals to publish	8
	certain price information and to designate "Ohio	9
	Black Media Week" and "Older Ohioans Month."	10

#### BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That section 3727.44 be amended; section	11
3727.44 (3727.40) be amended for the purpose of adopting a new	12
section number as indicated in parentheses; and sections 5.2410,	13
5.54, 3727.31, 3727.32, 3727.33, 3727.34, 3727.35, 3727.36,	14

Sub. H. B. No. 173 As Reported by the Senate General Government Committee	Page 2
3727.37, 3727.38, 3727.381, and 3727.39 of the Revised Code be	15
enacted to read as follows:	16
Sec. 5.2410. The month of May is designated as "Older_	17
Ohioans Month."	18
Sec. 5.54. The week of the sixteenth day of March is	19
designated as "Ohio Black Media Week" to recognize freedom of	20
the press, information, equity, and equality.	21
Sec. 3727.31. As used in sections 3727.31 to 3727.40 of	22
the Revised Code:	23
(A) "Ancillary service" means a hospital item or service	24
that a hospital customarily provides as part of a shoppable	25
service.	26
(B) "Chargemaster" means the list maintained by a hospital	27
of each hospital item or service for which the hospital has	28
established a charge.	29
(C) "De-identified maximum negotiated charge" means the	30
highest charge that a hospital has negotiated with all third-	31
party payors for a hospital item or service.	32
(D) "De-identified minimum negotiated charge" means the	33
lowest charge that a hospital has negotiated with all third-	34
party payors for a hospital item or service.	35
(E) "Discounted cash price" means the charge that applies	36
to an individual who pays cash, or a cash equivalent, for a	37
hospital item or service.	38
(F) "Federal price transparency law" means section 2718(e)	39
of the "Public Health Service Act," 42 U.S.C. 300gg-18, and	40
hospital price transparency rules adopted by the United States	41
department of health and human services and the United States	42

Sub. H. B. No. 173 As Reported by the Senate General Government Committee	Page 3
centers for medicare and medicaid services implementing that	43
section, including the rules and requirements under 45 C.F.R.	44
<u>180.</u>	45
(G) "Hospital" has the same meaning as in section 3722.01	4 6
of the Revised Code.	47
(H) "Hospital items or services" means all items or	48
services, including individual items or services and service	4.9
packages, that may be provided by a hospital to a patient in	50
connection with an inpatient admission or an outpatient	51
department visit, as applicable, for which the hospital has	52
established a standard charge, including all of the following:	53
(1) Supplies and procedures;	54
(2) Room and board;	55
(3) Use of the hospital and other areas, the charges for	56
which are generally referred to as facility fees;	57
(4) Services of physicians and non-physician	58
practitioners, employed by the hospital, the charges for which	59
are generally referred to as professional fees;	60
(5) Any other item or service for which a hospital has	61
established a standard charge.	62
(I) "Gross charge" means the charge for a hospital item or	63
service that is reflected on a hospital's chargemaster, absent	64
any discounts.	65
(J) "Machine-readable format" means a digital	66
representation of information in a file that can be imported or	67
read into a computer system for further processing. "Machine-	68
readable format" includes.XML,.JSON, and.CSV formats.	69

Sub. H. B. No. 173

Sub. H. B. No. 173 As Reported by the Senate General Government Committee	Page 5
all of the following:	98
(1) The gross charge;	99
(2) The payor-specific negotiated charge;	100
(3) The de-identified minimum negotiated charge;	101
(4) The de-identified maximum negotiated charge;	102
(5) The discounted cash price.	103
(R) "Targeted advertising" means displaying an	104
advertisement that is selected based on personal data obtained	105
from the use of a hospital's internet-based price estimator tool	106
by a person in this state. "Targeted advertising" does not	107
<pre>include any of the following:</pre>	108
(1) Advertising in response to the user's request for	109
<pre>information or feedback;</pre>	110
(2) Advertisements based on activities within a hospital's	111
own web sites or online applications;	112
(3) Advertisements based on the context of a user's	113
current search query, visit to a web site, or online	114
application;	115
(4) Processing personal data solely for measuring or	116
reporting advertising performance, reach, or frequency.	117
(S) "Third-party payor" means an entity that is, by	118
statute, contract, or agreement, legally responsible for payment	119
of a claim for a hospital item or service.	120
Sec. 3727.32. A hospital shall make public both of the	121
<pre>following:</pre>	122
(A) As described in section 3727.33 of the Revised Code, a	123

Sub. H. B. No. 173 As Reported by the Senate General Government Committee	Page 6
digital file in a machine-readable format that contains a list	124
of all standard charges, expressed in dollar amounts, for all	125
hospital items or services;	126
(B) As described in section 3727.34 of the Revised Code, a	127
consumer-friendly list of standard charges for the hospital's	128
shoppable services or an internet-based price estimator tool.	129
Sec. 3727.33. (A) A hospital shall maintain a list of all_	130
standard charges for all hospital items or services in	131
accordance with this section. The hospital shall ensure that the	132
list is available at all times to the public, including by	133
posting the list electronically in the manner provided by this	134
section.	135
(B) The standard charges contained in the list shall	136
reflect the standard charges applicable to that location of the	137
hospital, regardless of whether the hospital operates in more	138
than one location or operates under the same license as another	139
hospital.	140
(C) The list shall include the following information, as	141
applicable:	142
(1) A description of each hospital item or service	143
provided by the hospital;	144
(2) The following charges, expressed in dollar amounts,	145
for each particular hospital item or service when provided in	146
either an inpatient setting or an outpatient department setting,	147
as applicable:	148
(a) The gross charge;	149
(b) The de-identified minimum negotiated charge;	150
(c) The de-identified maximum negotiated charge;	151

(d) The discounted cash price;	152
(e) The payor-specific negotiated charge, listed by the	153
name of the third-party payor and health plan associated with	154
the charge and displayed in a manner that clearly associates the	155
charge with each third-party payor and health plan;	156
(f) Any code used by the hospital for purposes of	157
accounting or billing for the hospital item or service,	158
including the current procedural terminology (CPT) code,	159
healthcare common procedure coding system (HCPCS) code,	160
diagnosis related group (DRG) code, national drug code (NDC), or	161
other common identifier.	162
(D) The information contained in the list shall be	163
published in a single digital file that is in a machine-readable	164
format.	165
(E) The list shall be displayed in a prominent location on	166
the home page of the hospital's publicly accessible internet web	167
site or be accessible by selecting a dedicated link that is	168
prominently displayed on that home page. If the hospital	169
operates multiple locations and maintains a single internet web	170
site, a separate list shall be posted for each location the	171
hospital operates and shall be displayed in a manner that	172
clearly associates the list with the applicable location.	173
(F) The list shall satisfy all of the following	174
conditions:	175
(1) Be available free of charge; without having to	176
register or establish a user account or password; without having	177
to submit personal identifying information, including any	178
information pertaining to an individual's health care coverage	179
or other benefits; and without having to overcome any other	180

Sub. H. B. No. 173

Sub. H. B. No. 173

As Reported by the Senate General Government Committee	
inclusion on the list, a hospital shall do both of the	238
following:	239
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(a) Consider how frequently the hospital provides the	240
service and the hospital's billing rate for that service;	241
(b) Prioritize the selection of services that are among	242
the services most frequently provided by the hospital.	243
(B) A hospital's list maintained under this section shall	244
include all of the following information:	245
(1) A plain-language description of each shoppable service	246
<pre>included on the list;</pre>	247
(2) The payor-specific negotiated charge that applies to	248
each shoppable service included on the list and any ancillary	249
service, listed by the name of the third-party payor and health	250
plan associated with the charge and displayed in a manner that	251
clearly associates the charge with the third-party payor and	252
health plan;	253
(3) The discounted cash price that applies to each	254
shoppable service included on the list and any ancillary service	255
or, if the hospital does not offer a discounted cash price for	256
one or more of the shoppable or ancillary services on the list,	257
the gross charge for the shoppable service or ancillary service,	258
as applicable;	259
(4) The de-identified minimum negotiated charge that	260
applies to each shoppable service included on the list and any	261
<pre>ancillary service;</pre>	262
(5) The de-identified maximum negotiated charge that	263
applies to each shoppable service included on the list and any	264
ancillary service;	265

Sub. H. B. No. 173

Page 10

(6) Any code used by the hospital for purposes of	266
accounting or billing for each shoppable service included on the	267
list and any ancillary service, including the current procedural	268
terminology (CPT) code, healthcare common procedure coding	269
system (HCPCS) code, diagnosis related group (DRG) code,	270
national drug code (NDC), or other common identifier.	271
(C) If applicable, the list shall do the following:	272
(1) State each location at which the hospital provides the	273
shoppable service and whether the standard charges included in	274
the list apply at that location to the provision of that	275
shoppable service in an inpatient setting, an outpatient	276
department setting, or in both of those settings, as applicable;	277
(2) Indicate if one or more of the shoppable services	278
specified by the United States centers for medicare and medicaid	279
services is not provided by the hospital.	280
(D) The list shall satisfy the following conditions, as	281
applicable:	282
(1) Be displayed in the same manner prescribed by division	283
(E) of section 3727.33 of the Revised Code for the list required	284
under that section;	285
(2) Be available and accessible in the same manner	286
prescribed by divisions (F)(1) and (2) of section 3727.33 of the	287
Revised Code for the list required by that section;	288
(3) Be searchable by service description, billing code,	289
and payor;	290
(4) Be formatted in a manner that is consistent with the	291
template developed by the director of health under division (G)	292
of section 3727.33 of the Revised Code for the list required	293

under that section;	294
(5) Be updated in the same manner prescribed by division	295
(H) of section 3727.33 of the Revised Code for the list required	296
under that section.	297
(E) (1) A hospital may, in lieu of maintaining and making	298
publicly available the list of shoppable services otherwise	299
required by this section, maintain an internet-based price	300
estimator tool that satisfies all of the following:	301
(a) Provides a cost estimate for each shoppable service	302
and any ancillary service otherwise required to be included on	303
the list of shoppable services;	304
(b) Allows a person to obtain an estimate of the amount	305
the person will be obligated to pay the hospital if the person	306
elects to use the hospital to provide the service;	307
(c) Is available and accessible in the same manner	308
prescribed by division (F)(1) of section 3727.33 of the Revised	309
Code for the list required by that section.	310
(2) A hospital that maintains an internet-based price	311
estimator tool deemed by the United States centers for medicare	312
and medicaid services to meet the requirements of the federal	313
price transparency law regarding the list of standard charges	314
for shoppable services also meets the requirements of this	315
section.	316
(3) A hospital shall not sell personal data acquired from	317
the use of the hospital's internet-based price estimator tool by	318
a person in this state.	319
(4) A hospital shall not use, sell, or process personal	320
data acquired from the use of the hospital's internet-based	321

price estimator tool by a person in this state for the purposes	322
of targeted advertising.	323
Sec. 3727.35. Each time a hospital updates a list or	324
internet-based price estimator tool as required under sections	325
3727.33 and 3727.34 of the Revised Code, the hospital shall	326
submit the updated list or a description of the updates to the	327
internet-based price estimator tool to the director of health.	328
The director shall prescribe the form in which the updated list	329
or description is to be submitted.	330
Sec. 3727.36. (A) No hospital shall do any of the	331
<pre>following:</pre>	332
(1) (a) Fail to comply with the requirement to make public	333
the list described in section 3727.33 of the Revised Code;	334
(b) Fail to comply with the requirements to make public	335
the either the list or the internet-based price estimator tool	336
described in section 3727.34 of the Revised Code.	337
(2)(a) Fail to maintain the list required by section	338
3727.33 of the Revised Code in accordance with the requirements	339
of that section;	340
(b) Fail to maintain either the list or the internet-based	341
price estimator tool required by section 3727.34 of the Revised	342
Code in accordance with the requirements of that section.	343
(3) Fail in any other manner to comply with the	344
requirements that apply to a list and, if applicable, the	345
internet-based price estimator tool, under sections 3727.31 to	346
3727.40 of the Revised Code.	347
(B) The director of health shall monitor each hospital's	348
compliance with division (A) of this section. The monitoring may	349

publicly available a list that identifies each hospital that is not in compliance with division (A) of this section. The list of noncompliant hospitals shall include any hospital that has been sent a notice of violation under section 3727.37 of the Revised Code, is subject to an order imposing an administrative penalty under section 3727.38 of the Revised Code, has been sent any other written communication from the director regarding a violation of division (A) of this section, or otherwise has been determined by the director to be not in compliance with division (A) of this section.

(2) The list of noncompliant hospitals is a public record, as defined in section 149.43 of the Revised Code.

(3) After the director of health has determined that a hospital is not in compliance with division (A) of this section, the materials that consist of notices, orders, communications, and determinations under sections 3727.31 to 3727.40 of the Revised Code are public records, as defined in section 149.43 of the Revised Code.

(D) Not later than ninety days after the effective date of
this section, the director of health shall create the initial
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list of noncompliant hospitals and include the list on the
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(D) No hospital shall do any of the following:

Page 15

407

Sub. H. B. No. 173

As Reported by the Senate General Government Committee

imposed, the director shall select amounts that are sufficient

(C) (1) An administrative penalty imposed under this

to ensure that hospitals comply with the requirements of

sections 3727.31 to 3727.40 of the Revised Code.

section shall not be less than the following:

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(a) In the case of a hospital with a bed count of thirty	436
or fewer, three hundred dollars;	437
(b) In the case of a hospital with a bed count that is	438
greater than thirty and equal to or fewer than five hundred	439
fifty, ten dollars per bed;	440
(c) In the case of a hospital with a bed count that is	441
greater than five hundred fifty, five thousand five hundred	442
dollars.	443
(2) In setting the amount of the penalty to be imposed on	444
a hospital, the director of health shall consider all of the	445
<pre>following:</pre>	446
(a) Previous violations by the hospital's operator;	447
(b) The seriousness of the violation;	448
(c) The demonstrated good faith of the hospital's	449
<pre>operator;</pre>	450
(d) Any other matters as justice may require.	451
(D) An administrative penalty collected under this section	452
shall be deposited into the state treasury to the credit of the	453
hospital price transparency fund created by section 3727.381 of	454
the Revised Code.	455
Sec. 3727.381. There is hereby created in the state	456
treasury the hospital price transparency fund, consisting of	457
administrative penalties collected under section 3727.38 of the	458
Revised Code. The director of health shall administer the fund.	459
The amounts deposited shall be used for purposes of	460
administering and enforcing sections 3727.31 to 3727.40 of the	461
Revised Code, except that the director may use a portion for	462
purposes of informing the public about the availability of	463

hospital price information and other consumer rights under those	464
sections.	465
Sec. 3727.39. The director of health shall prepare reports	466
and submit them in accordance with all of the following:	467
	4.60
(A) On an annual basis, the director shall prepare a	468
report on hospitals that are in violation of division (A) of	469
section 3727.36 or division (D) of section 3727.37 of the	470
Revised Code.	471
(B) Within sixty days after any change to the federal	472
price transparency law, the director shall prepare a report of	473
the director's recommendations for conforming sections 3727.31	474
to 3727.40 of the Revised Code with the change or,	475
alternatively, stating that no conforming changes are necessary.	476
(C) The director shall submit the reports required by	477
divisions (A) and (B) of this section to the general assembly in	478
accordance with section 101.68 of the Revised Code, the	479
chairperson of the standing committee of the house of	480
representatives with primary responsibility for health	481
legislation, the chairperson of the standing committee of the	482
senate with primary responsibility for health legislation, and	483
the governor.	484
Sec. 3727.44 3727.40. The director of health may adopt	485
rules to carry out the purposes of sections 3727.42 and 3727.43	486
3727.31 to 3727.40 of the Revised Code. All rules adopted	487
pursuant to this section shall be adopted in accordance with	488
Chapter 119. of the Revised Code.	489
Section 2. That existing section 3727.44 of the Revised	490
Code is hereby repealed.	491
	492
<b>Section 3.</b> That sections 3727.42, 3727.43, and 3727.45 of	4 9 2

the Revised Code are hereby repealed.

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