As Passed by the Senate

135th General Assembly

Regular Session 2023-2024

Am. 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

Senators Antonio, Craig, DeMora, Ingram, Johnson, Landis, Reineke, Reynolds, Romanchuk, Sykes, Wilson

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, 5.60, 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," "Hindu Heritage Month," and	10
	"Older Ohioans Month."	11

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

	Se	ction	1.	That	section	3727.44	l be	amen	ded	; section		1	L 2
3727.	44	(3727	. 40) be	amended	for the	pur	pose	of	adopting a	new	1	13

lowest charge that a hospital has negotiated with all third-

(E) "Discounted cash price" means the charge that applies

party payors for a hospital item or service.

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to an individual who pays cash, or a cash equivalent, for a	42
hospital item or service.	43
(F) "Federal price transparency law" means section 2718(e)	44
of the "Public Health Service Act," 42 U.S.C. 300gg-18, and	45
hospital price transparency rules adopted by the United States	46
department of health and human services and the United States	47
centers for medicare and medicaid services implementing that	48
section, including the rules and requirements under 45 C.F.R.	49
<u>180.</u>	50
(G) "Hospital" has the same meaning as in section 3722.01	51
of the Revised Code.	52
(H) "Hospital items or services" means all items or	53
services, including individual items or services and service	54
packages, that may be provided by a hospital to a patient in	55
connection with an inpatient admission or an outpatient	56
department visit, as applicable, for which the hospital has	57
established a standard charge, including all of the following:	58
(1) Supplies and procedures;	59
(2) Room and board;	60
(3) Use of the hospital and other areas, the charges for	61
which are generally referred to as facility fees;	62
(4) Services of physicians and non-physician	63
practitioners, employed by the hospital, the charges for which	64
are generally referred to as professional fees;	65
(5) Any other item or service for which a hospital has	66
established a standard charge.	67
(I) "Gross charge" means the charge for a hospital item or	68
service that is reflected on a hospital's chargemaster, absent	69

any discounts.	70
(J) "Machine-readable format" means a digital	71
representation of information in a file that can be imported or	72
read into a computer system for further processing. "Machine-	73
readable format" includes.XML,.JSON, and.CSV formats.	74
(K) "Payor-specific negotiated charge" means the charge	75
that a hospital has negotiated with a third-party payor for a	76
hospital item or service.	77
(L) "Personal data" means any information that is linked	78
or reasonably linkable to an identified or identifiable person	79
in this state. "Personal data" does not include either of the	80
<pre>following:</pre>	81
(1) Publicly available information;	82
(2) Personal data that has been de-identified or	83
aggregated using commercially reasonable methods such that	84
neither the associated person, nor a device linked to that	85
person, can be reasonably identified.	86
(M) "Process" or "processing" means any operation or set	87
of operations that are performed on personal data, whether or	88
not by automated means, including the collection, use, storage,	89
disclosure, analysis, deletion, transfer, or modification of	90
personal data.	91
(N) "Publicly available information" means information	92
that is lawfully made available from federal, state, or local	93
government records or widely available media.	94
(O) "Service package" means an aggregation of individual	95
hospital items or services into a single service with a single	96
<pre>charge.</pre>	97

(P) "Shoppable service" means a service that may be	98
scheduled by a health care consumer in advance.	99
(Q) "Standard charge" means the regular rate established	100
by the hospital for a hospital item or service provided to a	101
specific group of paying patients. "Standard charge" includes	102
all of the following:	103
(1) The gross charge;	104
(2) The payor-specific negotiated charge;	105
(3) The de-identified minimum negotiated charge;	106
(4) The de-identified maximum negotiated charge;	107
(5) The discounted cash price.	108
(R) "Targeted advertising" means displaying an	109
advertisement that is selected based on personal data obtained	110
from the use of a hospital's internet-based price estimator tool	111
by a person in this state. "Targeted advertising" does not	112
<pre>include any of the following:</pre>	113
(1) Advertising in response to the user's request for	114
<pre>information or feedback;</pre>	115
(2) Advertisements based on activities within a hospital's	116
own web sites or online applications;	117
(3) Advertisements based on the context of a user's	118
current search query, visit to a web site, or online	119
application;	120
(4) Processing personal data solely for measuring or	121
reporting advertising performance, reach, or frequency.	122
(S) "Third-party payor" means an entity that is, by	123
statute, contract, or agreement, legally responsible for payment	124

of a claim for a hospital item or service.	125
Sec. 3727.32. A hospital shall make public both of the	126
<pre>following:</pre>	127
(A) As described in section 3727.33 of the Revised Code, a	128
digital file in a machine-readable format that contains a list	129
of all standard charges, expressed in dollar amounts, for all	130
hospital items or services;	131
(B) As described in section 3727.34 of the Revised Code, a	132
consumer-friendly list of standard charges for the hospital's	133
shoppable services or an internet-based price estimator tool.	134
Sec. 3727.33. (A) A hospital shall maintain a list of all	135
standard charges for all hospital items or services in	136
accordance with this section. The hospital shall ensure that the	137
<u>list is available at all times to the public, including by</u>	138
posting the list electronically in the manner provided by this	139
section.	140
(B) The standard charges contained in the list shall	141
reflect the standard charges applicable to that location of the	142
hospital, regardless of whether the hospital operates in more	143
than one location or operates under the same license as another	144
hospital.	145
(C) The list shall include the following information, as	146
applicable:	147
(1) A description of each hospital item or service	148
<pre>provided by the hospital;</pre>	149
(2) The following charges, expressed in dollar amounts,	150
for each particular hospital item or service when provided in	151
either an inpatient setting or an outpatient department setting,	152

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as applicable:	153
(a) The gross charge;	154
(b) The de-identified minimum negotiated charge;	155
(c) The de-identified maximum negotiated charge;	156
(d) The discounted cash price;	157
(e) The payor-specific negotiated charge, listed by the	158
name of the third-party payor and health plan associated with	159
the charge and displayed in a manner that clearly associates the	160
charge with each third-party payor and health plan;	161
(f) Any code used by the hospital for purposes of	162
accounting or billing for the hospital item or service,	163
including the current procedural terminology (CPT) code,	164
healthcare common procedure coding system (HCPCS) code,	165
diagnosis related group (DRG) code, national drug code (NDC), or	166
other common identifier.	167
(D) The information contained in the list shall be	168
published in a single digital file that is in a machine-readable	169
format.	170
(E) The list shall be displayed in a prominent location on	171
the home page of the hospital's publicly accessible internet web	172
site or be accessible by selecting a dedicated link that is	173
prominently displayed on that home page. If the hospital	174
operates multiple locations and maintains a single internet web	175
site, a separate list shall be posted for each location the	176
hospital operates and shall be displayed in a manner that	177
clearly associates the list with the applicable location.	178

(F) The list shall satisfy all of the following

conditions:

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(1) Be available free of charge; without having to	181
register or establish a user account or password; without having	182
to submit personal identifying information, including any	183
information pertaining to an individual's health care coverage	184
or other benefits; and without having to overcome any other	185
impediment in order to access the list, including such	186
impediments as entering a code or completing any type of	187
security measure known as challenge-response authentication;	188
(2) Be accessible to a common commercial operator of an	189
internet search engine to the extent necessary for the search	190
engine to index the list and display the list as a result in	191
response to a search query of a user of the search engine;	192
(3) Be formatted in a manner prescribed by the template	193
developed under division (G) of this section;	194
(4) Be digitally searchable;	195
(5) Use the following naming convention specified by the	196
United States centers for medicare and medicaid services,	197
specifically:	198
<pre>"<ein>_<hospital-name>_standardcharges.[jsonxmlcsv]."</hospital-name></ein></pre>	199
(G) For purposes of division (F)(3) of this section, the	200
director of health shall develop a template that each hospital	201
shall use in formatting the list. In developing the template,	202
the director shall do both of the following:	203
(1) Consider any applicable federal guidelines for	204
formatting similar lists required by federal statutes or	205
regulations and ensure that the design of the template enables	206
health care consumers or other researchers to compare the	207
charges contained in the lists maintained by each hospital;	208

(2) Design the template to be substantially similar to the	209
template used by the United States centers for medicare and	210
medicaid services for purposes similar to those of sections	211
3727.31 to 3727.40 of the Revised Code, if the director	212
determines that designing the template in that manner serves the	213
purposes of this section and that the department of health	214
benefits from the director developing and requiring that	215
substantially similar design.	216
(H) At least once each year, the hospital shall update the	217
list it maintains under this section. The hospital shall clearly	218
indicate the date on which the list was most recently updated,	219
either on the list or in a manner that is clearly associated	220
with the list.	221
Sec. 3727.34. (A) Subject to division (E) of this section,	222
a hospital shall maintain and make publicly available a list of	223
the standard charges described in divisions (C)(2)(b), (c), (d),	224
and (e) of section 3727.33 of the Revised Code for the	225
hospital's shoppable services. With respect to the shoppable	226
services that are included on the list, a hospital may select	227
the shoppable services to be included on the list, subject to	228
all of the following:	229
(1) The list shall include at least three hundred	230
shoppable services, unless the hospital provides fewer than	231
three hundred shoppable services, in which case the list shall	232
include the number of shoppable services that the hospital	233
provides.	234
(2) Of the shoppabale services selected for purposes of	235
division (A)(1) of this section, the list shall include the	236
seventy services specified as shoppable services by the United	237
States centers for medicare and medicaid services, unless the	238

hospital does not provide all of the seventy services, in which	239
case the list shall include as many of those services as the	240
hospital does provide.	241
(3) In selecting a shoppable service for purposes of	242
inclusion on the list, a hospital shall do both of the	243
<pre>following:</pre>	244
(a) Consider how frequently the hospital provides the	245
service and the hospital's billing rate for that service;	246
(b) Prioritize the selection of services that are among	247
the services most frequently provided by the hospital.	248
(B) A hospital's list maintained under this section shall	249
include all of the following information:	250
(1) A plain-language description of each shoppable service	251
<pre>included on the list;</pre>	252
(2) The payor-specific negotiated charge that applies to	253
each shoppable service included on the list and any ancillary	254
service, listed by the name of the third-party payor and health	255
plan associated with the charge and displayed in a manner that	256
clearly associates the charge with the third-party payor and	257
health plan;	258
(3) The discounted cash price that applies to each	259
shoppable service included on the list and any ancillary service	260
or, if the hospital does not offer a discounted cash price for	261
one or more of the shoppable or ancillary services on the list,	262
the gross charge for the shoppable service or ancillary service,	263
as applicable;	264
(4) The de-identified minimum negotiated charge that	265
applies to each shoppable service included on the list and any	266

ancillary service;	267
(5) The de-identified maximum negotiated charge that	268
applies to each shoppable service included on the list and any	269
<pre>ancillary service;</pre>	270
(6) Any code used by the hospital for purposes of	271
accounting or billing for each shoppable service included on the	272
list and any ancillary service, including the current procedural	273
terminology (CPT) code, healthcare common procedure coding	274
system (HCPCS) code, diagnosis related group (DRG) code,	275
national drug code (NDC), or other common identifier.	276
(C) If applicable, the list shall do the following:	277
(1) State each location at which the hospital provides the	278
shoppable service and whether the standard charges included in	279
the list apply at that location to the provision of that	280
shoppable service in an inpatient setting, an outpatient	281
department setting, or in both of those settings, as applicable;	282
(2) Indicate if one or more of the shoppable services	283
specified by the United States centers for medicare and medicaid	284
services is not provided by the hospital.	285
(D) The list shall satisfy the following conditions, as	286
<pre>applicable:</pre>	287
(1) Be displayed in the same manner prescribed by division	288
(E) of section 3727.33 of the Revised Code for the list required	289
under that section;	290
(2) Be available and accessible in the same manner	291
prescribed by divisions (F)(1) and (2) of section 3727.33 of the	292
Revised Code for the list required by that section;	293
(3) Be searchable by service description, billing code,	294

and payor;	295
(4) Be formatted in a manner that is consistent with the	296
template developed by the director of health under division (G)	297
of section 3727.33 of the Revised Code for the list required	298
under that section;	299
(5) Be updated in the same manner prescribed by division	300
(H) of section 3727.33 of the Revised Code for the list required	301
under that section.	302
(E) (1) A hospital may, in lieu of maintaining and making	303
publicly available the list of shoppable services otherwise	304
required by this section, maintain an internet-based price	305
estimator tool that satisfies all of the following:	306
(a) Provides a cost estimate for each shoppable service	307
and any ancillary service otherwise required to be included on	308
the list of shoppable services;	309
(b) Allows a person to obtain an estimate of the amount	310
the person will be obligated to pay the hospital if the person	311
elects to use the hospital to provide the service;	312
(c) Is available and accessible in the same manner	313
prescribed by division (F)(1) of section 3727.33 of the Revised	314
Code for the list required by that section.	315
(2) A hospital that maintains an internet-based price	316
estimator tool deemed by the United States centers for medicare	317
and medicaid services to meet the requirements of the federal	318
price transparency law regarding the list of standard charges	319
for shoppable services also meets the requirements of this	320
section.	321
(3) A hospital shall not sell personal data acquired from	322

the use of the hospital's internet-based price estimator tool by	323
a person in this state.	324
(4) A hospital shall not use, sell, or process personal	325
data acquired from the use of the hospital's internet-based	326
price estimator tool by a person in this state for the purposes	327
of targeted advertising.	328
Sec. 3727.35. Each time a hospital updates a list or	329
internet-based price estimator tool as required under sections	330
3727.33 and 3727.34 of the Revised Code, the hospital shall	331
submit the updated list or a description of the updates to the	332
internet-based price estimator tool to the director of health.	333
The director shall prescribe the form in which the updated list	334
or description is to be submitted.	335
Sec. 3727.36. (A) No hospital shall do any of the	336
<pre>following:</pre>	337
(1) (a) Fail to comply with the requirement to make public	338
the list described in section 3727.33 of the Revised Code;	339
(b) Fail to comply with the requirements to make public	340
the either the list or the internet-based price estimator tool	341
described in section 3727.34 of the Revised Code.	342
(2) (a) Fail to maintain the list required by section	343
3727.33 of the Revised Code in accordance with the requirements	344
of that section;	345
(b) Fail to maintain either the list or the internet-based	346
price estimator tool required by section 3727.34 of the Revised	347
Code in accordance with the requirements of that section.	348
(3) Fail in any other manner to comply with the	349
requirements that apply to a list and, if applicable, the	350

internet-based price estimator tool, under sections 3727.31 to	351
3727.40 of the Revised Code.	352
(B) The director of health shall monitor each hospital's	353
compliance with division (A) of this section. The monitoring may	354
occur by any of the following methods:	355
(1) Reviewing any credible analysis prepared regarding	356
<pre>compliance or noncompliance by hospitals;</pre>	357
(2) Auditing the internet web sites of hospitals for	358
<pre>compliance;</pre>	359
(3) Confirming that each hospital submits updated lists as	360
required by section 3727.35 of the Revised Code.	361
(C) (1) The director of health shall create and make	362
publicly available a list that identifies each hospital that is	363
not in compliance with division (A) of this section. The list of	364
noncompliant hospitals shall include any hospital that has been	365
sent a notice of violation under section 3727.37 of the Revised	366
Code, is subject to an order imposing an administrative penalty	367
under section 3727.38 of the Revised Code, has been sent any	368
other written communication from the director regarding a	369
violation of division (A) of this section, or otherwise has been	370
determined by the director to be not in compliance with division	371
(A) of this section.	372
(2) The list of noncompliant hospitals is a public record,	373
as defined in section 149.43 of the Revised Code.	374
(3) After the director of health has determined that a	375
hospital is not in compliance with division (A) of this section,	376
the materials that consist of notices, orders, communications,	377
and determinations under sections 3727.31 to 3727.40 of the	378
Revised Code are public records, as defined in section 149.43 of	379

the Revised Code.	380
(D) Not later than ninety days after the effective date of	381
this section, the director of health shall create the initial	382
list of noncompliant hospitals and include the list on the	383
internet web site maintained by the department of health. The	384
director shall update the list and web site at least every	385
thirty days thereafter.	386
Sec. 3727.37. (A) If the director of health determines	387
that a hospital has violated division (A) of section 3727.36 of	388
the Revised Code, the director shall issue a notice of violation	389
to the hospital. The director shall clearly explain in the	390
notice the manner in which the hospital is not in compliance.	391
When a notice of violation is issued, the director shall	392
require the hospital to submit a corrective action plan to the	393
director. In the notice, the director shall indicate the form	394
and manner in which the corrective action plan is to be	395
submitted and clearly specify the date by which the hospital is	396
required to submit the plan. The date that is specified shall	397
not be less than sixty days after the notice is sent.	398
(B) A hospital that receives a notice of violation shall	399
submit to the director of health a corrective action plan in the	400
form and manner indicated, and by the date specified, in the	401
notice. In the plan, the hospital shall provide a detailed	402
description of the corrective action the hospital will take to	403
address each violation identified by the director. The hospital	404
shall specify the date by which it will complete the corrective	405
action. The date that is specified shall not be more than one	406
hundred eighty days after the plan is submitted.	407
(C) A corrective action plan is subject to review and	4 O S

approval by the director of health. After the director reviews	409
and approves the plan, the director shall monitor and evaluate	410
the hospital's compliance with the plan.	411
(D) No hospital shall do any of the following:	412
(1) Fail to respond to the director's requirement to	413
submit a corrective action plan;	414
(2) Fail to submit a corrective action plan in the form	415
and manner indicated in the notice of violation or by the date	416
specified in that notice;	417
(3) Fail to complete the corrective action specified in a	418
corrective action plan by the date specified in the plan.	419
Sec. 3727.38. (A) (1) Notwithstanding any conflicting	420
provision of the Revised Code, the director of health shall	421
impose an administrative penalty on a hospital if the hospital	422
does both of the following:	423
(a) Violates division (A) of section 3727.36 of the	424
Revised Code;	425
(b) Violates division (D) of section 3727.37 of the	426
Revised Code.	427
(2) Each day a violation continues is considered a	428
separate violation.	429
(B) In imposing an administrative penalty under this	430
section, the director of health shall act in accordance with	431
Chapter 119. of the Revised Code. The amount of the penalty to	432
be imposed on a hospital shall be selected by the director,	433
subject to the minimum amounts and considerations specified in	434
division (C) of this section. For all penalties that are	435
imposed, the director shall select amounts that are sufficient	436

to ensure that hospitals comply with the requirements of	437
sections 3727.31 to 3727.40 of the Revised Code.	438
(C)(1) An administrative penalty imposed under this	439
section shall not be less than the following:	440
(a) In the case of a hospital with a bed count of thirty	441
or fewer, three hundred dollars;	442
(b) In the case of a hospital with a bed count that is	443
greater than thirty and equal to or fewer than five hundred	444
fifty, ten dollars per bed;	445
(c) In the case of a hospital with a bed count that is	446
greater than five hundred fifty, five thousand five hundred	447
dollars.	448
(2) In setting the amount of the penalty to be imposed on	449
a hospital, the director of health shall consider all of the	450
<pre>following:</pre>	451
(a) Previous violations by the hospital's operator;	452
(b) The seriousness of the violation;	453
(c) The demonstrated good faith of the hospital's	454
<pre>operator;</pre>	455
(d) Any other matters as justice may require.	456
(D) An administrative penalty collected under this section	457
shall be deposited into the state treasury to the credit of the	458
hospital price transparency fund created by section 3727.381 of	459
the Revised Code.	460
Sec. 3727.381. There is hereby created in the state	461
treasury the hospital price transparency fund, consisting of	462
administrative penalties collected under section 3727.38 of the	463

Revised Code. The director of health shall administer the lund.	404
The amounts deposited shall be used for purposes of	465
administering and enforcing sections 3727.31 to 3727.40 of the	466
Revised Code, except that the director may use a portion for	467
purposes of informing the public about the availability of	468
hospital price information and other consumer rights under those	469
sections.	470
Sec. 3727.39. The director of health shall prepare reports	471
and submit them in accordance with all of the following:	472
(A) On an annual basis, the director shall prepare a	473
report on hospitals that are in violation of division (A) of	474
section 3727.36 or division (D) of section 3727.37 of the	475
Revised Code.	476
(B) Within sixty days after any change to the federal	477
price transparency law, the director shall prepare a report of	478
the director's recommendations for conforming sections 3727.31	479
to 3727.40 of the Revised Code with the change or,	480
alternatively, stating that no conforming changes are necessary.	481
(C) The director shall submit the reports required by	482
divisions (A) and (B) of this section to the general assembly in	483
accordance with section 101.68 of the Revised Code, the	484
chairperson of the standing committee of the house of	485
representatives with primary responsibility for health	486
legislation, the chairperson of the standing committee of the	487
senate with primary responsibility for health legislation, and	488
the governor.	489
Sec. 3727.44 3727.40. The director of health may adopt	490
rules to carry out the purposes of sections 3727.42 and 3727.43	491
3727 31 to 3727 40 of the Revised Code All rules adopted	492

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pursuant to this section shall be adopted in accordance with	493
Chapter 119. of the Revised Code.	494
Section 2. That existing section 3727.44 of the Revised	495
Code is hereby repealed.	496
Section 3. That sections 3727.42, 3727.43, and 3727.45 of	497
the Revised Code are hereby repealed.	498