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# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
and Drafting

Legislative Budget  
Office

**S.B. 97**  
**133<sup>rd</sup> General Assembly**

## **Fiscal Note & Local Impact Statement**

[Click here for S.B. 97's Bill Analysis](#)

**Version:** As Reported by Senate Health, Human Services & Medicaid

**Primary Sponsor:** Sen. S. Huffman

**Local Impact Statement Procedure Required:** Yes

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### **Highlights**

- Government-owned hospitals that do not currently provide cost estimates would realize an increase in administrative costs to do so. Government-owned hospitals that do provide estimates might realize an impact depending on what each hospital currently provides.
- The Ohio Department of Health (ODH) may experience a minimal increase in costs to adopt rules if necessary.

### **Detailed Analysis**

#### **Cost estimates for scheduled services from hospitals**

The bill requires on and after January 1, 2021, a hospital to provide a patient or a patient's representative a reasonable, good faith estimate of the cost for each scheduled service, upon request. It must include the amount that the patient or party responsible will be required to pay to the hospital, a disclaimer that information provided is only an estimate based on facts available at the time, and if applicable, requires that the estimate include a notice that the professional services of physicians or other health care providers will be billed separately. The estimate must identify the web site address where the hospital publishes the list of its standard charges for items and services, which is also required by the bill. Additionally, a hospital must include a notification that the hospital is out of network for the patient if that information is known to the hospital at the time the estimate is given. The bill specifies that a hospital may state the estimate as a range rather than a specific dollar amount. The bill specifies that a patient is responsible for payment of an administered health care service or procedure even if the patient does not receive a cost estimate before receiving that service or procedure.

According to the Ohio Hospital Association, some, but not all, hospitals currently provide cost estimates.<sup>1</sup> Government-owned hospitals that do not currently provide estimates would realize an increase in administrative costs to do so.

The bill allows the Ohio Department of Health (ODH) to adopt rules to implement the bill's provisions and authorizes ODH to seek a temporary or permanent injunction if a hospital fails to comply with the bill's requirements. ODH may experience a minimal increase in costs to adopt rules if necessary. County courts of common pleas may experience costs to issue injunctions if they are sought by ODH.

### **Cost estimates for services from health care issuers**

The bill requires a health plan issuer to provide cost estimates to at least the same extent that the issuer is required to do so under federal law. The bill specifies that "health plan issuer" has the same meaning as in section 3922.01 of the Revised Code. Thus, the requirement would apply to a sickness and accident insurance company, a health insuring corporation, a fraternal benefit society, a self-funded multiple employer arrangement, or a nonfederal government health plan. The requirement also applies to a third-party administrator licensed under Chapter 3959 of the Revised Code, which includes pharmacy benefit managers. The bill also prohibits the Superintendent of Insurance from taking disciplinary or other punitive action against a health plan issuer for noncompliance of the bill's requirement.

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<sup>1</sup> Current law, which is repealed by the bill, requires certain health care facilities and professionals to provide a reasonable, good faith estimate of various costs. However, the statute was temporarily restrained from enforcement while the lawsuit was pending. On February 13, 2019, the court issued a permanent injunction preventing the statute from becoming effective.