Legislative Analysis



HOSPITAL CHARGE DESCRIPTION MASTER

Phone: (517) 373-8080 http://www.house.mi.gov/hfa

House Bill 5945 as introduced Sponsor: Rep. Brad Paquette Committee: Health Policy Complete to 7-21-20

Analysis available at http://www.legislature.mi.gov

SUMMARY:

House Bill 5945 would add a section to Part 215 (Hospitals) of the Public Health Code to require a hospital that maintains a *charge description master* (CDM) to post it on the hospital's website annually by January 1, along with a description of each service, item, or service package listed on the CDM. A hospital that does not have a website would have to make the CDM available at the hospital location. A hospital would have to post a clear and conspicuous notice in specified locations informing patients that the CDM is available on the website or at the hospital.

Charge description master would mean a list of standard charges for each service, item, and service package provided to a patient in connection with an inpatient or outpatient visit at the hospital.

Along with its CDM, a hospital would have to post a notice that the standard charges may not reflect the actual charge billed to a patient and that a patient is responsible for understanding whether and to what extent a service, item, or service package is covered by his or her insurance provider.

A hospital would have to ensure that the standard charges did not include any information that identified or could be used to identify a third-party payer or a charge negotiated with a third-party payer.

A hospital could not enter into any contract that prevented it from making its CDM available as described above.

Proposed MCL 333.21517

FISCAL IMPACT:

House Bill 5945 would not have an appreciable fiscal impact on any unit of state or local government.

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