SB 1060 -1 STAFF MEASURE SUMMARY

Senate Committee On Health Care

Prepared By:Daniel Dietz, LPRO AnalystMeeting Dates:3/27, 4/1

WHAT THE MEASURE DOES:

The measure requires hospitals to publicly disclose their standard charges for medical services, including gross charges, negotiated rates, and cash prices. It requires hospitals to report this information to the Oregon Health Authority (OHA)¿and establishes penalties for noncompliance. The measure creates enforcement mechanisms, including civil penalties and restrictions on debt collection actions for noncompliant hospitals.

Detailed Summary:

Directs hospitals to establish, update, and publicly disclose a list of standard charges for services provided.

- The list must include gross charges, minimum and maximum rates negotiated with different payers, and any discounted cash price.
- Requires separate lists for inpatient and outpatient services, if pricing differs.
- Requires hospitals to provide shoppable services pricing for at least¿300 services that are commonly scheduled in advance.
 - Must include ancillary services and services specified by the Centers for Medicare & Medicaid Services (CMS).

Requires hospitals to publish this data in a machine-readable format on their website that is:

- Free to access.
- Searchable without requiring an account, password, or personal information.
- Submitted to OHA for verification.

Directs OHA to audit hospital compliance and maintain records for at least five years.

- Requires OHA to create an electronic complaint system for reporting violations.
- Authorizes OHA to issue written notices of violations and demand corrective action.
- Prohibits hospitals from pursuing debt collection for services provided while noncompliant.

Grants a private right of action:

- Patients may sue hospitals for improperly seeking payment when they were noncompliant at the time of service.
- Courts may require hospitals to dismiss collection actions, to refund payments, and to pay damages equal to three times the amount sought.
- Imposes civil penalties of up to¿\$5,000 per day for noncompliance, with penalties based on the severity and frequency of violations.

Takes effect on 91st day following adjournment sine die.

Fiscal impact: May Have Fiscal Impact, But No Statement Yet Issued Revenue impact: May Have Revenue Impact, But No Statement Yet Issued

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

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• Removes provision directing OHA to make rules requiring additional information.

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- Removes provisions for audit and corrective action by OHA.
- Removes provisions for civil penalties.

BACKGROUND:

In 2021, the Centers for Medicare and Medicaid Services (CMS) began requiringhospitals to share their standard charges in two ways: a detailed, machine-readable file and a user-friendly display listing charges for at least 300 common services.

Senate Bill 1060 requires hospitals to publicly disclose their standard charges for medical services. The measure restricts collection actions for noncompliant hospitals.

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