AN ACT

ENTITLED, An Act to expand the disclosure of inpatient hospital charges and to provide for the development of a system for the disclosure of charges for outpatient procedures.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That § 34-12E-11 be amended to read as follows:

34-12E-11. Any hospital licensed pursuant to chapter 34-12 shall report annually to the South Dakota Association of Healthcare Organizations the charge information as described in § 34-12E-13 for that hospital's All Patient Refined Diagnosis-Related Groups for which that hospital had at least ten cases during the twelve months preceding the report. The Department of Health shall promulgate rules pursuant to chapter 1-26 to provide for the reporting of the charge information by hospitals. The rules shall include:

(1) The method for hospitals to report charges; and

(2) Standards that provide for the validity and comparability of charge reports.

Section 2. That chapter 34-12E be amended by adding thereto a NEW SECTION to read as follows:

The South Dakota Association of Healthcare Organizations shall develop a web-based system, available to the public at no cost, for reporting the charge information of hospitals. The charge information shall include disclaimers regarding factors, including case severity ratings and individual patient variations, which may affect actual charges to a patient for services rendered. The website shall provide information that compares hospital-specific data to hospital statewide data. The website shall be established by June 1, 2009, and shall be updated no less than annually.

Section 3. That § 34-12E-12 be amended to read as follows:

34-12E-12. The Department of Health shall provide a link to the web-based system developed pursuant to section 2 of this Act on its website.

Section 4. That § 34-12E-13 be amended to read as follows:

34-12E-13. For the purposes of § 34-12E-11 and section 2 of this Act, the term, charge information, includes the number of discharges; average length of stay; average charge; median charge; demographic information; payer mix; charges not paid and charges paid by medicare, medicaid, and other government programs, and private insurance; and uncompensated care.

Section 5. That chapter 34-12E be amended by adding thereto a NEW SECTION to read as follows:

The Department of Health shall, in collaboration with the South Dakota Association of Healthcare Organizations and the South Dakota State Medical Association, develop a list of outpatient procedures for the purpose of disclosure of charges to the public. The list shall be developed by December 31, 2008.

An Act to expand the disclosure of inpatient hospital charges and to provide for the development of a system for the disclosure of charges for outpatient procedures.

I certify that the attached Act originated in the

SENATE as Bill No. 182

_____
Secretary of the Senate

_____
President of the Senate

Attest:

_____
Secretary of the Senate

_____
Speaker of the House

Attest:

_____
Chief Clerk

Senate Bill No. 182
File No. ____
Chapter No. _____

Received at this Executive Office this _____ day of _____ ,

20____ at _____ M.

By _____
for the Governor

The attached Act is hereby approved this _____ day of _____ , A.D., 20___

_____
Governor

STATE OF SOUTH DAKOTA,
ss.
Office of the Secretary of State

Filed _____ , 20___
at _____ o'clock __ M.

_____
Secretary of State

By _____
Asst. Secretary of State