

FIRST REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 475
96TH GENERAL ASSEMBLY

1276L.03C

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To amend chapter 191, RSMo, by adding thereto three new sections relating to disclosure of health care data, with penalty provisions.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 191, RSMo, is amended by adding thereto three new sections, to be
2 known as sections 191.1005, 191.1008, and 191.1011, to read as follows:

**191.1005. 1. For purposes of sections 191.1005 to 191.1011, the following terms
2 shall mean:**

3 **(1) "Estimate of cost", an estimate based on specific patient information or general
4 assumptions about typical utilization and costs for medical services;**

5 **(2) "Insurer", the same meaning as the term "health carrier" is defined in section
6 376.1350, and includes the state of Missouri for purposes of the rendering of health care
7 services by providers under a medical assistance program of the state;**

8 **(3) "Provider", the same meaning as such term is defined in section 376.1350.**

9 **2. For patients who do not have coverage under an individual or group health
10 insurance policy or other third-party coverage arrangement, upon request by the patient,
11 a provider shall be required to provide the patient a timely estimate of cost for any elective
12 or nonemergent health care service. Such requirement shall not apply to emergency health
13 care services. Any estimate of cost may include a disclaimer noting the actual amount
14 billed may be different from the estimate of cost. Data regarding the estimate of cost may
15 be provided to the public via the internet.**

16 **3. For patients covered by individual or group health insurance policies or other
17 third-party coverage arrangements, upon request by the patient, the insurer or third-party
18 benefit administrator shall be required to provide the patient a timely estimate of cost and**

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

19 all patient cost-sharing obligations for any elective or nonemergent health care service.
20 Such requirement shall not apply to emergency health care services. Any estimate of cost
21 or patient cost-sharing obligations may include a disclaimer noting the actual amount
22 billed or owed may be different from the estimate of cost or cost-sharing. Data regarding
23 the estimate of cost may be provided to the public via the internet.

24 **4. Programs of insurers that publicly assess and compare the quality and cost**
25 **efficiency of health care providers shall conform to the following criteria:**

26 (1) The insurers shall retain, at their own expense, the services of a nationally
27 recognized independent health care quality standard-setting organization to review the
28 plan's programs for consumers that measure, report, and tier providers based on their
29 performance. Such review shall include a comparison to national standards and a report
30 detailing the measures and methodologies used by the health plan. The scope of the review
31 shall encompass all elements described in this section and section 191.1008;

32 (2) The program measures shall provide performance information that reflects
33 consumers' health needs. Programs shall clearly describe the extent to which they
34 encompass particular areas of care, including primary care and other areas of specialty
35 care;

36 (3) Performance reporting for consumers shall include both quality and cost
37 efficiency information. While quality information may be reported in the absence of cost
38 efficiency, cost efficiency information shall not be reported without accompanying quality
39 information;

40 (4) When any individual measures or groups of measures are combined, the
41 individual scores, proportionate weighting, and any other formula used to develop
42 composite scores shall be disclosed. Such disclosure shall be done both when quality
43 measures are combined and when quality and cost efficiency are combined;

44 (5) Consumers or consumer organizations shall be solicited to provide input on the
45 program, including methods used to determine performance strata;

46 (6) A clearly defined process for receiving and resolving consumer complaints shall
47 be a component of any program;

48 (7) Performance information presented to consumers shall include context,
49 discussion of data limitations, and guidance on how to consider other factors in choosing
50 a provider;

51 (8) Relevant providers and provider organizations shall be solicited to provide
52 input on the program, including the methods used to determine performance strata;

53 (9) Providers shall be given reasonable prior notice before their individual
54 performance information is publicly released;

55 (10) A clearly defined process for providers to request review of their own
56 performance results and the opportunity to present information that supports what they
57 believe to be inaccurate results, within a reasonable time frame, shall be a component of
58 any program. Results determined to be inaccurate after the reconsideration process shall
59 be corrected;

60 (11) Information about the comparative performance of providers shall be
61 accessible and understandable to consumers and providers and shall recognize cost factors
62 associated with medical education and research, patient characteristics, and specialized
63 services;

64 (12) Information about factors that might limit the usefulness of results shall be
65 publicly disclosed;

66 (13) Measures used to assess provider performance and the methodology used to
67 calculate scores or determine rankings shall be published and made readily available to the
68 public. Elements shall be assessed against national standards as defined in subdivision (17)
69 of this subsection. Examples of measurement elements that shall be assessed against
70 national standards include risk and severity adjustment, minimum observations, and
71 statistical standards utilized. Examples of other measurement elements that shall be fully
72 disclosed include data used, how providers' patients are identified, measure specifications
73 and methodologies, known limitations of the data, and how episodes are defined;

74 (14) The rationale and methodologies supporting the unit of analysis reported shall
75 be clearly articulated, including a group practice model versus the individual provider;

76 (15) Sponsors of provider measurement and reporting shall work collaboratively
77 to aggregate data whenever feasible to enhance its consistency, accuracy, and use.
78 Sponsors of provider measurement and reporting shall also work collaboratively to align
79 and harmonize measures used to promote consistency and reduce the burden of collection.
80 The nature and scope of such efforts shall be publicly reported;

81 (16) The program shall be regularly evaluated to assess its effectiveness, accuracy,
82 reliability, validity, and any unintended consequences, including any effect on access to
83 health care;

84 (17) All quality measures shall be endorsed by the National Quality Forum (NQF),
85 or its successor organization. Where NQF-endorsed measures do not exist, the next level
86 of measures to be considered, until such measures are endorsed by the National Quality
87 Forum (NQF), or its successor organization, shall be those endorsed by the Ambulatory
88 Care Quality Alliance, the National Committee for Quality Assurance, or the Joint
89 Commission on the Accreditation of Healthcare Organizations, Healthcare Effectiveness
90 and Data Information Set (HEDIS);

91 **(18) A health plan shall be deemed compliant with this section if the health plan**
92 **currently offers a program that has been granted or awarded certification from the**
93 **National Committee for Quality Assurance (NCQA) as of August 28, 2011. The health plan**
94 **is deemed to be in compliance for the length of time the NCQA certification is granted; and**

95 **(19) A nonaccredited health plan shall be in compliance with this section upon a**
96 **renewal of any contract with a provider on or after January 1, 2013.**

191.1008. 1. Any person or entity who sells or otherwise distributes to the public
2 **health care quality and cost efficiency data for disclosure in comparative format to the**
3 **public shall identify the measure source or evidence-based science behind the measure and**
4 **the national consensus, multi-stakeholder, or other peer review process, if any, used to**
5 **confirm the validity of the data and its analysis as an objective indicator of health care**
6 **quality.**

7 **2. Articles or research studies on the topic of health care quality or cost efficiency**
8 **that are published in peer-reviewed academic journals that neither receive funding from**
9 **nor are affiliated with a health care insurer or by state or local government shall be exempt**
10 **from the requirements of subsection 1 of this section.**

11 **3. (1) Upon receipt of a complaint of an alleged violation of this section by a person**
12 **or entity other than a health carrier, the department of health and senior services shall**
13 **investigate the complaint and, upon finding that a violation has occurred, shall be**
14 **authorized to impose a penalty in an amount not to exceed one thousand dollars. The**
15 **department shall promulgate rules governing its processes for conducting such**
16 **investigations and levying fines authorized by law.**

17 **(2) Any rule or portion of a rule, as that term is defined in section 536.010 that is**
18 **created under the authority delegated in this section shall become effective only if it**
19 **complies with and is subject to all of the provisions of chapter 536, and, if applicable,**
20 **section 536.028. This section and chapter 536 are nonseverable and if any of the powers**
21 **vested with the general assembly pursuant to chapter 536, to review, to delay the effective**
22 **date, or to disapprove and annul a rule are subsequently held unconstitutional, then the**
23 **grant of rulemaking authority and any rule proposed or adopted after August 28, 2011,**
24 **shall be invalid and void.**

191.1011. All alleged violations of sections 191.1005 to 191.1008 by a health insurer
2 **shall be investigated and enforced by the department of insurance, financial institutions**
3 **and professional registration under the department's powers and responsibilities to enforce**
4 **the insurance laws of this state in accordance with chapter 374.**