

# HB 497 -- Transparency of Health Care Information and Patient Safety

Sponsor: Ervin

This bill establishes requirements for transparency of health care information and patient safety.

## TRANSPARENCY OF HEALTH CARE INFORMATION

Programs of insurers that publicly assess and compare the quality and cost efficiency of health care providers must conform to specified criteria for the transparency of health care information.

Any person who sells or distributes comparative health care quality and cost-efficiency data for public disclosure must identify the measuring technique used to validate and analyze the data, except for articles or research studies published in peer-reviewed academic journals that do not receive funding from a health care insurer or state or local government. Individuals violating this provision will be investigated by the Department of Health and Senior Services and may be subject to a penalty of up to \$1,000. Health insurers violating this provision will be investigated by the Department of Insurance, Financial Institutions and Professional Registration and subject to the department's enforcement powers of the state's insurance laws.

## PATIENT SAFETY

Beginning January 1, 2010, hospitals must report all serious health care incidents resulting in serious adverse events to a federally designated patient safety organization no later than one business day following the discovery of the incident. The report must describe the immediate actions taken to minimize patient risk and the prevention measures carried out. The hospital will have 45 days after the incident was discovered to submit a root cause analysis report and prevention plan to the organization, with or without the technical assistance of the organization. If the organization finds any of the reports provided by the hospital to be insufficient, the hospital will have two attempts to make corrections. The Department of Health and Senior Services will assist hospitals with three or more insufficient reports and accept reports from a hospital that does not submit serious adverse events to an organization. All hospitals must establish policies to notify a patient within one business day after the hospital is aware of an occurrence of a serious adverse event in health care. Notifying the patient will not be considered acknowledgment or admission of hospital liability for the serious adverse event. After receiving a

complete root cause analysis report and prevention plan from a hospital, an organization must assess the information and report back to the hospital its findings and recommendations for preventing future incidents.

By April 30 of every year, the department must publish to the public a report indicating the number of serious adverse events for the previous year by region and category and can include serious adverse events by type of facility. Hospitals must report incidents of serious adverse events on a quarterly basis to the department.

Patient safety organization meetings with individuals related to an incident must keep discussions limited to the course of carrying out the business of the organization. Proceedings and records of an organization cannot be used in civil action against a health care provider, and providers furnishing services to an organization cannot be liable for civil damages as a result of findings based on the provider's services.

An organization can disclose non-identifying information regarding the number and type of patient safety incidents that occur, but documents and any communication created by a health care provider must be kept confidential by the organization.

Payment claims for health care services related to a reported incident of a serious adverse event made by a hospital will not be subject to the Unfair Claims Settlement Practices Act. Beginning January 1, 2010, hospitals that report an incident of a serious adverse event cannot charge for or bill individuals or insurers for services related to the incident. If an insurer denies a claim because of lack of coverage for services that resulted from an incident of a serious adverse event, the health care provider or facility involved cannot bill the patient for the uncovered services.