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SENATE BILL 382

55TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2021

INTRODUCED BY

Craig W. Brandt

AN ACT

RELATING TO HEALTH CARE; ESTABLISHING REQUIREMENTS FOR HOSPITAL BILLING; ENACTING A NEW SECTION OF THE UNFAIR PRACTICES ACT; PROVIDING FOR FORFEITURES AND PENALTIES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. A new section of the Unfair Practices Act is enacted to read:

"[NEW MATERIAL] HOSPITAL BILLING--TIMELINESS--SINGLE STATEMENT--UNFAIR PRACTICE--FORFEITURE--PENALTY.--

A. A hospital shall ensure that all billing related to a single episode of care that occurs on the site of that same hospital is made in a single statement that the hospital provides to the patient within sixty days of discharge. If the hospital is unable to provide that statement to the patient within sixty days of discharge due to negotiations with

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1 third-party payers, the hospital shall provide that statement
2 to the patient within ninety days of discharge. The statement
3 shall indicate:

4 (1) which items and services provided to the
5 patient during the episode of care are billed by a
6 participating provider and which services are billed by a
7 nonparticipating provider; and

8 (2) for each item or service, what amount is
9 being billed to any third-party payer and clearly distinguish
10 what the patient's responsibility is from any third-party
11 payer's responsibility.

12 B. A hospital that does not comply with the
13 provisions of Subsection A of this section is in violation of
14 the Unfair Practices Act and is subject to the penalties set
15 forth in that act. That hospital also shall forfeit the right
16 to bill the patient for any item or service provided to the
17 patient during the patient's episode of care and that is not
18 covered by a third-party payer.

19 C. As used in this section:

20 (1) "episode of care" means the period of a
21 day or consecutive days for a discrete health condition during
22 one hospital stay, regardless of whether the patient is
23 admitted as an inpatient, for which reasonable and necessary
24 health care items and services related to the condition are
25 provided;

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underscoring material = new
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1 (2) "hospital" means a hospital licensed by
2 the department of health;

3 (3) "nonparticipating provider" means a
4 provider who is not a participating provider under express
5 contract with a health carrier;

6 (4) "participating provider" means a provider
7 or health facility that, under express contract with a health
8 carrier or with its contractor or subcontractor, has agreed to
9 provide health care services to covered persons with an
10 expectation of receiving payment directly or indirectly from
11 the health carrier, subject to copayments, coinsurance
12 deductibles or other cost-sharing provisions; and

13 (5) "third-party payer" means any public or
14 private payer of health care services, including a health
15 insurer, health maintenance organization or any other person
16 that assumes responsibility for payment of all or a portion of
17 items or services for which a patient is billed."