

COMMITTEE ON HEALTH AND HUMAN SERVICES

SENATE AMENDMENTS TO S.B. 1115

(Reference to printed bill)

1 Page 1, line 4, after "availability;" insert "direct payment; notice;"

2 Line 7, after "DOCUMENT" insert "OR ONLINE"

3 Line 8, after the first "SERVICES" insert ", IF APPLICABLE,"

4 Line 10, after "DOCUMENT" insert "OR ONLINE POSTING"

5 Line 12, after the period insert "HEALTH CARE PROVIDERS WHO ARE OWNERS OR  
6 EMPLOYEES OF A LEGAL ENTITY WITH FEWER THAN THREE LICENSED HEALTH CARE  
7 PROVIDERS ARE EXEMPT FROM THE REQUIREMENTS OF THIS SUBSECTION."

8 Between lines 12 and 13, insert:

9 "B. SUBSECTION A OF THIS SECTION DOES NOT PREVENT A HEALTH CARE  
10 PROVIDER FROM OFFERING EITHER ADDITIONAL DISCOUNTS OR ADDITIONAL LAWFUL  
11 HEALTH CARE SERVICES FOR AN ADDITIONAL COST TO A PERSON OR AN EMPLOYER PAYING  
12 DIRECTLY."

13 Reletter to conform

14 Line 18, after the period insert "A GOVERNMENT AGENCY OR DEPARTMENT OR  
15 GOVERNMENT-AUTHORIZED OR GOVERNMENT-CREATED ENTITY MAY NOT APPROVE,  
16 DISAPPROVE OR LIMIT A HEALTH CARE PROVIDER'S ABILITY TO CHANGE THE PUBLISHED  
17 OR POSTED DIRECT PAY PRICE FOR SERVICES."

18 Strike lines 19 through 24, insert:

19 "D. A HEALTH CARE SYSTEM MAY NOT PUNISH A PERSON OR EMPLOYER FOR  
20 PAYING DIRECTLY FOR LAWFUL HEALTH CARE SERVICES OR A HEALTH CARE PROVIDER FOR  
21 ACCEPTING DIRECT PAYMENT FROM A PERSON OR EMPLOYER FOR LAWFUL HEALTH CARE  
22 SERVICES.

23 E. A HEALTH CARE PROVIDER WHO ACCEPTS DIRECT PAYMENT FROM A PERSON OR  
24 EMPLOYER FOR A LAWFUL HEALTH CARE SERVICE IS DEEMED PAID IN FULL AND SHALL  
25 NOT SUBMIT A CLAIM FOR PAYMENT OR REIMBURSEMENT FOR THE SERVICE TO ANY HEALTH  
26 CARE SYSTEM. THIS SUBSECTION DOES NOT PREVENT A HEALTH CARE PROVIDER FROM  
27 PURSUING A HEALTH CARE LIEN PURSUANT TO TITLE 33. THIS SUBSECTION DOES NOT  
28 AFFECT THE ABILITY OF A HEALTH CARE PROVIDER TO SUBMIT CLAIMS FOR THE SAME

1 SERVICE PROVIDED ON OTHER OCCASIONS TO THE SAME OR A DIFFERENT PERSON IF NO  
2 DIRECT PAYMENT OCCURS.

3 F. BEFORE A HEALTH CARE PROVIDER WHO IS CONTRACTED AS A NETWORK  
4 PROVIDER FOR A HEALTH CARE SYSTEM ACCEPTS DIRECT PAYMENT FROM A PERSON OR AN  
5 EMPLOYER, THE HEALTH CARE PROVIDER SHALL OBTAIN THE PERSON'S OR EMPLOYER'S  
6 SIGNATURE ON A NOTICE IN A FORM THAT IS SUBSTANTIALLY SIMILAR TO THE  
7 FOLLOWING:

8 IMPORTANT NOTICE ABOUT DIRECT PAYMENT  
9 FOR YOUR HEALTH CARE SERVICES

10 THE ARIZONA CONSTITUTION PERMITS YOU TO PAY A HEALTH CARE  
11 PROVIDER DIRECTLY FOR HEALTH CARE SERVICES. BEFORE YOU MAKE ANY  
12 AGREEMENT TO DO SO, PLEASE READ THE FOLLOWING IMPORTANT  
13 INFORMATION:

14 IF YOU ARE A MEMBER OF A HEALTH CARE SYSTEM (MORE COMMONLY  
15 REFERRED TO AS A HEALTH INSURANCE PLAN) AND YOUR HEALTH CARE  
16 PROVIDER IS CONTRACTED WITH THE HEALTH INSURANCE PLAN, THE  
17 FOLLOWING APPLY:

18 1. YOU MAY NOT BE REQUIRED TO PAY THE HEALTH CARE PROVIDER  
19 DIRECTLY FOR THE SERVICES COVERED BY YOUR PLAN, EXCEPT FOR COST  
20 SHARE AMOUNTS THAT YOU ARE OBLIGATED TO PAY UNDER YOUR PLAN, SUCH  
21 AS COPAYMENTS, COINSURANCE AND DEDUCTIBLE AMOUNTS.

22 2. YOUR PROVIDER'S AGREEMENT WITH THE HEALTH INSURANCE  
23 PLAN MAY PREVENT THE HEALTH CARE PROVIDER FROM BILLING YOU FOR  
24 THE DIFFERENCE BETWEEN THE PROVIDER'S BILLED CHARGES AND THE  
25 AMOUNT ALLOWED BY YOUR HEALTH INSURANCE PLAN FOR COVERED  
26 SERVICES.

27 3. IF YOU PAY DIRECTLY FOR A HEALTH CARE SERVICE, YOUR  
28 HEALTH CARE PROVIDER WILL NOT BE RESPONSIBLE FOR SUBMITTING CLAIM  
29 DOCUMENTATION TO YOUR HEALTH INSURANCE PLAN FOR THAT CLAIM.  
30 BEFORE PAYING YOUR CLAIM, YOUR HEALTH INSURANCE PLAN MAY REQUIRE  
31 YOU TO PROVIDE INFORMATION AND SUBMIT DOCUMENTATION NECESSARY TO  
32 DETERMINE WHETHER THE SERVICES ARE COVERED UNDER YOUR PLAN.

33 4. IF YOU DO NOT PAY DIRECTLY FOR A HEALTH CARE SERVICE,  
34 YOUR HEALTH CARE PROVIDER MAY BE RESPONSIBLE FOR SUBMITTING CLAIM  
35 DOCUMENTATION TO YOUR HEALTH INSURANCE PLAN FOR THE HEALTH CARE  
36 SERVICE.

1 YOUR SIGNATURE BELOW ACKNOWLEDGES THAT YOU RECEIVED THIS  
2 NOTICE BEFORE PAYING DIRECTLY FOR A HEALTH CARE SERVICE.

3 G. A HEALTH CARE PROVIDER WHO ACCEPTS DIRECT PAYMENT FOR A LAWFUL  
4 HEALTH CARE SERVICE AND WHO COMPLIES WITH SUBSECTION F OF THIS SECTION IS NOT  
5 RESPONSIBLE FOR SUBMITTING DOCUMENTATION OF ANY KIND FOR PURPOSES OF  
6 REIMBURSEMENT TO ANY HEALTH CARE SYSTEM FOR THAT CLAIM IF THE FAILURE TO  
7 SUBMIT SUCH DOCUMENTATION DOES NOT CONFLICT WITH THE TERMS OF ANY FEDERAL OR  
8 STATE CONTRACTS TO WHICH THE HEALTH CARE SYSTEM IS A PARTY AND THE HEALTH  
9 CARE PROVIDER HAS AGREED TO SERVE PATIENTS UNDER OR WITH APPLICABLE STATE OR  
10 FEDERAL PROGRAMS IN WHICH A HEALTH CARE PROVIDER AND HEALTH CARE SYSTEM  
11 PARTICIPATE.

12 H. THIS SECTION DOES NOT IMPAIR THE PROVISIONS OF A HEALTH CARE  
13 SYSTEM'S PRIVATE HEALTH CARE NETWORK PROVIDER CONTRACT, EXCEPT THAT A HEALTH  
14 CARE PROVIDER MAY DECLINE TO BILL THE HEALTH CARE SYSTEM DIRECTLY FOR  
15 SERVICES PAID DIRECTLY BY A PERSON OR EMPLOYER IF THE HEALTH CARE PROVIDER  
16 HAS COMPLIED WITH SUBSECTION F OF THIS SECTION AND THE HEALTH CARE PROVIDER'S  
17 RECEIPT OF DIRECT PAYMENT AND THE DECLINATION TO BILL THE HEALTH CARE SYSTEM  
18 DO NOT CONFLICT WITH THE TERMS OF ANY FEDERAL OR STATE CONTRACT TO WHICH THE  
19 HEALTH CARE SYSTEM IS A PARTY AND THE HEALTH CARE PROVIDER HAS AGREED TO  
20 SERVE PATIENTS UNDER OR WITH APPLICABLE STATE OR FEDERAL PROGRAMS IN WHICH A  
21 HEALTH CARE PROVIDER AND HEALTH CARE SYSTEM PARTICIPATE."

22 Reletter to conform

23 Page 1, line 26, after "CHARGED" insert "BY A HEALTH CARE PROVIDER"

24 Line 28, strike "PATIENT" insert "PERSON"; after "IF" insert "THE ENTIRE FEE  
25 FOR" strike "WITHOUT A"

26 Strike lines 29 and 30, insert "BY THE PERSON, INCLUDING THE PERSON'S HEALTH  
27 SAVINGS ACCOUNT, OR BY THE PERSON'S EMPLOYER."

28 Line 32, after the fourth comma insert "15.1," strike "OR" insert a comma; after  
29 "17" insert ", 18, 19, 19.1, 25, 33 OR 34"

30 Between lines 32 and 33, insert:

31 "3. "HEALTH CARE SYSTEM" MEANS A PUBLIC OR PRIVATE ENTITY WHOSE  
32 FUNCTION OR PURPOSE IS THE MANAGEMENT, PROCESSING OR ENROLLMENT OF  
33 INDIVIDUALS OR THE PAYMENT, IN FULL OR IN PART, OF HEALTH CARE SERVICES.

34 4. "LAWFUL HEALTH CARE SERVICES" MEANS ANY HEALTH-RELATED SERVICE OR  
35 TREATMENT, TO THE EXTENT THAT THE SERVICE OR TREATMENT IS PERMITTED OR NOT  
36 PROHIBITED BY LAW OR REGULATION, THAT MAY BE PROVIDED BY PERSONS OR  
37 BUSINESSES OTHERWISE PERMITTED TO OFFER THE SERVICES OR TREATMENTS."

1 Renumber to conform

2 Page 1, line 33, after "IMPOSE" strike remainder of line

3 Strike lines 34 and 35, insert "ANY PENALTY, SURCHARGE OR NAMED FEE WITH A  
4 SIMILAR EFFECT THAT IS USED TO DISCOURAGE THE EXERCISE OF RIGHTS UNDER THIS  
5 SECTION."

6 Line 38, after "availability:" insert "direct payment; notice:"

7 Line 41, after "DOCUMENT" insert "OR ONLINE"

8 Line 44, after the period insert "THE SERVICES MAY BE IDENTIFIED BY A COMMON  
9 PROCEDURAL TERMINOLOGY CODE OR BY A PLAIN-ENGLISH DESCRIPTION."; after  
10 "DOCUMENT" insert "OR ONLINE POSTING"

11 Page 2, between lines 2 and 3, insert:

12 "B. SUBSECTION A OF THIS SECTION DOES NOT PREVENT A HEALTH CARE  
13 FACILITY FROM OFFERING EITHER ADDITIONAL DISCOUNTS OR ADDITIONAL LAWFUL  
14 HEALTH CARE SERVICES FOR AN ADDITIONAL COST TO A PERSON OR AN EMPLOYER PAYING  
15 DIRECTLY."

16 Reletter to conform

17 Line 8, after the period insert "A GOVERNMENT AGENCY OR DEPARTMENT OR  
18 GOVERNMENT-AUTHORIZED OR GOVERNMENT-CREATED ENTITY MAY NOT APPROVE,  
19 DISAPPROVE OR LIMIT A HEALTH CARE FACILITY'S ABILITY TO CHANGE THE PUBLISHED  
20 OR POSTED DIRECT PAY PRICE FOR SERVICES."

21 Strike lines 9 through 14, insert:

22 "D. A HEALTH CARE SYSTEM MAY NOT PUNISH A PERSON OR EMPLOYER FOR  
23 PAYING DIRECTLY FOR LAWFUL HEALTH CARE SERVICES OR A HEALTH CARE PROVIDER FOR  
24 ACCEPTING DIRECT PAYMENT FROM A PERSON OR EMPLOYER FOR LAWFUL HEALTH CARE  
25 SERVICES.

26 E. A HEALTH CARE FACILITY THAT ACCEPTS DIRECT PAYMENT FROM A PERSON OR  
27 EMPLOYER FOR A LAWFUL HEALTH CARE SERVICE IS DEEMED PAID IN FULL AND SHALL  
28 NOT SUBMIT A CLAIM FOR PAYMENT OR REIMBURSEMENT FOR THE SERVICE TO ANY HEALTH  
29 CARE SYSTEM. THIS SUBSECTION DOES NOT PREVENT A HEALTH CARE FACILITY FROM  
30 PURSUING A HEALTH CARE LIEN PURSUANT TO TITLE 33. THIS SUBSECTION DOES NOT  
31 AFFECT THE ABILITY OF A HEALTH CARE FACILITY TO SUBMIT CLAIMS FOR THE SAME  
32 SERVICE PROVIDED ON OTHER OCCASIONS TO THE SAME OR A DIFFERENT PERSON IF NO  
33 DIRECT PAYMENT OCCURS.

34 F. BEFORE A HEALTH CARE FACILITY THAT IS CONTRACTED AS A NETWORK  
35 PROVIDER FOR A HEALTH CARE SYSTEM ACCEPTS DIRECT PAYMENT FROM A PERSON OR AN  
36 EMPLOYER, THE HEALTH CARE FACILITY SHALL OBTAIN THE PERSON'S OR EMPLOYER'S

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15 SHARE AMOUNTS THAT YOU ARE OBLIGATED TO PAY UNDER YOUR PLAN, SUCH  
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18 PLAN MAY PREVENT THE HEALTH CARE FACILITY FROM BILLING YOU FOR  
19 THE DIFFERENCE BETWEEN THE FACILITY'S BILLED CHARGES AND THE  
20 AMOUNT ALLOWED BY YOUR HEALTH INSURANCE PLAN FOR COVERED  
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24 DOCUMENTATION TO YOUR HEALTH INSURANCE PLAN FOR THAT CLAIM.  
25 BEFORE PAYING YOUR CLAIM, YOUR HEALTH INSURANCE PLAN MAY REQUIRE  
26 YOU TO PROVIDE INFORMATION AND SUBMIT DOCUMENTATION NECESSARY TO  
27 DETERMINE WHETHER THE SERVICES ARE COVERED UNDER YOUR PLAN.

28 4. IF YOU DO NOT PAY DIRECTLY FOR A HEALTH CARE SERVICE,  
29 YOUR HEALTH CARE FACILITY MAY BE RESPONSIBLE FOR SUBMITTING CLAIM  
30 DOCUMENTATION TO YOUR HEALTH INSURANCE PLAN FOR THE HEALTH CARE  
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32 YOUR SIGNATURE BELOW ACKNOWLEDGES THAT YOU RECEIVED THIS  
33 NOTICE BEFORE PAYING DIRECTLY FOR A HEALTH CARE SERVICE.

34 G. A HEALTH CARE FACILITY THAT ACCEPTS DIRECT PAYMENT FOR A LAWFUL  
35 HEALTH CARE SERVICE AND THAT COMPLIES WITH SUBSECTION F OF THIS SECTION IS  
36 NOT RESPONSIBLE FOR SUBMITTING DOCUMENTATION OF ANY KIND FOR PURPOSES OF  
37 REIMBURSEMENT TO ANY HEALTH CARE SYSTEM FOR THAT CLAIM IF THE FAILURE TO

1 SUBMIT SUCH DOCUMENTATION DOES NOT CONFLICT WITH THE TERMS OF ANY FEDERAL OR  
2 STATE CONTRACTS TO WHICH THE HEALTH CARE SYSTEM IS A PARTY AND THE HEALTH  
3 CARE FACILITY HAS AGREED TO SERVE PATIENTS UNDER OR WITH APPLICABLE STATE OR  
4 FEDERAL PROGRAMS IN WHICH A HEALTH CARE FACILITY AND HEALTH CARE SYSTEM  
5 PARTICIPATE.

6 H. THIS SECTION DOES NOT IMPAIR THE PROVISIONS OF A HEALTH CARE  
7 SYSTEM'S PRIVATE HEALTH CARE NETWORK PROVIDER CONTRACT, EXCEPT THAT A HEALTH  
8 CARE FACILITY MAY DECLINE TO BILL THE HEALTH CARE SYSTEM DIRECTLY FOR  
9 SERVICES PAID DIRECTLY BY A PERSON OR EMPLOYER IF THE HEALTH CARE FACILITY  
10 HAS COMPLIED WITH SUBSECTION F OF THIS SECTION AND THE HEALTH CARE FACILITY'S  
11 RECEIPT OF DIRECT PAYMENT AND THE DECLINATION TO BILL THE HEALTH CARE SYSTEM  
12 DO NOT CONFLICT WITH THE TERMS OF ANY FEDERAL OR STATE CONTRACT TO WHICH THE  
13 HEALTH CARE SYSTEM IS A PARTY AND THE HEALTH CARE FACILITY HAS AGREED TO  
14 SERVE PATIENTS UNDER OR WITH APPLICABLE STATE OR FEDERAL PROGRAMS IN WHICH A  
15 HEALTH CARE FACILITY AND HEALTH CARE SYSTEM PARTICIPATE."

16 Reletter to conform

17 Page 2, line 16, after "CHARGED" insert "BY A HEALTH CARE FACILITY"

18 Line 18, strike "PATIENT" insert "PERSON"; after "IF" insert "THE ENTIRE FEE  
19 FOR"; strike "WITHOUT A"

20 Strike lines 19 and 20, insert "BY THE PERSON, INCLUDING THE PERSON'S HEALTH  
21 SAVINGS ACCOUNT, OR BY THE PERSON'S EMPLOYER."

22 Between lines 23 and 24, insert:

23 "3. "HEALTH CARE SYSTEM" MEANS A PUBLIC OR PRIVATE ENTITY WHOSE  
24 FUNCTION OR PURPOSE IS THE MANAGEMENT, PROCESSING OR ENROLLMENT OF  
25 INDIVIDUALS OR THE PAYMENT, IN FULL OR IN PART, OF HEALTH CARE SERVICES.

26 4. "LAWFUL HEALTH CARE SERVICES" MEANS ANY HEALTH-RELATED SERVICE OR  
27 TREATMENT, TO THE EXTENT THAT THE SERVICE OR TREATMENT IS PERMITTED OR NOT  
28 PROHIBITED BY LAW OR REGULATION, THAT MAY BE PROVIDED BY PERSONS OR  
29 BUSINESSES OTHERWISE PERMITTED TO OFFER THE SERVICES OR TREATMENTS."

30 Renumber to conform

31 Line 24, after "IMPOSE" strike remainder of line

32 Strike lines 25 and 26, insert "ANY PENALTY, SURCHARGE OR NAMED FEE WITH A  
33 SIMILAR EFFECT THAT IS USED TO DISCOURAGE THE EXERCISE OF RIGHTS UNDER THIS  
34 SECTION."

1 Page 2, after line 29, insert:

2 "Sec. 4. Severability

3 If any provision or clause of sections 32-3216 and 36-437, Arizona  
4 Revised Statutes, as added by this act, or the application of these sections  
5 to any person or circumstance is held invalid, the invalidity does not affect  
6 other provisions or applications of sections 32-3216 and 36-437, Arizona  
7 Revised Statutes, as added by this act, that can be given effect without the  
8 invalid provision or application, and to this end the provisions of this act  
9 are severable."

10 Amend title to conform

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