

PROPOSED AMENDMENT
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

1 SIGNATURE ON A NOTICE IN A FORM THAT IS SUBSTANTIALLY SIMILAR TO THE
2 FOLLOWING:

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4 FOR YOUR HEALTH CARE SERVICES

5 THE ARIZONA CONSTITUTION PERMITS YOU TO PAY A HEALTH CARE
6 PROVIDER DIRECTLY FOR HEALTH CARE SERVICES. BEFORE YOU MAKE ANY
7 AGREEMENT TO DO SO, PLEASE READ THE FOLLOWING IMPORTANT
8 INFORMATION:

9 IF YOU ARE A MEMBER OF A HEALTH CARE SYSTEM (MORE COMMONLY
10 REFERRED TO AS A HEALTH INSURANCE PLAN) AND YOUR HEALTH CARE
11 PROVIDER IS CONTRACTED WITH THE HEALTH INSURANCE PLAN, THE
12 FOLLOWING APPLY:

13 1. YOU MAY NOT BE REQUIRED TO PAY THE HEALTH CARE FACILITY
14 DIRECTLY FOR THE SERVICES COVERED BY YOUR PLAN, EXCEPT FOR COST
15 SHARE AMOUNTS THAT YOU ARE OBLIGATED TO PAY UNDER YOUR PLAN, SUCH
16 AS COPAYMENTS, COINSURANCE AND DEDUCTIBLE AMOUNTS.

17 2. YOUR PROVIDER'S AGREEMENT WITH THE HEALTH INSURANCE
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
21 SERVICES.

22 3. IF YOU PAY DIRECTLY FOR A HEALTH CARE SERVICE, YOUR
23 HEALTH CARE FACILITY WILL NOT BE RESPONSIBLE FOR SUBMITTING CLAIM
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
31 SERVICE.

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

NANCY BARTO

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C: mjh