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MEMORANDUM

To: Chairman Sutton and the House Committee on Insurance
From: Office of Revisor of Statutes
Date: February 10, 2025
Subject: **HB 2246: Enacting the consumer protection related to hospital price transparency act.**

HB 2825 would enact four new provisions of law, enacting the consumer protection related to hospital price transparency act.

Section 1 of the bill provides the name and citation to the act and defines the term "hospital."

Section 2 states that, pursuant to 45 C.F.R. § 180, each hospital operating in the United States is required to provide clear, accessible pricing information online about the items and services that each such hospital provides. This section then places requirements and specifies how each hospital in Kansas shall fulfill the federal requirement.

Section 3 of the bill states that the attorney general would have the authority to enforce the provisions of the act. If the attorney general were to find that a hospital is noncompliant with the provisions of the act, then the attorney general would refer information about such hospital's noncompliant status to the U.S. Department of Health and Human Services, for enforcement purposes.

Section 4 provides that if a patient believes that a hospital was not in material compliance with this act on the date that items or services were purchased or provided to the patient, then the patient or the patient's guarantor may file a civil suit against the hospital to determine if the hospital was out of compliance with the act or rules and regulations adopted pursuant to the act and if the noncompliance of the hospital is related to the items or services purchased by or provided to the patient. Section 4 also provides for remedies, should the court find that the hospital was materially out of compliance with the act. These remedies include: requiring the hospital to refund the payor any amount that the payor has paid, plus a penalty; move to dismiss, with prejudice, any collection action undertaken and pay any attorney costs incurred by the patient or the patient guarantor; cause to be removed from the patient or the patient guarantor's credit report any report made to a consumer reporting agency, relating to the debt. This section states that nothing in the act should be construed to prohibit a hospital from billing a patient guarantor or third party payor for items and services purchased by or provided to the patient or require a hospital to refund any payment made to such hospital by a patient, patient guarantor, or third party payor for items purchased by or provided to the patient unless the hospital was found to be out of compliance with this act.