

SESSION OF 2025

**SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2246**

As Amended by House Committee on Insurance

**Brief\***

HB 2246, as amended, would create the Consumer Protection Related to Hospital Price Transparency Act (Act), which would establish requirements for hospitals to provide certain pricing related to the public and provide the Attorney General (AG) with enforcement authority.

The bill would be in effect upon publication in the *Kansas Register*.

***Definition (New Section 1)***

The bill would define “hospital” as used in the Act to mean a general hospital or special hospital licensed in statute regarding the licensing, inspection, and regulation of hospitals. Those terms are defined in law as follows:

- “General hospital” means an establishment with an organized medical staff of physicians, permanent facilities that include inpatient beds and with medical services, including physician services, and continuous registered professional nursing services for not less than 24 hours of every day to provide diagnosis and treatment for patients who have a variety of medical conditions; and
- “Special hospital” means an establishment with an organized medical staff of physicians with permanent facilities that include inpatient beds and

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\*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <https://klrd.gov/>

with medical services, including physician services, and continuous registered professional nursing services for not less than 24 hours of every day, to provide diagnosis and treatment for patients who have specified medical conditions.

***Requirements (New Section 2)***

Pursuant to federal regulation regarding hospital price transparency (45 CFR § 180), each hospital operating in the United States is required to provide clear, accessible pricing information online about the items and services that each hospital provides. The bill would require each hospital that is licensed in Kansas to provide:

- A list of the hospital's top 300 procedures with corresponding pricing information and a plain language description of each procedure included in a consumer-friendly format on a public-facing website;
- Upon request of a patient scheduled to receive an elective procedure, test, or service to be performed by the hospital or, upon request of a patient's legally authorized representative, made at least three days in advance of the date on which the elective procedure, test, or service is scheduled to be performed, furnish the patient with an estimate of the payment amount for which the patient will be responsible; and
- Written information about the patient's ability to request an estimate of the payment amount.

The bill would require written information about the patient's ability to request an estimate of the payment amount to be posted in conspicuous public areas of the hospital, including registration or admission areas, and included on any website maintained by the hospital.

### ***Enforcement (New Section 3)***

The bill would provide the AG with the authority to enforce the provisions of the Act.

The bill would require the AG to send each Kansas hospital a letter notifying the hospital of the requirements of the Act and effective date of the Act prior to July 1, 2025.

The bill would provide if the AG finds that a hospital is non-compliant with federal price transparency laws, as in effect July 1, 2025, then the AG would refer information about the hospital's non-compliant status to the U.S. Department of Health and Human Services for enforcement purposes.

### **Background**

The bill was introduced by the House Committee on Insurance at the request of Representative Sutton.

### ***House Committee on Insurance***

In the House Committee hearing, **proponent** testimony was provided by Representative Sutton, who stated generally that some hospitals are not complying with federal hospital price transparency rules, and the bill would help ensure patients have access to pricing information.

**Opponent** testimony was provided by representatives of Kansas Hospital Association, Rice Community Healthcare, and Stormont Vail Health. The conferees generally stated that pricing medical procedures and services is complicated, hospitals are already required to comply with federal rules regarding price transparency, and instituting additional requirements would increase the financial burden on hospitals.

Written-only opponent testimony was provided by representatives of Ascension Via Christi, CommonSpirit Health, Girard Medical Center, and Physician Hospitals of Kansas.

No other testimony was provided.

The House Committee amended the bill to remove the establishment of a civil action against the hospital.

### **Fiscal Information**

According to the fiscal note prepared by the Division of the Budget on the bill, as introduced, the Office of the Attorney General states enactment of the bill would require \$15,939 for FY 2025, \$235,728 for FY 2026, and \$247,514 in FY 2027, all from the State General Fund. The estimate for FY 2025 includes 1.00 legal assistant position that would start before July 1, 2025, in order send out notices to hospitals. For FY 2026 and FY 2027, the estimate includes 1.00 Assistant Attorney General position, 1.00 Legal Assistant position, and related operating expenditures such as training, office space, and technology. The increase from FY 2026 to FY 2027 would be for benefits and operating expenditures.

The Office of Judicial Administration (Office) reports that the bill could increase the number of cases filed in District Court because the bill would create a civil cause of action. The increase in cases would also increase the time spent by District Court judicial and nonjudicial personnel in processing, researching, and hearing cases. The bill could also result in the collection of docket fees that would be deposited into the State General Fund. However, the Office cannot estimate the additional expenditures or revenues the bill could generate. Any fiscal effect associated with the bill is not reflected in *The FY 2026 Governor's Budget Report*.

The Kansas Association of Counties state that the bill could affect counties who operate hospitals. However, a fiscal

effect cannot be estimated. The League of Kansas Municipalities states that the bill would have no fiscal effect on cities.

Health; healthcare; hospitals; pricing; consumer protection; Consumer Protection Related to Hospital Price Transparency Act