

# **WEST VIRGINIA LEGISLATURE**

## **2025 REGULAR SESSION**

**Introduced**

### **Senate Bill 718**

By Senator Rucker

[Introduced March 6, 2025; referred  
to the Committee on Health and Human Resources]

A BILL to amend the Code of West Virginia, 1931, as amended, by adding a new article, designated §16-67-1, §16-67-2, §16-67-3, §16-67-4, §16-67-5, and §16-67-6, relating to hospital transparency; setting forth legislative findings; defining terms; setting forth duties of Insurance Commissioner; setting forth reports to be filed; setting forth the form of the reports to be filed; requiring the submission of public payor information; and providing for penalties.

*Be it enacted by the Legislature of West Virginia:*

**ARTICLE                      67.                      HOSPITAL                      TRANSPARENCY.**

**§16-67-1.    Legislative    Findings.**

The West Virginia Legislature finds that the rising cost of health care and services provided by hospitals are matters of vital concerns to the people of this state and have a direct relationship to the ability of the people to obtain health care. Of particular concern is the impact of hospital consolidation on healthcare prices. Data indicates that hospital consolidation leased to increased prices even as much as 40 percent. Hospital price transparency is vital to drive the cost of healthcare down for both consumers and health plans.

**§16-67-2.    Definitions.**

As used in this article.

"Annual report" means an annual financial report for the hospital's fiscal year prepared by an accountant.

"Commissioner" means director of the West Virginia Insurance Commission.

"Discount Contract" means any contract for the payment of patient care services between a purchaser or third-party payor and a hospital which contract establishes discounts to the purchaser or third-party payor. Examples of discount contracts shall include, but not be limited to, written contracts between a hospital and a third party payor or purchaser establishing a discount to the payor or purchaser in the form of a percentage reduction in the amount of charges or other adjustments that have the effect of decreasing the amount of charges and informal arrangements

between hospitals and purchasers or third party payors which have the effect of decreasing the amount of charges for a group of patients.

"Facility fee" means an administrative charge for using a hospital-owned facility;

"Hospital" means a hospital or extended care facility operated in connection with a hospital, within the meaning of this article, shall mean any institution, place, building, or agency in which an accommodation of five or more beds is maintained, furnished, or offered for the hospitalization of the sick or injured: *Provided*, That nothing contained in this article shall apply to nursing homes, rest homes, personal care facilities, homes for the aged, extended care facilities not operated in connection with a hospital, boarding homes, homes for the infirm or chronically ill, convalescent homes, hotels or other similar places that furnish to their guests only board and room, or either of them: *Provided, however*, That the hospitalization, care or treatment in a household, whether for compensation or not, of any person related by blood or marriage, within the degree of consanguinity of second cousin to the head of the household, or his or her spouse, shall not be deemed to constitute the premises a hospital or extended care facility operated in connection with a hospital, within the meaning of this article. "Hospital" shall not include state hospitals as defined by §27-1-6 of this code.

"West Virginia Insurance Commission" means the West Virginia Insurance Commission.

"Rates" means all rates, fees, or charges imposed by all hospitals and payers as specified in this article for health care services.

"Records" means accounts, books, charts, contracts, documents, files, maps, papers, profiles, reports, annual and otherwise, schedules, and any other fiscal data, however recorded or stored.

**§16-67-3. General powers and duties of the director of the West Virginia Insurance Commission regarding reporting and review.**

(a) In addition to the power granted to the commissioner granted elsewhere, the commissioner shall have the powers as indicated by this section and it shall be his or her duty to:

3       (1) Promulgate rules and regulations in accordance the provisions of §29A-3-1 *et seq.* of  
4 this code to implement and make effective the powers, duties, and responsibilities contained in the  
5 provisions of this article.

6       (2) Require the filing of fiscal information by hospitals relating to any matter relating to the  
7 cost of health care services in this state.

8       (3) Exercise, subject to the limitations and restrictions imposed in this article, all other  
9 powers which are reasonably necessary or essential to carry out the expressed purposes of this  
10 article.

11       (b) The commissioner shall also investigate and recommend to the Legislature whether  
12 other health care providers should be made subject to the provisions of this article.

13       (c) The commissioner shall, not later than December 31st of each year, prepare and  
14 transmit to the Governor and to the clerks of both houses of the Legislature a report containing the  
15 material and data as required by this article, based upon the most recent data available.

**§16-67-4. Reports required to be published and filed; form of reports; right of inspection.**

1       (a) Every hospital as defined in this article, within 120 days after the end of each facility's  
2 fiscal year end, unless an extension be granted by the commissioner for good cause shown, shall  
3 be required to file the following:

4       (1) An annual report;

5       (A) The annual report shall be filed as a Class II legal advertisement in a qualified  
6 newspaper within the county within with such hospital is located;

7       (B) It shall be prepared by the hospital's auditor or an independent accountant.

8       (C) It shall contain a complete statement of the following:

9       (i) Assets and liabilities;

10       (ii) Income and expenses;

11       (iii) Profit and loss for the period reported;

12       (iv) A statement of ownership for persons owning more than five percent of the capital

stock outstanding and the dividends paid thereon, if any, and to whom paid the period reported;

(v) A statement that includes details concerning the contents of the advertisement, together with other reports, statements and schedules required to be filed with the commissioner by the provisions of this section, shall be available for public inspection at the commissioner's office;

(b) Every hospital shall also file with the commissioner the following statements, schedules, or reports in such form as specified by the commissioner within 120 days after the end of each facility's fiscal year end;

(1) A statement of services available and services rendered;

(2) A complete schedule of such hospital's then current rates, broken down by each individual service, with costs allocated to each category of costs in accordance with the rules and regulations as promulgated by the commissioner;

(3) A copy of reports made or filed with the federal health care financing administration, or its successor, as the commissioner may deem necessary or useful to accomplish the purposes of this article;

(4) A statement of all charges, fees, or salaries for goods or services rendered to the hospital for the period reported which shall exceed the sum of \$150,000 and a statement of all charges, fees, or other sums collected by the hospital for or on the account of any person, firm partnership, corporation, or other entity however structured, which shall exceed the sum of \$150,000 during the period reported;

(5) A listing of facility fees charged and a description of how such facility fees are calculated;

(6) A copy of all discount contracts, provided by each third-party; and

(7) Such other reports of the costs incurred and rendering services as the commissioner may prescribe. The commissioner may require the certification of specified financial reports by hospital's auditor or independent accountant.

(c) No report, statement, schedule, or other filing required or permitted to be filed hereunder shall contain any medical or individual information personally identifiable to a patient or consumer of health services, whether directly or indirectly.

(d) All reports, statements, and schedules filed with the commissioner under this section shall be open to public inspection and shall be available for examination via a web-based portal, which shall include but not be limited to a comparison of hospital rates by payer and by procedure.

(e) In the event that further information is deemed necessary to verify the accuracy of any information set forth in any statement, schedule, or report filed by a covered facility under the provisions of this article, the commissioner shall have the authority to require the production of any records necessary to verify such information.

(f) The commissioner shall engage in analysis and studies relating to health care costs, the financial status of hospitals, or hospital costs in the state.

**§16-67-5. Information from state payers.**

(a) Notwithstanding any other provision to the contrary, the Public Employees Insurance Agency shall provide the commissioner with its rates by procedure code beginning July 1, 2025, and annually thereafter. In the event that the rates by procedure code vary by hospital, the rates by procedure code shall be provided on a hospital-by-hospital basis to allow for a comparison by each hospital and hospital affiliated procedure.

(b) Notwithstanding any other provision to the contrary, the Bureau for Medical Services shall provide the commissioner with its rates by procedure code beginning July 1, 2025, and annually thereafter. In the event that the rates by procedure code vary by hospital, the rates by procedure code shall be provided on a hospital-by-hospital basis to allow for a comparison by each hospital and hospital affiliated procedure.

**§16-67-6. Penalty.**

(a) Every hospital failing to comply with the requirements of this article shall be notified by the commissioner of its non-compliance.

3           (b) In the event that such non-compliance continues for 10 days after receipt of the notice,  
4 the delinquent hospital shall be subject to a penalty of \$1,000 for each day thereafter such failure  
5 continues.

6           (c) This penalty shall be recovered by the commissioner in a civil action and paid into an  
7 account for use by the commissioner.

NOTE: The purpose of this bill is to require hospital price, service, third-party discount, and ownership transparency.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.