

WEST VIRGINIA LEGISLATURE

2025 REGULAR SESSION

Engrossed Committee Substitute for Senate Bill 718

BY SENATOR RUCKER

[Reported March 27, 2025, from the Committee on
Health and Human Resources]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding a new article,
2 designated §16-67-1, §16-67-2, §16-67-3, §16-67-4, §16-67-5, §16-67-6, §16-67-7, and
3 §16-67-8, relating to hospital transparency; setting forth legislative findings; defining
4 terms; setting forth duties of West Virginia Health Care Authority; setting forth reports to
5 be filed; setting forth the form of the reports to be filed; requiring the submission of public
6 payor information; providing the commissioner may protect information; requiring
7 rulemaking; providing for penalties; and adding effective date.

Be it enacted by the Legislature of West Virginia:

ARTICLE 67. HOSPITAL TRANSPARENCY.

§16-67-1. Legislative findings.

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

§16-67-2. Definitions.

1 As used in this article:

2 "Annual report" means an annual financial report for the hospital's fiscal year prepared by
3 an accountant as required by §16-29B-24 of this code.

4 "Authority" means the West Virginia Health Care Authority as defined in §16-29B-3 of this
5 code.

6 "Board" means the five-member board of directors of the West Virginia Health Care
7 Authority as defined in §16-29B-3 of this code.

8 "Discount contract" means any rate in effect in the discount contract for the payment of
9 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, and 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 of 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.

"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 Health Care

Authority.

1 (a) Notwithstanding any other provision, the board shall have the powers as indicated by
2 this article and it shall be his or her duty to:

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

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 board shall also investigate and recommend to the Legislature whether other
12 health care providers should be made subject to the provisions of this article.

13 (c) The board shall, not later than December 31 of each year, prepare and transmit to the
14 Governor and the clerks of both houses of the Legislature a report containing the material and
15 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, unless an extension be granted by the board for good cause shown, shall be required
3 to file the following:

4 (1) Proof of publication of an annual report on its hospital web page which shall include a
5 complete statement of the following:

6 (i) Assets and liabilities;

7 (ii) Income and expenses;

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

9 (iv) A statement of ownership for persons owning more than five percent of the capital
10 stock outstanding and the dividends paid thereon, if any, and to whom paid for the period reported;
11 and

12 (v) A statement that includes details concerning the contents of the publication of the
13 hospital web page, together with other reports, statements, and schedules required to be filed
14 with the board required by the provisions of this section and shall be available for public inspection
15 at the board's office.

16 (b) Every hospital shall also file with the board, which shall be made available to the public
17 on authority's existing online document archive system, the following statements, schedules, or
18 reports in such form as specified by the board within 120 days after the end of each facility's fiscal
19 year:

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

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

24 (3) A statement of all charges, fees, or salaries for goods or services rendered to the
25 hospital for the period reported which shall exceed the sum of \$150,000 and a statement of all
26 charges, fees, or other sums collected by the hospital for or on the account of any person, firm,
27 partnership, corporation, or other entity however structured, which shall exceed the sum of
28 \$150,000 during the period reported;

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

31 (5) A form to be developed by the authority that includes a breakdown of the hospital's
32 total uncompensated care amount;

33 (6) A form to be developed by the authority that includes a breakdown of the hospital's
34 total charity care amount;

35 (7) A copy of all discount contracts provided by each third party; and

36 (8) Such other reports of the costs as the board may prescribe. The board may require
37 the certification of specified financial reports by the hospital's auditor or independent accountant.

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

41 (d) All reports, statements, and schedules filed with the board under this section shall be
42 open to public inspection and shall be available for examination via the authority's existing online
43 document archive system.

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

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

50 (g) Notwithstanding any provision to the contrary, the board shall have the ability to take
51 any steps necessary to protect the privacy, confidentiality, or propriety nature of any information
52 on file: *Provided*, That this does not compromise the board's ability to conduct a data analysis or
53 provide a comparison of hospital rates by payer and by procedure.

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

1 (a) Notwithstanding any other provision to the contrary, the Public Employees Insurance
2 Agency shall provide the board with its rates by procedure code beginning July 1, 2026, and
3 annually thereafter. In the event that the rates by procedure code vary by hospital, the rates by

4 procedure code shall be provided on a hospital-by-hospital basis to allow for a comparison by
5 each hospital and hospital-affiliated procedure.

6 (b) Notwithstanding any other provision to the contrary, the Bureau for Medical Services
7 shall provide the board with its rates by procedure code beginning July 1, 2026, and annually
8 thereafter. In the event that the rates by procedure code vary by hospital, the rates by procedure
9 code shall be provided on a hospital-by-hospital basis to allow for a comparison by each hospital
10 and hospital-affiliated procedure.

§16-67-6. Rulemaking.

1 The board shall propose rules for legislative approval in accordance with the provisions
2 of §29A-3-1 et seq. of this code to implement the provisions of this section including, but not
3 limited to, provisions related to confidentiality.

§16-67-7. Penalty.

1 (a) Every hospital failing to comply with the requirements of this article shall be notified by
2 the board 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 board in a civil action and paid into an account
7 for use by the board.

§16-67-8. Effective date.

1 The effective date of the article shall be July 1, 2026.