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Insights

Don't Be Surprised by Indiana's New Surprise Billing Requirements Effective July 1, 2020

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House Bill 1004 ("HB 1004"), signed into law earlier this year, imposes new patient billing requirements affecting health care providers and health care facilities beginning July 1, 2020. With few exceptions, HB 1004 requires health care providers and facilities to give a patient a good faith estimate of scheduled health care services within five (5) days of receiving a request and to post notices to patients of their right to receive the good faith estimate. Health care providers and entities subject to the new billing requirement may be subject to administrative penalties for noncompliance.

First, HB 1004's new billing requirements apply only to nonemergency health care services provided by providers (other than dentists and optometrists) and at health care facilities. Effective July 1, 2020, those providers and facilities must give a patient a good faith estimate of the charge of the nonemergency health care service within five (5) days of receiving the request. The minimum requirements for the good faith estimates as it applies to practitioners and exceptions to the law are explained in the **Practitioner Good Faith Estimate Decision Tree**.

Second, providers and facilities must publicize a patient's right to request this information through waiting room and internet postings and in person notices to patients who have had a nonemergency procedure ordered. Those notices must explain to patients their right to request a good faith estimate in accordance with the new law. Practitioners and entities who fail to meet these new requirements are subject to administrative penalties, including licensure sanctions or monetary penalties.

Third, an out-of-network provider providing services to an insured patient at an in-network facility must notify the patient of the anticipated charges for their services and obtain the patient's consent to bill at a higher out-of-network rate. Patients are not legally required to pay a higher out-of-network cost when such notice is not provided and consented to in accordance with the new law.

HB 1004 is a complex bill with numerous definitions and new requirements imposed upon providers and facilities. Understanding your role in complying with the new law and adapting policies and procedures is critical to avoiding potential administrative sanctions. Please contact **Brandon W. Shirley**, or **Stephanie T. Eckerle**, to discuss your practice and compliance with HB 1004.

In addition, Mr. Shirley and Ms. Eckerle will be hosting a webinar on July 23, 2020, which will provide a more detailed overview of HB 1004 applicability to providers and various types of health care facilities, such as hospitals, ambulatory surgical centers and laboratories. You can register **here** for the webinar.