**A** **JOINT RESOLUTION**

TO CREATE THE ‘HOSPITAL COSTS DISPARITY STUDY COMMITTEE’ TO STUDY THE DISPARITY IN THE AMOUNTS HOSPITALS IN THIS STATE CHARGE FOR CERTAIN MEDICAL PROCEDURES BILLED TO MEDICARE AND TO COMPARE THE AMOUNTS HOSPITALS IN THIS STATE CHARGE MEDICARE AS COMPARED TO THE NATIONAL AVERAGE, TO PROVIDE FOR MEMBERSHIP OF THE STUDY COMMITTEE AND THE METHOD OF APPOINTMENT OF MEMBERS, TO SET FORTH THE DUTIES OF THE STUDY COMMITTEE, TO REQUIRE THE STUDY COMMITTEE TO PREPARE A REPORT WITH FINDINGS AND RECOMMENDATIONS FOR THE GOVERNOR AND GENERAL ASSEMBLY, TO MAKE THE INFORMATION AVAILABLE TO THE PUBLIC, AND TO INCLUDE A SUNSET PROVISION FOR THE STUDY COMMITTEE.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. (A) A Hospital Costs Disparity Study Committee is created to:

(1) study the extent to which hospitals in this State charge different amounts for the same medical procedures billed to Medicare; and

(2) determine the extent to which hospitals in this State charge Medicare at an amount higher than the national average.

(B) The study committee members include:

(1) the Director of the Department of Health and Human Services, or his designee, who shall serve as co‑chair;

(2) a representative of the South Carolina Hospital Association, appointed by the Governor, who shall serve as co‑chair;

(3) a representative of the South Carolina Medical Association, appointed by the Governor;

(4) a representative of a hospital primarily serving patients from rural communities, appointed by the Governor;

(5) a representative of a hospital primarily serving patients from urban communities, appointed by the Governor;

(6) one member of the House of Representatives, appointed by the Speaker of the House; and

(7) one member of the Senate, appointed by the President Pro Tempore of the Senate.

(C)(1) The study committee shall review state and federal data and other available information relevant to hospital billing practices for medical procedures commonly billed to Medicare, including amounts charged to and paid by Medicare, private insurance providers, patients, and other individuals or entities.

(2) Prior to beginning the review process, the study committee shall select a representative sample of hospitals and medical procedures to review. The hospitals selected must serve patients that routinely have Medicare coverage to pay some of the costs of medical procedures.

(D) The study committee shall prepare a report for the Governor and General Assembly, which sets forth findings and recommendations relevant to the purposes of the study committee including, but not limited to:

(1) an analysis of the differences hospitals in this State charge for identical medical procedures, providing the data collected;

(2) an analysis of the methodologies used by hospitals in this State to determine appropriate charges for identical medical procedures, to the extent allowed by law;

(3) an analysis of the extent to which hospitals in this State charge amounts higher than the national average for certain medical procedures, providing the data that reflect the extent to which the hospitals reviewed exceed the national average; and

(4) recommendations for hospitals to implement that would improve transparency in billing practices to reflect actual amounts charged to patients and to other payers, including Medicare, in order to promote the public interest in obtaining quality health care.

(E) The staffing for the committee must be provided or coordinated by the Department of Health and Human Services.

(F) Members of the study committee shall serve without compensation and may not receive mileage or per diem.

(G)(1) The study committee shall provide its report to the Governor and General Assembly by March 15, 2014, at which time the study committee is dissolved.

(2) The Department of Health and Human Services shall make the report available to the public on its website.

SECTION 2. This joint resolution takes effect upon approval by the Governor.

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