



Presentation to the House Insurance Committee: Senate Bill 1137 Implementation

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Senate Bill 1137



Senate Bill (SB) 1137 added Health and Safety Code (HSC) Chapter 327, which requires a hospital licensed under HSC Chapter 241 to prominently display a list or dedicated link to a list of all standard charges for hospital items and shoppable services on the home page of the hospital's website.

SB 1137 took effect on September 1, 2021.



SB 1137: Standard Charges

SB 1137 requires general and special hospitals to maintain a list of standard charges, also known as a chargemaster, that includes all facility items or services maintained by a facility for which the facility has established a charge. The list must:

- Reflect the standard charges applicable to that location of the facility, regardless of whether the facility operates in more than one location or operates under the same license as another facility;
- Include applicable charges for services provided in both an inpatient and outpatient settings;
- Be free of charge, publicly accessible, and searchable; and
- Be updated annually.



SB 1137: Shoppable Services

SB 1137 requires hospitals to make publicly available a consumer-friendly list of shoppable services, which are services provided by the hospital that a consumer can schedule in advance. The list must:

- Have a plain language description of the service, the applicable charges, and billing codes;
- Include at least 300 shoppable services, which must include the 70 services specified as shoppable services by the Centers for Medicare and Medicaid Service (CMS);
- Prioritize the selection of services that are among the services most frequently provided;
- State each location at which the facility provides the shoppable service and whether the standard charges included in the list apply at that location; and
- Be free of charge, publicly accessible and searchable by service description, billing code, and payor.

SB 1137: Price Estimator

In lieu of providing a list of shoppable services, a facility may create an Internet-based price estimator that:

- Provides a cost estimate for each shoppable service;
- Allows a person to obtain an estimate of the amount the person will be obligated to pay the facility if the person elects to use that facility to provide the service;
- Is prominently displayed on their website, publicly accessible, and free of charge; and
- Is accessible without having to register or establish a user account or password.





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SB 1137: Evaluating Compliance

The Health and Human Services Commission (HHSC) evaluates hospital compliance of SB 1137 by:

- Investigating complaints made to HHSC regarding noncompliance;
- Auditing the Internet websites of facilities for compliance with this chapter; and
- Confirming that each facility submitted the required lists.

SB 1137: Technical Assistance



- HHSC has posted a complete list of SB 1137 requirements on the HHSC public website.
- HHSC has also created a mailbox where hospitals can send questions about SB 1137 requirements:
Hospital_Price_Transparency@hhs.texas.gov.

SB 1137: Compliance as of April 21, 2022



- There are 648 licensed hospitals that are required to comply with SB 1137.
- HHSC has received a total of 79 hospital submissions and all were in partial noncompliance.
- 569 hospitals did not submit information to HHSC and are considered fully noncompliant.

SB 1137: Noncompliance Trends

Most Common Noncompliant Items	Percent of total
Displayed in a prominent location on or linked from the publicly accessible facility homepage (for the Standard List of Charges) HSC §327.003(e)	57%
De-identified maximum negotiated charge (for the Standard List of Charges) HSC §327.003(c)(2)(C)	47%
De-identified minimum negotiated charge (for the Standard List of Charges) HSC §327.003(c)(2)(B)	47%
Payor specific negotiated charge (for the Standard List of Charges) HSC §327.003(c)(2)(E)	47%
Uses CMS-specified file naming convention (for the Standard List of Charges) HSC §327.003(f)(5)	34%
Displayed in a prominent location on or linked from the facility homepage (for the Consumer-Friendly List of Shoppable Services) HSC §327.004(e)(1)	33%
Displayed in a prominent location on or linked from the facility homepage (for the Price Estimator Tool) HSC §327.004(f)(3)(A)	28%
Allows a person to obtain an estimate of the amount the person will be obligated to pay the facility if the person elects to use the facility to provide the service (for the Price Estimator Tool) HSC §327.004(f)(2)	27%



SB 1137: Enforcement



SB 1137 authorizes HHSC to impose an administrative penalty on a hospital if the facility fails to respond to HHSC's request to submit a corrective action plan or fails to comply with the requirements of a corrective action plan it submitted.

- Each day a violation continues is considered a separate violation.
- Noncompliant hospitals may be subject to other enforcement actions under HSC Chapter 241 and Chapter 327.

SB 1137: Implementation Steps

- Published an updated guidance letter to the HHSC website.
- Updated notifications to hospitals on compliance
- Adopting rules to implement SB 1137.

