

118TH CONGRESS  
1ST SESSION

# H. R. 4509

To amend the Employee Retirement Income Security Act of 1974 to require group health plans and health insurance issuers offering group health insurance coverage to only pay claims submitted by hospitals that have in place policies and procedures to ensure accurate billing practices, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 10, 2023

Ms. FOXX (for herself and Mr. SCOTT of Virginia) introduced the following bill; which was referred to the Committee on Education and the Workforce

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## A BILL

To amend the Employee Retirement Income Security Act of 1974 to require group health plans and health insurance issuers offering group health insurance coverage to only pay claims submitted by hospitals that have in place policies and procedures to ensure accurate billing practices, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Transparency in Bill-  
5 ing Act”.

1 **SEC. 2. HONEST BILLING REQUIREMENTS.**

2 (a) IN GENERAL.—Subpart B of part 7 of subtitle  
3 B of title I of the Employee Retirement Income Security  
4 Act of 1974 (29 U.S.C. 1185 et seq.) is amended by add-  
5 ing at the end the following new section:

6 **“SEC. 726. HONEST BILLING REQUIREMENTS.**

7 “A group health plan or health insurance issuer offer-  
8 ing group health insurance coverage may not pay a claim  
9 for items and services furnished to an individual at an off-  
10 campus outpatient department of a provider (as defined  
11 in section 901(c)) submitted by a hospital (as defined in  
12 section 1861(e) of the Social Security Act) unless such  
13 claim submitted by such hospital includes the separate  
14 unique health identifier for the department where items  
15 and services were furnished, in accordance with section  
16 901.”.

17 (b) CLERICAL AMENDMENT.—The table of contents  
18 of the Employee Retirement Income Security Act of 1974  
19 (29 U.S.C. 1001 note) is amended by adding after the  
20 item relating to section 725 the following:

“726. Banning dishonest billing.”.

21 (c) EFFECTIVE DATE.—The amendments made by  
22 this section shall take effect with respect to plan years  
23 beginning on or after January 1, 2024.

1 **SEC. 3. REGULATION OF HONEST BILLING.**

2 (a) IN GENERAL.—Subtitle B of title I of the Em-  
 3 ployee Retirement Income Security Act of 1974 (29  
 4 U.S.C. 1021 et seq.) is amended by adding at the end  
 5 the following new part:

6 **“PART 9—BILLING REQUIREMENTS WITH RE-**  
 7 **SPECT TO GROUP HEALTH PLANS AND COV-**  
 8 **ERAGE**

9 **“SEC. 901. HONEST BILLING REQUIREMENTS.**

10 “(a) IN GENERAL.—A hospital may not, with respect  
 11 to items and services furnished to an individual at an off-  
 12 campus outpatient department of a provider, submit a  
 13 claim for such items and services to a group health plan  
 14 or health insurance issuer, and may not hold such indi-  
 15 vidual liable for such items and services, unless—

16 “(1) such hospital obtains a separate unique  
 17 health identifier established for such department  
 18 pursuant to section 1173(b) of the Social Security  
 19 Act; and

20 “(2) the claim for such items and services in-  
 21 cludes such separate unique health identifier for  
 22 such department where such items and services were  
 23 furnished.

24 “(b) PROCESS FOR REPORTING SUSPECTED VIOLA-  
 25 TIONS.—Not later than one year after the date of enact-  
 26 ment of this section, the Secretary shall establish a process

1 under which a suspected violation of this section may be  
2 reported to such Secretary.

3 “(c) OFF-CAMPUS OUTPATIENT DEPARTMENT OF A  
4 PROVIDER DEFINED.—For purposes of this paragraph,  
5 the term ‘off-campus outpatient department of a provider’  
6 means a department of a provider (as defined in section  
7 413.65 of title 42, Code of Federal Regulations, or any  
8 successor regulation) that is not located—

9 “(1) on the campus (as defined in such section)  
10 of such provider; or

11 “(2) within the distance (described in such defi-  
12 nition of campus) from a remote location of a hos-  
13 pital facility (as defined in such section).”.

14 (b) CLERICAL AMENDMENT.—The table of contents  
15 of the Employee Retirement Income Security Act of 1974  
16 (29 U.S.C. 1001 note) is amended by inserting after the  
17 item relating to section 804 the following new item:

“PART 9—REGULATION OF HOSPITALS

“901. Hospital billing requirements.”.

18 **SEC. 4. ENFORCEMENT.**

19 Section 502 of the Employee Retirement Income Se-  
20 curity Act of 1974 (29 U.S.C. 1132) is amended—

21 (1) in subsection (a)(6), by striking “or (9)”  
22 and inserting “(9), or (13)”; and

23 (2) in subsection (c), by adding at the end the  
24 following new paragraph:

1           “(13) The Secretary may assess a civil mone-  
2           tary penalty against a hospital for a violation under  
3           section 901 in an amount—

4                   “(A) in the case of a hospital with not  
5                   more than 30 beds (as determined under sec-  
6                   tion 180.90(c)(2)(ii)(D) of title 45, Code of  
7                   Federal Regulations, as in effect on the date of  
8                   the enactment of this paragraph), not to exceed  
9                   \$300 per day that the violation is ongoing, as  
10                  determined by the Secretary; and

11                   “(B) in the case of a hospital with more  
12                   than 30 beds (as so determined), not to exceed  
13                   \$5,500 per each such day.”.

14   **SEC. 5. IMPLEMENTATION.**

15           The Secretary of Labor shall implement the amend-  
16   ments made by this Act by rulemaking.

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