



Senator Fred Dyson
Sponsor Statement

SB 98 – Patient’s Right to Know on Hospital Billings

There is a common practice among hospitals to engage in cost shifting that falls inordinately upon single-payer patients, many of whom are not in a good position to be able to pick up these extra costs. Often negotiated group rates, as well as care provided to indigent persons and nonpayers, are funded on the backs of hard-working, responsible citizens who for various reasons are not insured. Many of our fellow Alaskans are unaware of this practice.

SB 98 seeks to shed light on these billing practices. Its purpose is to inform the consumer as to how hospitals calculate billing, and why. The sponsor believes that if individuals must pick up the tab for losses accrued through negotiated group rates and services offered to nonpayers, they at least have a right to know. Under SB 98 hospitals would be required to provide an invoice that breaks down exactly what the patient is being charged for. These provisions only apply to hospitals that use government funds. SB 98 is all about transparency; better information; better outcomes.