

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2028 Session of 2007

INTRODUCED BY STERN, BOYD, WATSON, PICKETT, KILLION, MUSTIO, KENNEY, CUTLER, TURZAI, REICHLEY, GILLESPIE, MILNE, R. MILLER, GRUCELA, CAPPELLI, SAYLOR, HESS, FLECK, CALTAGIRONE, SIPTROTH, BELFANTI, HALUSKA, GINGRICH, GEIST, HELM, DALLY, MENSCH, FAIRCHILD, MARSHALL, CREIGHTON, RUBLEY, SONNEY, SCHRODER, MURT, MOYER, MYERS, DeLUCA, SWANGER AND HORNAMAN, DECEMBER 6, 2007

AS REPORTED FROM COMMITTEE ON INSURANCE, HOUSE OF REPRESENTATIVES, AS AMENDED, FEBRUARY 12, 2008

AN ACT

1 Amending the act of July 8, 1986 (P.L.408, No.89), entitled, as
2 reenacted, "An act providing for the creation of the Health
3 Care Cost Containment Council, for its powers and duties, for
4 health care cost containment through the collection and
5 dissemination of data, for public accountability of health
6 care costs and for health care for the indigent; and making
7 an appropriation," providing for the Health Care Cost
8 Containment and Comparison Council; further providing for
9 definitions; adding powers and duties of the council; and
10 further providing for data submission and collection and;
11 PROVIDING FOR COMMON SERVICES DATA ANALYSIS; AND FURTHER
12 PROVIDING for sunset.

<—
<—

13 The General Assembly of the Commonwealth of Pennsylvania
14 hereby enacts as follows:

15 Section 1. The title and sections 1 and 2 of the act of July
16 8, 1986 (P.L.408, No.89), known as the Health Care Cost
17 Containment Act, reenacted and amended July 17, 2003 (P.L.31,
18 No.14), are amended to read:

AN ACT

20 Providing for the creation of the Health Care Cost Containment

1 and Comparison Council, for its powers and duties, for health
2 care cost containment through the collection and
3 dissemination of data, for public accountability of health
4 care costs and for health care for the indigent; and making
5 an appropriation.

6 Section 1. Short title.

7 This act shall be known and may be cited as the Health Care
8 Cost Containment and Comparison Act.

9 Section 2. Legislative finding and declaration.

10 The General Assembly finds that there exists in this
11 Commonwealth a major crisis because of the continuing escalation
12 of costs for health care services. Because of the continuing
13 escalation of costs, an increasingly large number of
14 Pennsylvania citizens have severely limited access to
15 appropriate and timely health care. Increasing costs are also
16 undermining the quality of health care services currently being
17 provided. Further, the continuing escalation is negatively
18 affecting the economy of this Commonwealth, is restricting new
19 economic growth and is impeding the creation of new job
20 opportunities in this Commonwealth.

21 The continuing escalation of health care costs is
22 attributable to a number of interrelated causes, including:

23 (1) Inefficiency in the present configuration of health
24 care service systems and in their operation.

25 (2) The present system of health care cost payments by
26 third parties.

27 (3) The increasing burden of indigent care which
28 encourages cost shifting.

29 (4) The absence of a concentrated and continuous effort
30 in all segments of the health care industry to contain health

1 care costs.

2 (5) The need for consumers of health care to have access
3 to charge information from physicians for common services and
4 treatments.

5 Therefore, it is hereby declared to be the policy of the
6 Commonwealth of Pennsylvania to promote health care cost
7 containment and to identify appropriate utilization practices by
8 creating an independent council to be known as the Health Care
9 Cost Containment Council.

10 It is the purpose of this legislation to promote the public
11 interest by encouraging the development of competitive health
12 care services in which health care costs are contained and to
13 assure that all citizens have reasonable access to quality
14 health care.

15 It is further the intent of this act to facilitate the
16 continuing provision of quality, cost-effective health services
17 throughout the Commonwealth by providing current, accurate data
18 and information to the purchasers and consumers of health care
19 on both cost and quality of health care services and to public
20 officials for the purpose of determining health-related programs
21 and policies and to assure access to health care services.

22 Nothing in this act shall prohibit a purchaser from obtaining
23 from its third-party insurer, carrier or administrator, nor
24 relieve said third-party insurer, carrier or administrator from
25 the obligation of providing, on terms consistent with past
26 practices, data previously provided to a purchaser pursuant to
27 any existing or future arrangement, agreement or understanding.

28 ~~Section 2. The definitions of "ambulatory service facility,"~~ <—
29 ~~"council," "covered services," "data source," "health care~~
30 ~~facility," "physician" and "provider" in section 3 of the act~~

1 are amended and the section is amended by adding definitions to
2 THE DEFINITION OF "COUNCIL" IN SECTION 3 OF THE ACT IS AMENDED <—
3 TO read:

4 Section 3. Definitions.

5 The following words and phrases when used in this act shall
6 have the meanings given to them in this section unless the
7 context clearly indicates otherwise:

8 ~~"Adult basic." The health investment insurance program~~ <—
9 ~~established under Chapter 13 of the act of June 26, 2001~~
10 ~~(P.L.755, No.77), known as the Tobacco Settlement Act.~~

11 ~~"Ambulatory service facility." A facility licensed in this~~
12 ~~Commonwealth, not part of a hospital, which provides medical,~~
13 ~~diagnostic or surgical treatment to patients not requiring~~
14 ~~hospitalization, including ambulatory surgical facilities,~~
15 ~~ambulatory imaging or diagnostic centers, birthing centers,~~
16 ~~freestanding emergency rooms and any other facilities providing~~
17 ~~ambulatory care which charge a separate facility charge. [This~~
18 ~~term does not include the offices of private physicians or~~
19 ~~dentists, whether for individual or group practices.]~~

20 ~~Physician's offices and offices of other licensed health care~~
21 ~~providers, whether in group or individual practices, shall be~~
22 ~~considered ambulatory service facilities for the purposes of~~
23 ~~this act.~~

24 * * *

25 ~~"Children's Health Insurance Program" or "CHIP." The program~~ <—
26 ~~established under Article XXIII of the act of May 17, 1921~~
27 ~~(P.L.682, No.284), known as The Insurance Company Law of 1921.~~

28 "Council." The Health Care Cost Containment and Comparison
29 Council.

30 ~~"Covered services." Any health care services or procedures~~ <—

1 ~~connected with episodes of illness that require either inpatient~~
2 ~~hospital care or major ambulatory service such as surgical,~~
3 ~~medical or major radiological procedures, including any initial~~
4 ~~and follow up outpatient services associated with the episode of~~
5 ~~illness before, during or after inpatient hospital care or major~~
6 ~~ambulatory service. [The term does not include routine~~
7 ~~outpatient services connected with episodes of illness that do~~
8 ~~not require hospitalization or major ambulatory service.] The~~
9 ~~term includes routine outpatient services connected with~~
10 ~~episodes of illness that do not require hospitalization or major~~
11 ~~ambulatory service, including all office visits to physicians,~~
12 ~~chiropractors and other data sources including other licensed~~
13 ~~health care providers.~~

14 ~~"Data source." A hospital; ambulatory service facility;~~
15 ~~physician; audiologist; birthing center; chiropractor; dentist;~~
16 ~~doctor of medicine; mental health professional including~~
17 ~~psychologists; nurse practitioner; optometrist; osteopath;~~
18 ~~physical therapist; podiatrist; speech pathologist or other~~
19 ~~licensed health care provider; health maintenance organization~~
20 ~~as defined in the act of December 29, 1972 (P.L.1701, No.364),~~
21 ~~known as the Health Maintenance Organization Act; hospital,~~
22 ~~medical or health service plan with a certificate of authority~~
23 ~~issued by the Insurance Department, including, but not limited~~
24 ~~to, hospital plan corporations as defined in 40 Pa.C.S. Ch. 61~~
25 ~~(relating to hospital plan corporations) and professional health~~
26 ~~services plan corporations as defined in 40 Pa.C.S. Ch. 63~~
27 ~~(relating to professional health services plan corporations);~~
28 ~~commercial insurer with a certificate of authority issued by the~~
29 ~~Insurance Department providing health or accident insurance;~~
30 ~~self insured employer providing health or accident coverage or~~

1 ~~benefits for employees employed in the Commonwealth;~~
2 ~~administrator of a self insured or partially self insured health~~
3 ~~or accident plan providing covered services in the Commonwealth;~~
4 ~~any health and welfare fund that provides health or accident~~
5 ~~benefits or insurance pertaining to covered service in the~~
6 ~~Commonwealth; the Department of Public Welfare for those covered~~
7 ~~services it purchases or provides through the medical assistance~~
8 ~~program under the act of June 13, 1967 (P.L.31, No.21), known as~~
9 ~~the Public Welfare Code, and any other payor for covered~~
10 ~~services in the Commonwealth other than an individual. This term~~
11 ~~shall also include physicians.~~

12 ~~"Health care facility." A general or special hospital,~~
13 ~~including tuberculosis and psychiatric hospitals, kidney disease~~
14 ~~treatment centers, including freestanding hemodialysis units,~~
15 ~~birthing centers, offices of physicians, chiropractors and other~~
16 ~~data sources including other licensed health care providers, and~~
17 ~~ambulatory service facilities as defined in this section, and~~
18 ~~hospices, both profit and nonprofit, and including those~~
19 ~~operated by an agency of State or local government.~~

20 * * *

21 ~~"Licensee." An individual who is a data source and is~~
22 ~~licensed or certified by the Commonwealth of Pennsylvania to~~
23 ~~provide a covered service in a hospital, an office or other~~
24 ~~health care facility in this Commonwealth.~~

25 * * *

26 ~~"Medicaid." The program established under Title XIX of the~~
27 ~~Social Security Act (49 Stat. 620, 42 U.S.C. § 1396 et seq.).~~

28 ~~"Medical assistance." Medical treatment which is subsidized~~
29 ~~or completely paid for by the Commonwealth under Article IV of~~
30 ~~the act of June 13, 1967 (P.L.31, No.21), known as the Public~~

1 ~~Welfare Code.~~

2 * * *

3 ~~"Medicare." The program established under Title XVIII of the~~
4 ~~Social Security Act (Public Law 74 271, 42 U.S.C. § 1395 et~~
5 ~~seq.).~~

6 ~~"Other licensed health care provider." Any of the following:~~

7 ~~(1) a licensee;~~

8 ~~(2) a health care facility; or~~

9 ~~(3) an officer, employee or entity of a licensee or~~

10 ~~health care facility acting in the course and scope of~~

11 ~~employment.~~

12 * * *

13 ~~"Physician." An individual licensed under the laws of this~~
14 ~~Commonwealth to practice medicine [and] or surgery within the~~
15 ~~scope of the act of October 5, 1978 (P.L.1109, No.261), known as~~
16 ~~the Osteopathic Medical Practice Act, or the act of December 20,~~
17 ~~1985 (P.L.457, No.112), known as the Medical Practice Act of~~
18 ~~1985. The term includes other licensed health care providers.~~

19 * * *

20 ~~"Provider." A hospital, an ambulatory service facility or a~~
21 ~~physician or a data source, a birthing center or other licensed~~
22 ~~health care provider.~~

23 * * *

24 Section 3. Sections 4 heading and (a), 5(d), ~~6(a.1), (e) and~~ <—
25 ~~(d) and 19~~ AND 6(C) of the act are amended to read: <—

26 Section 4. Health Care Cost Containment and Comparison Council.

27 (a) Establishment.--The General Assembly hereby establishes
28 an independent council to be known as the Health Care Cost
29 Containment and Comparison Council.

30 * * *

1 Section 5. Powers and duties of the council.

2 * * *

3 (d) General duties and functions.--The council is hereby
4 authorized to and shall perform the following duties and
5 functions:

6 (1) Develop a computerized system for the collection,
7 analysis and dissemination of data. The council may contract
8 with a vendor who will provide such data processing services.
9 The council shall assure that the system will be capable of
10 processing all data required to be collected under this act.
11 Any vendor selected by the council shall be selected in
12 accordance with the provisions of section 16, and said vendor
13 shall relinquish any and all proprietary rights or claims to
14 the data base created as a result of implementation of the
15 data processing system.

16 (2) Establish a Pennsylvania Uniform Claims and Billing
17 Form for all data sources and all providers which shall be
18 utilized and maintained by all data sources and all providers
19 for all services covered under this act.

20 (3) Collect and disseminate data, as specified in
21 section 6, and other information from data sources to which
22 the council is entitled, prepared according to formats, time
23 frames and confidentiality provisions as specified in
24 sections 6 and 10, and by the council.

25 (4) Adopt and implement a methodology to collect and
26 disseminate data reflecting provider quality and provider
27 service effectiveness pursuant to section 6.

28 (5) Subject to the restrictions on access to raw data
29 set forth in section 10, issue special reports and make
30 available raw data as defined in section 3 to any purchaser

1 requesting it. Sale by any recipient or exchange or
2 publication by a recipient, other than a purchaser, of raw
3 council data to other parties without the express written
4 consent of, and under terms approved by, the council shall be
5 unauthorized use of data pursuant to section 10(c).

6 (6) On an annual basis, publish in the Pennsylvania
7 Bulletin a list of all the raw data reports it has prepared
8 under section 10(f) and a description of the data obtained
9 through each computer-to-computer access it has provided
10 under section 10(f) and of the names of the parties to whom
11 the council provided the reports or the computer-to-computer
12 access during the previous month.

13 (7) Promote competition in the health care and health
14 insurance markets.

15 (8) Assure that the use of council data does not raise
16 access barriers to care.

17 (9.1) Compile and establish an Internet database for the
18 general public showing physician charge comparisons for
19 common services and treatments DERIVED FROM THE REPORT UNDER ←
20 SECTION 11.1(A)(3).

21 (10) Make annual reports to the General Assembly on the
22 rate of increase in the cost of health care in the
23 Commonwealth and the effectiveness of the council in carrying
24 out the legislative intent of this act. In addition, the
25 council may make recommendations on the need for further
26 health care cost containment legislation. The council shall
27 also make annual reports to the General Assembly on the
28 quality and effectiveness of health care and access to health
29 care for all citizens of the Commonwealth.

30 (12) Conduct studies and publish reports thereon

1 analyzing the effects that noninpatient, alternative health
2 care delivery systems have on health care costs. These
3 systems shall include, but not be limited to: HMO's; PPO's;
4 primary health care facilities; home health care; attendant
5 care; ambulatory service facilities; freestanding emergency
6 centers; birthing centers; and hospice care. These reports
7 shall be submitted to the General Assembly and shall be made
8 available to the public.

9 (13) Conduct studies and make reports concerning the
10 utilization of experimental and nonexperimental transplant
11 surgery and other highly technical and experimental
12 procedures, including costs and mortality rates.

13 (14) In order to ensure that the council adopts and
14 maintains both scientifically credible and cost-effective
15 methodology to collect and disseminate data reflecting
16 provider quality and effectiveness, the council shall, within
17 one year of the effective date of this paragraph, utilizing
18 current Commonwealth agency guidelines and procedures, issue
19 a request for information from any vendor that wishes to
20 provide data collection or risk adjustment methodology to the
21 council to help meet the requirements of this subsection and
22 section 6. The council shall establish an independent Request
23 for Information Review Committee to review and rank all
24 responses and to make a final recommendation to the council.
25 The Request for Information Review Committee shall consist of
26 the following members appointed by the Governor:

27 (i) One representative of the Hospital and
28 Healthsystem Association of Pennsylvania.

29 (ii) One representative of the Pennsylvania Medical
30 Society.

- 1 (iii) One representative of insurance.
- 2 (iv) One representative of labor.
- 3 (v) One representative of business.
- 4 (vi) Two representatives of the general public.

5 (15) The council shall execute a request for proposals
6 with third-party vendors for the purpose of demonstrating a
7 methodology for the collection, analysis and reporting of
8 hospital-specific complication rates. The results of this
9 demonstration shall be provided to the chairman and minority
10 chairman of the Public Health and Welfare Committee of the
11 Senate and the chairman and minority chairman of the Health
12 and Human Services Committee of the House of Representatives.
13 This methodology may be utilized by the council for public
14 reporting on comparative hospital complication rates.

15 Section 6. Data submission and collection.

16 * * *

17 ~~(a.1) Abstraction and technology work group.~~ ←

18 ~~(1) The council shall establish a data abstraction and~~
19 ~~technology work group to produce recommendations for~~
20 ~~improving and refining the data required by the council and~~
21 ~~reducing, through innovative direct data collection~~
22 ~~techniques, the cost of collecting required data. The work~~
23 ~~group shall consist of the following members appointed by the~~
24 ~~council:~~

25 ~~(i) one member representing the Office of Health~~
26 ~~Care Reform;~~

27 ~~(ii) one member representing the business community;~~

28 ~~(iii) one member representing labor;~~

29 ~~(iv) one member representing consumers;~~

30 ~~(v) two members representing physicians;~~

1 ~~(vi) two members representing nurses;~~

2 ~~(vii) two members representing hospitals;~~

3 ~~(viii) one member representing health underwriters;~~

4 and

5 ~~(ix) one member representing commercial insurance~~
6 ~~carriers.~~

7 ~~(2) The work group, with approval of the council, may~~
8 ~~hire an independent auditor to determine the value of various~~
9 ~~data sets. The work group shall have no more than one year to~~
10 ~~study current data requirements and methods of collecting and~~
11 ~~transferring data and to make recommendations for changes to~~
12 ~~produce a 50% overall reduction in the cost of collecting and~~
13 ~~reporting required data to the council while maintaining the~~
14 ~~scientific credibility of the council's analysis and~~
15 ~~reporting. The work group recommendations shall be presented~~
16 ~~to the council for a vote.~~

17 ~~(3) (i) The work group shall develop a system of data~~
18 ~~collection and analysis on physician charges for common~~
19 ~~services and treatments working with council staff and~~
20 ~~outside third party vendors as needed and authorized by~~
21 ~~the council. The analysis shall provide a methodology for~~
22 ~~developing a charge comparison Internet search capability~~
23 ~~showing most commonly utilized medical services and~~
24 ~~treatments.~~

25 ~~(ii) The work group will, as part of its analysis,~~
26 ~~examine physician charge comparison systems used in other~~
27 ~~states as an addendum to its report identifying which~~
28 ~~components of those other state systems are applicable or~~
29 ~~appropriate to Pennsylvania. This analysis of other~~
30 ~~states shall include descriptions as to how the physician~~

~~charge data is collected and shall include a recommendation to the council, as to the most efficient, cost effective and least intrusive way to determine the physician charge comparisons for common utilized services and treatments. The work group recommendation to the council shall contain comparison by common physician service or treatment and geographic location of the physician searchable by county.~~

~~(iii) This physician charge comparison shall also contain data on reimbursement rates for adult basic, CHIP, Medicaid, medical assistance, Medicare and insurer reimbursement rates by insurer.~~

~~(iv) The work group shall report its recommendations to the council no later than 180 days after the effective date of this section. The physician charge comparison described in this paragraph shall be available to consumers beginning January 1, 2009, or sooner.~~

~~* * *~~

(c) Data elements.--For each covered service performed in Pennsylvania, the council shall be required to collect the following data elements:

- (1) uniform patient identifier, continuous across multiple episodes and providers;
- (2) patient date of birth;
- (3) patient sex;
- (3.1) patient race, consistent with the method of collection of race/ethnicity data by the United States Bureau of the Census and the United States Standard Certificates of Live Birth and Death;
- (4) patient ZIP Code number;

- 1 (5) date of admission;
- 2 (6) date of discharge;
- 3 (7) principal and secondary diagnoses by standard code,
4 including external cause of injury, complication, infection
5 and childbirth;
- 6 (8) principal procedure by council-specified standard
7 code and date;
- 8 (9) up to three secondary procedures by council-
9 specified standard codes and dates;
- 10 (10) uniform health care facility identifier, continuous
11 across episodes, patients and providers;
- 12 (11) uniform identifier of admitting physician, by
13 unique physician identification number established by the
14 council, continuous across episodes, patients and providers;
- 15 (12) uniform identifier of consulting physicians, by
16 unique physician identification number established by the
17 council, continuous across episodes, patients and providers;
- 18 (13) total charges of health care facility, segregated
19 into major categories, including, but not limited to, room
20 and board, radiology, laboratory, operating room, drugs,
21 medical supplies and other goods and services according to
22 guidelines specified by the council;
- 23 (14) actual payments to health care facility,
24 segregated, if available, according to the categories
25 specified in paragraph (13);
- 26 (15) charges of each physician or professional rendering
27 service relating to an incident of hospitalization [or],
28 treatment in an ambulatory service facility and charges from
29 physicians for commonly utilized treatments as approved by
30 the council in accordance with subsection(a.1)(3)(iv) SECTION <—

1 11.1(A)(3);

2 (16) actual payments to each physician or professional
3 rendering service pursuant to paragraph (15);

4 (17) uniform identifier of primary payor;

5 (18) ZIP Code number of facility where health care
6 service is rendered;

7 (19) uniform identifier for payor group contract number;

8 (20) patient discharge status; and

9 (21) provider service effectiveness and provider quality
10 pursuant to section 5(d)(4) and subsection (d).

11 ~~(d) Provider quality and provider service effectiveness data~~ ←
12 ~~elements. In carrying out its duty to collect data on provider~~
13 ~~quality and provider service effectiveness under section 5(d)(4)~~
14 ~~and subsection (c)(21), the council shall, by January 1, 2007,~~
15 ~~define a methodology to measure provider service effectiveness~~
16 ~~which may include additional data elements to be specified by~~
17 ~~the council sufficient to carry out its responsibilities under~~
18 ~~section 5(d)(4). The council shall not require a hospital to~~
19 ~~contract with a specific vendor for provider quality and~~
20 ~~provider service effectiveness data elements; however, the~~
21 ~~council may adopt a nationally recognized methodology of~~
22 ~~quantifying and collecting data on provider quality and provider~~
23 ~~service effectiveness until such time as the council has the~~
24 ~~capability of developing its own methodology and standard data~~
25 ~~elements. The council shall include in the Pennsylvania Uniform~~
26 ~~Claims and Billing Form a field consisting of the data elements~~
27 ~~required pursuant to subsection (c)(21) to provide information~~
28 ~~on each provision of covered services sufficient to permit~~
29 ~~analysis of provider quality and provider service effectiveness~~
30 ~~within 180 days of commencement of its operations pursuant to~~

1 ~~section 4. In carrying out its responsibilities, the council~~
2 ~~shall not require health care insurers to report on data~~
3 ~~elements that are not reported to nationally recognized~~
4 ~~accrediting organizations, to the Department of Health or to the~~
5 ~~Insurance Department in quarterly or annual reports. The council~~
6 ~~shall not require reporting by health care insurers in different~~
7 ~~formats than are required for reporting to nationally recognized~~
8 ~~accrediting organizations or on quarterly or annual reports~~
9 ~~submitted to the Department of Health or to the Insurance~~
10 ~~Department. The council may adopt the quality findings as~~
11 ~~reported to nationally recognized accrediting organizations.~~

12 * * *

13 SECTION 4. THE ACT IS AMENDED BY ADDING A SECTION TO READ: <—

14 SECTION 11.1. COMMON SERVICES DATA ANALYSIS.

15 (A) WORK GROUP.--THE WORK GROUP UNDER SECTION 6(A.1) SHALL
16 DO ALL OF THE FOLLOWING:

17 (1) DEVELOP A SYSTEM OF DATA COLLECTION AND ANALYSIS ON
18 PHYSICIAN CHARGES FOR COMMON SERVICES AND TREATMENTS WORKING
19 WITH COUNCIL STAFF AND OUTSIDE THIRD-PARTY VENDORS AS NEEDED
20 AND AUTHORIZED BY THE COUNCIL. THE ANALYSIS SHALL PROVIDE A
21 METHODOLOGY FOR DEVELOPING A CHARGE COMPARISON INTERNET
22 SEARCH CAPABILITY SHOWING MOST COMMONLY UTILIZED MEDICAL
23 SERVICES AND TREATMENTS.

24 (2) AS PART OF ITS ANALYSIS, EXAMINE PHYSICIAN CHARGE
25 COMPARISON SYSTEMS USED IN OTHER STATES AS AN ADDENDUM TO ITS
26 REPORT IDENTIFYING WHICH COMPONENTS OF THOSE OTHER STATE
27 SYSTEMS ARE APPLICABLE OR APPROPRIATE TO PENNSYLVANIA. THIS
28 ANALYSIS OF OTHER STATES SHALL INCLUDE DESCRIPTIONS AS TO HOW
29 THE PHYSICIAN CHARGE DATA IS COLLECTED AND SHALL INCLUDE A
30 RECOMMENDATION TO THE COUNCIL, AS TO THE MOST EFFICIENT,

1 COST-EFFECTIVE AND LEAST INTRUSIVE WAY TO DETERMINE THE
2 PHYSICIAN CHARGE COMPARISONS FOR COMMON UTILIZED SERVICES AND
3 TREATMENTS. THE WORK GROUP RECOMMENDATION TO THE COUNCIL
4 SHALL CONTAIN COMPARISON BY COMMON PHYSICIAN SERVICE OR
5 TREATMENT AND GEOGRAPHIC LOCATION OF THE PHYSICIAN SEARCHABLE
6 BY COUNTY. THIS PHYSICIAN CHARGE COMPARISON SHALL ALSO
7 CONTAIN DATA ON REIMBURSEMENT RATES FOR ADULT BASIC, CHIP,
8 MEDICAID, MEDICAL ASSISTANCE, MEDICARE AND INSURER
9 REIMBURSEMENT RATES BY INSURER.

10 (3) REPORT ITS RECOMMENDATIONS TO THE COUNCIL NO LATER
11 THAN 180 DAYS AFTER THE EFFECTIVE DATE OF THIS SECTION. THE
12 PHYSICIAN CHARGE COMPARISON DESCRIBED IN THIS PARAGRAPH SHALL
13 BE AVAILABLE TO CONSUMERS BEGINNING JANUARY 1, 2009, OR
14 SOONER.

15 (B) DEFINITIONS.--NOTWITHSTANDING SECTION 3, AS USED IN THIS
16 SECTION, THE FOLLOWING WORDS AND PHRASES SHALL HAVE THE MEANINGS
17 GIVEN TO THEM IN THIS SUBSECTION:

18 "ADULT BASIC." THE HEALTH INVESTMENT INSURANCE PROGRAM
19 ESTABLISHED UNDER CHAPTER 13 OF THE ACT OF JUNE 26, 2001
20 (P.L.755, NO.77), KNOWN AS THE TOBACCO SETTLEMENT ACT.

21 "AMBULATORY SERVICE FACILITY." A FACILITY LICENSED IN THIS
22 COMMONWEALTH, NOT PART OF A HOSPITAL, WHICH PROVIDES MEDICAL,
23 DIAGNOSTIC OR SURGICAL TREATMENT TO PATIENTS NOT REQUIRING
24 HOSPITALIZATION, INCLUDING AMBULATORY SURGICAL FACILITIES,
25 AMBULATORY IMAGING OR DIAGNOSTIC CENTERS, BIRTHING CENTERS,
26 FREESTANDING EMERGENCY ROOMS AND ANY OTHER FACILITIES PROVIDING
27 AMBULATORY CARE WHICH CHARGE A SEPARATE FACILITY CHARGE.

28 PHYSICIAN'S OFFICES AND OFFICES OF OTHER LICENSED HEALTH CARE
29 PROVIDERS, WHETHER IN GROUP OR INDIVIDUAL PRACTICES, SHALL BE
30 CONSIDERED AMBULATORY SERVICE FACILITIES FOR THE PURPOSES OF

1 THIS ACT.

2 "CHILDREN'S HEALTH INSURANCE PROGRAM" OR "CHIP." THE PROGRAM
3 ESTABLISHED UNDER ARTICLE XXIII OF THE ACT OF MAY 17, 1921
4 (P.L.682, NO.284), KNOWN AS THE INSURANCE COMPANY LAW OF 1921.

5 "COVERED SERVICES." ANY HEALTH CARE SERVICES OR PROCEDURES
6 CONNECTED WITH EPISODES OF ILLNESS THAT REQUIRE EITHER INPATIENT
7 HOSPITAL CARE OR MAJOR AMBULATORY SERVICE SUCH AS SURGICAL,
8 MEDICAL OR MAJOR RADIOLOGICAL PROCEDURES, INCLUDING ANY INITIAL
9 AND FOLLOW-UP OUTPATIENT SERVICES ASSOCIATED WITH THE EPISODE OF
10 ILLNESS BEFORE, DURING OR AFTER INPATIENT HOSPITAL CARE OR MAJOR
11 AMBULATORY SERVICE. THE TERM INCLUDES ROUTINE OUTPATIENT
12 SERVICES CONNECTED WITH EPISODES OF ILLNESS THAT DO NOT REQUIRE
13 HOSPITALIZATION OR MAJOR AMBULATORY SERVICE, INCLUDING ALL
14 OFFICE VISITS TO PHYSICIANS, CHIROPRACTORS AND OTHER DATA
15 SOURCES INCLUDING OTHER LICENSED HEALTH CARE PROVIDERS.

16 "DATA SOURCE." A HOSPITAL; AMBULATORY SERVICE FACILITY;
17 PHYSICIAN; AUDIOLOGIST; BIRTHING CENTER; CHIROPRACTOR; DENTIST;
18 DOCTOR OF MEDICINE; MENTAL HEALTH PROFESSIONAL INCLUDING
19 PSYCHOLOGISTS; NURSE PRACTITIONER; OPTOMETRIST; OSTEOPATH;
20 PHYSICAL THERAPIST; PODIATRIST; SPEECH PATHOLOGIST OR OTHER
21 LICENSED HEALTH CARE PROVIDER; HEALTH MAINTENANCE ORGANIZATION
22 AS DEFINED IN THE ACT OF DECEMBER 29, 1972 (P.L.1701, NO.364),
23 KNOWN AS THE HEALTH MAINTENANCE ORGANIZATION ACT; HOSPITAL,
24 MEDICAL OR HEALTH SERVICE PLAN WITH A CERTIFICATE OF AUTHORITY
25 ISSUED BY THE INSURANCE DEPARTMENT, INCLUDING, BUT NOT LIMITED
26 TO, HOSPITAL PLAN CORPORATIONS AS DEFINED IN 40 PA.C.S. CH. 61
27 (RELATING TO HOSPITAL PLAN CORPORATIONS) AND PROFESSIONAL HEALTH
28 SERVICES PLAN CORPORATIONS AS DEFINED IN 40 PA.C.S. CH. 63
29 (RELATING TO PROFESSIONAL HEALTH SERVICES PLAN CORPORATIONS);
30 COMMERCIAL INSURER WITH A CERTIFICATE OF AUTHORITY ISSUED BY THE

1 INSURANCE DEPARTMENT PROVIDING HEALTH OR ACCIDENT INSURANCE;
2 SELF-INSURED EMPLOYER PROVIDING HEALTH OR ACCIDENT COVERAGE OR
3 BENEFITS FOR EMPLOYEES EMPLOYED IN THIS COMMONWEALTH;
4 ADMINISTRATOR OF A SELF-INSURED OR PARTIALLY SELF-INSURED HEALTH
5 OR ACCIDENT PLAN PROVIDING COVERED SERVICES IN THIS
6 COMMONWEALTH; ANY HEALTH AND WELFARE FUND THAT PROVIDES HEALTH
7 OR ACCIDENT BENEFITS OR INSURANCE PERTAINING TO COVERED SERVICE
8 IN THIS COMMONWEALTH; THE DEPARTMENT OF PUBLIC WELFARE FOR THOSE
9 COVERED SERVICES IT PURCHASES OR PROVIDES THROUGH THE MEDICAL
10 ASSISTANCE PROGRAM UNDER THE ACT OF JUNE 13, 1967 (P.L.31,
11 NO.21), KNOWN AS THE PUBLIC WELFARE CODE, AND ANY OTHER PAYOR
12 FOR COVERED SERVICES IN THIS COMMONWEALTH OTHER THAN AN
13 INDIVIDUAL. THIS TERM SHALL ALSO INCLUDE PHYSICIANS.

14 "HEALTH CARE FACILITY." A GENERAL OR SPECIAL HOSPITAL,
15 INCLUDING TUBERCULOSIS AND PSYCHIATRIC HOSPITALS, KIDNEY DISEASE
16 TREATMENT CENTERS, INCLUDING FREESTANDING HEMODIALYSIS UNITS,
17 BIRTHING CENTERS, OFFICES OF PHYSICIANS, CHIROPRACTORS AND OTHER
18 DATA SOURCES INCLUDING OTHER LICENSED HEALTH CARE PROVIDERS, AND
19 AMBULATORY SERVICE FACILITIES AS DEFINED IN THIS SECTION, AND
20 HOSPICES, BOTH PROFIT AND NONPROFIT, AND INCLUDING THOSE
21 OPERATED BY AN AGENCY OF STATE OR LOCAL GOVERNMENT.

22 "LICENSEE." AN INDIVIDUAL WHO IS A DATA SOURCE AND IS
23 LICENSED OR CERTIFIED BY THE COMMONWEALTH OF PENNSYLVANIA TO
24 PROVIDE A COVERED SERVICE IN A HOSPITAL, AN OFFICE OR OTHER
25 HEALTH CARE FACILITY IN THIS COMMONWEALTH.

26 "MEDICAID." THE PROGRAM ESTABLISHED UNDER TITLE XIX OF THE
27 SOCIAL SECURITY ACT (49 STAT. 620, 42 U.S.C. § 1396 ET SEQ.).

28 "MEDICAL ASSISTANCE." MEDICAL TREATMENT WHICH IS SUBSIDIZED
29 OR COMPLETELY PAID FOR BY THE COMMONWEALTH UNDER ARTICLE IV OF
30 THE ACT OF JUNE 13, 1967 (P.L.31, NO.21), KNOWN AS THE PUBLIC

1 WELFARE CODE.

2 "MEDICARE." THE PROGRAM ESTABLISHED UNDER TITLE XVIII OF THE
3 SOCIAL SECURITY ACT (49 STAT. 620, 42 U.S.C. § 1395 ET SEQ.).

4 "OTHER LICENSED HEALTH CARE PROVIDER." ANY OF THE FOLLOWING:

5 (1) A LICENSEE;

6 (2) A HEALTH CARE FACILITY; OR

7 (3) AN OFFICER, EMPLOYEE OR ENTITY OF A LICENSEE OR

8 HEALTH CARE FACILITY ACTING IN THE COURSE AND SCOPE OF

9 EMPLOYMENT.

10 "PHYSICIAN." AN INDIVIDUAL LICENSED UNDER THE LAWS OF THIS

11 COMMONWEALTH TO PRACTICE MEDICINE OR SURGERY WITHIN THE SCOPE OF

12 THE ACT OF OCTOBER 5, 1978 (P.L.1109, NO.261), KNOWN AS THE

13 OSTEOPATHIC MEDICAL PRACTICE ACT, OR THE ACT OF DECEMBER 20,

14 1985 (P.L.457, NO.112), KNOWN AS THE MEDICAL PRACTICE ACT OF

15 1985. THE TERM INCLUDES OTHER LICENSED HEALTH CARE PROVIDERS.

16 "PROVIDER." A HOSPITAL, AN AMBULATORY SERVICE FACILITY OR A

17 PHYSICIAN OR A DATA SOURCE, A BIRTHING CENTER OR OTHER LICENSED

18 HEALTH CARE PROVIDER.

19 SECTION 5. SECTION 19 OF THE ACT IS AMENDED TO READ:

20 Section 19. Sunset.

21 This act shall expire [June 30, 2008] June 30, 2011 2015, <—

22 unless reenacted prior to that date. By September 1, ~~{2007,}~~ <—

23 ~~2008,~~ 2007, a written report by the Legislative Budget and <—

24 Finance Committee evaluating the management, visibility,

25 awareness and performance of the council shall be provided to

26 the Public Health and Welfare Committee of the Senate and the

27 Health and Human Services Committee of the House of

28 Representatives. The report shall include a review of the

29 council's procedures and policies, the availability and quality

30 of data for completing reports to hospitals and outside vendor

1 purchasers, the ability of the council to become self-sufficient
2 by selling data to outside purchasers, whether there is a more
3 cost-efficient way of accomplishing the objectives of the
4 council and the need for reauthorization of the council.

5 Section 4 6. This act shall take effect in 60 days.

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