

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 547 Session of
2007

INTRODUCED BY WONDERLING, ERICKSON, RAFFERTY, FERLO, VANCE,
GREENLEAF, PIPPY, ORIE AND BAKER, MARCH 19, 2007

REFERRED TO PUBLIC HEALTH AND WELFARE, MARCH 19, 2007

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," further providing for data submission and
8 collection.

9 The General Assembly of the Commonwealth of Pennsylvania
10 hereby enacts as follows:

11 Section 1. Section 6(a)(2), (b) and (d) of the act of July
12 8, 1986 (P.L.408, No.89), known as the Health Care Cost
13 Containment Act, reenacted and amended July 17, 2003 (P.L.31,
14 No.14), are amended to read:

15 Section 6. Data submission and collection.

16 (a) * * *

17 (2) [Except as provided in this section, the] The
18 council may adopt any nationally recognized methodology to
19 adjust data submitted under subsection (c) for severity of
20 illness. Every three years after the effective date of this

1 paragraph, the council shall solicit bids from third-party
2 vendors to adjust the data. The solicitation shall be in
3 accordance with 62 Pa.C.S. (relating to procurement). [Except
4 as provided in subparagraph (i), in] In carrying out its
5 responsibilities, the council shall not require health care
6 facilities to report data elements which are not included in
7 the manual developed by the national uniform billing
8 committee. The following apply:

9 (i) Within 60 days of the effective date of this
10 paragraph, the council shall publish in the Pennsylvania
11 Bulletin a list of diseases, procedures and medical
12 conditions, not to exceed 35, for which data under
13 subsections (c)(21) and (d) shall be required. The chosen
14 list shall not represent more than 50% of total hospital
15 discharges, based upon the previous year's hospital
16 discharge data. Subsequent to the publication of the
17 list, any data submission requirements under subsections
18 (c)(21) and (d) previously in effect shall be null and
19 void for diseases, procedures and medical conditions not
20 found on the list. All other data elements pursuant to
21 subsection (c) shall continue to be required from data
22 sources. The council shall review the list and may add no
23 more than a net of three diseases, procedures or medical
24 conditions per year over a five-year period starting on
25 the effective date of this subparagraph. The adjusted
26 list of diseases, procedures and medical conditions shall
27 at no time be more than 50% of total hospital discharges.

28 (ii) If the current data vendor is unable to
29 achieve, on a per-chart basis, savings of at least 40% in
30 the cost of hospital compliance with the data abstracting

1 and submission requirements of this act by June 30, 2004,
2 as compared to June 30, 2003, then the council shall
3 disqualify the current vendor and reopen the bidding
4 process. The independent auditor shall determine the
5 extent and validity of the savings. In determining any
6 demonstrated cost savings, surveys of all hospitals in
7 this Commonwealth shall be conducted and consideration
8 shall be given at a minimum to:

9 (A) new costs, in terms of making the
10 methodology operational, associated with laboratory,
11 pharmacy and other information systems a hospital is
12 required to purchase in order to reduce hospital
13 compliance costs, including the cost of electronic
14 transfer of required data; and

15 (B) the audited direct personnel and related
16 costs of data abstracting and submission required.

17 (iii) Review by the independent auditor shall
18 commence by March 1, 2004, and shall conclude with a
19 report of findings by July 31, 2004. The report shall be
20 delivered to the council, the Governor, the Health and
21 Human Services Committee of the House of Representatives
22 and the Public Health and Welfare Committee of the
23 Senate.

24 * * *

25 (b) Pennsylvania Uniform Claims and Billing Form.--The
26 council shall adopt, within 180 days of the commencement of its
27 operations pursuant to section 4(i), a Pennsylvania Uniform
28 Claims and Billing Form format. The council shall furnish said
29 claims and billing form format to all data sources, and said
30 claims and billing form shall be utilized and maintained by all

1 data sources for all services covered by this act. The
2 Pennsylvania Uniform Claims and Billing Form shall consist of
3 the Uniform Hospital Billing Form UB-82/HCFA-1450, and the HCFA-
4 1500, or their successors, as developed by the National Uniform
5 Billing Committee[, with additional fields as necessary to
6 provide all of the data set forth in subsections (c) and (d)].

7 * * *

8 (d) Provider quality and provider service effectiveness data
9 elements.--In carrying out its duty to collect data on provider
10 quality and provider service effectiveness under section 5(d)(4)
11 and subsection (c)(21), the council shall, by January 1, 2008,
12 define a methodology to measure provider service effectiveness
13 [which may include additional data elements to be specified by
14 the council sufficient to carry out its responsibilities under
15 section 5(d)(4)]. The council shall not require a hospital to
16 contract with a specific vendor for provider quality and
17 provider service effectiveness data elements. The council [may]
18 shall adopt a nationally recognized methodology of quantifying
19 and collecting data on provider quality and provider service
20 effectiveness. [until such time as the council has the
21 capability of developing its own methodology and standard data
22 elements. The council shall include in the Pennsylvania Uniform
23 Claims and Billing Form a field consisting of the data elements
24 required pursuant to subsection (c)(21) to provide information
25 on each provision of covered services sufficient to permit
26 analysis of provider quality and provider service effectiveness
27 within 180 days of commencement of its operations pursuant to
28 section 4.] In carrying out its responsibilities, the council
29 shall not require health care insurers to report on data
30 elements that are not reported to nationally recognized

1 accrediting organizations, to the Department of Health or to the
2 Insurance Department in quarterly or annual reports[.] and shall
3 not require hospitals to report on data elements that are not
4 reported to nationally recognized accrediting organizations, to
5 the Center for Medicare and Medicaid Services or to the
6 Department of Health. The council shall not require reporting by
7 health care insurers in different formats than are required for
8 reporting to nationally recognized accrediting organizations or
9 on quarterly or annual reports submitted to the Department of
10 Health or to the Insurance Department. The council shall not
11 require reporting by hospitals in different formats than are
12 required for reporting to nationally recognized accrediting
13 organizations, to the Center for Medicare and Medicaid Services
14 or to the Department of Health on quarterly or annual reports.
15 The council may adopt the quality findings as reported to
16 nationally recognized accrediting organizations.

17 * * *

18 Section 2. This act shall take effect immediately.