



# HOUSE COMMITTEE ON APPROPRIATIONS

2009-10 Legislative Session

## FISCAL NOTE

HOUSE BILL NO: 84

PRINTER'S NO: 1955

PRIME SPONSOR: DeLuca

FISCAL IMPACT SUMMARY	FY 2008/09	FY 2009/10
<b>Expenditure Increase/(Decrease):</b>		
General Fund	\$0	\$0

### OVERVIEW:

House Bill 84 creates the Preventable Serious Adverse Events Act. Under this legislation, health care providers may not knowingly seek payment from health payors or patients for a preventable serious adverse event, as defined by the act, or services required to correct or treat the problem created by such an event occurring under their control. If a health care provider discovers that payment has unknowingly been sought for a preventable serious adverse event, within 30 days or the discovery or receipt of payment, the provider shall immediately notify and issue a refund to the health payor or patient. A health payor who discovers that payment has been sought for a preventable serious adverse event shall notify the provider that payment may not be sought and payment will not be made. No information provided in compliance with the act shall be discoverable or admissible in actions relating to the Medical Care Availability and Reduction of Error (MCARE) Act.

Under the Act, the Department of Health (DOH) is responsible for publishing updates to the list of reportable serious adverse events adopted by the National Quality Forum in the Pennsylvania Bulletin. DOH shall be responsible for investigating patient complaints regarding a health care facility that is seeking payment for a preventable serious adverse event.

The Department of Public Welfare shall issue a preventable serious adverse events bulletin for nursing facilities. The bulletin issued shall apply to preventable serious adverse events for the medical assistance program.

The Department of State shall be responsible for investigating patient complaints regarding a health care provider that is not a health care facility that is seeking payment for a preventable serious adverse event.

Nothing in the act shall require the Department of Public Welfare (DPW) to alter, amend or reissue any payment policy for inpatient hospitals relating to preventable serious adverse events that was promulgated prior to the act. Any modifications to DPW payment policy shall require a 30 day public comment period.

The act shall not prohibit a health care provider and payor from establishing by contract any policies and procedures associated with serious preventable adverse events necessary to implement the act.

Nothing in the act shall be construed to supersede Medicare payment policies where the services are provided are paid by Medicare.

Section 4(d), relating to the proposed preventable serious adverse events bulletin to be published by DPW in the Pennsylvania Bulletin, shall take effect in one year. The remainder of the act shall take effect in 60 days.

**ANALYSIS:**

Under the act, the Department of Health and Department of State will be able to comply with the provisions of this act within each agency's operating budgets. Please note that the Bureau of Professional and Occupational Affairs in the Department of State is funded by restricted accounts that are maintained by licensure fees.

**PREPARED BY:** Lisa M. Fleming, Budget Analyst  
House Appropriations Committee (D)

**DATE:** June 19, 2009

**General Note and Disclaimer:** *This Fiscal Note was prepared pursuant to House Rule 19(a), and the elements considered and reported above are required by Section 5 of the rule. Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.*