

**HOSPITAL OBSERVATION STATUS CONSUMER NOTIFICATION ACT -  
ENACTMENT**

**Act of Oct. 22, 2014, P.L. 2633, No. 169**

**Cl. 35**

An Act

Requiring a hospital to provide notice to a patient of the patient's outpatient status, and the impact of the outpatient status on insurance coverage.

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

Section 1. Short title.

This act shall be known and may be cited as the Hospital Observation Status Consumer Notification Act.

Section 2. Definitions.

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

"Hospital emergency room." An entity within a hospital which is organizationally distinct from other outpatient facilities and whose primary function is to provide emergency accident and emergency medical or surgical care.

Section 3. Patient notice of observation services.

(a) Duty.--A hospital shall provide notice to a patient or patient's designee of the patient's outpatient status, and information that provides a general description of outpatient observation status, if all of the following apply:

(1) The patient receives onsite services from the hospital for more than 23 consecutive hours.

(2) The onsite services received by the patient include a hospital bed and meals that have been provided in an area of the hospital other than the hospital emergency room.

(3) The patient has not been formally admitted as an inpatient at the hospital.

(b) Contents.--A patient notice required under subsection (a) shall include a statement that:

(1) outpatient observation status may impact coverage determinations made by the Federal Medicare Program or the patient's insurance company for hospital and posthospital payments;

(2) final decisions related to outpatient observation status can be made after a patient is no longer a patient at the hospital and after a patient has received hospital services or other services; and

(3) a patient should contact Medicare, Medicaid or any other insurance provider if the patient has specific questions about the coverage.

(c) Information.--A hospital shall provide information to a patient concerning observation status as follows:

(1) by written notice; and

(2) by oral notice, which must include a summary of the notice provided under paragraph (1) or, at the request of the patient, the notice provided under paragraph (1).

Section 4. Change in status.

If, during or after a patient receives a hospital service, a patient's inpatient stay is later recategorized, a hospital shall not be responsible for a coverage implication or notice requirement under this act.

Section 5. Expiration.

(a) Notice.--If the Federal Government amends 42 CFR 409.30(a)(1) (relating to basic requirements) to eliminate or modify the Medicare three-day qualifying hospital stay requirement in a manner that makes the notification required under section 3 unnecessary, the Secretary of Health shall submit notice of the amendment for publication in the Pennsylvania Bulletin.

(b) Time.--This act shall expire upon publication of the notice under subsection (a).  
Section 40. Effective date.

This act shall take effect in 180 days.