

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL
No. 2648 Session of
2008

INTRODUCED BY EACHUS, DeWEESE, McCALL, DERMODY, D. EVANS, SURRA,
YOUNGBLOOD, BISHOP, MUNDY, BLACKWELL, OLIVER, BUXTON,
CALTAGIRONE, CAPPELLI, CARROLL, CASORIO, CLYMER, CONKLIN,
CUTLER, FABRIZIO, FRANKEL, GALLOWAY, GEORGE, GIBBONS,
GINGRICH, HALUSKA, HARKINS, HORNAMAN, JAMES, JOSEPHS,
KESSLER, KING, KORTZ, KULA, LENTZ, LONGIETTI,
McILVAINE SMITH, MELIO, R. MILLER, M. O'BRIEN, PRESTON,
RAMALEY, SAINATO, SAYLOR, SHIMKUS, SIPTROTH, K. SMITH,
M. SMITH, STABACK, STURLA, TANGRETTI, R. TAYLOR, VITALI,
WALKO, J. WHITE, YUDICHAK, SANTONI, BRENNAN, PARKER,
DONATUCCI AND KILLION, JUNE 18, 2008

SENATOR ARMSTRONG, APPROPRIATIONS, IN SENATE, RE-REPORTED AS
AMENDED, JULY 2, 2008

AN ACT

1 ~~Amending the act of July 8, 1986 (P.L.408, No.89), entitled, "An~~ <—
2 ~~act providing for the creation of the Health Care Cost~~
3 ~~Containment Council, for its powers and duties, for health~~
4 ~~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," defining "committee"; further providing~~
8 ~~for powers and duties of the council; providing for the~~
9 ~~establishment of a Health Care Cost Containment Council Act~~
10 ~~Review Committee; and further providing for expiration.~~
11 ~~AMENDING~~ REENACTING AND AMENDING THE ACT OF JULY 8, 1986 <—
12 (P.L.408, NO.89), ENTITLED, AS REENACTED, "AN ACT PROVIDING
13 FOR THE CREATION OF THE HEALTH CARE COST CONTAINMENT COUNCIL,
14 FOR ITS POWERS AND DUTIES, FOR HEALTH CARE COST CONTAINMENT
15 THROUGH THE COLLECTION AND DISSEMINATION OF DATA, FOR PUBLIC
16 ACCOUNTABILITY OF HEALTH CARE COSTS AND FOR HEALTH CARE FOR
17 THE INDIGENT; AND MAKING AN APPROPRIATION," DEFINING
18 "COMMITTEE"; FURTHER PROVIDING FOR THE HEALTH CARE COST
19 CONTAINMENT COUNCIL AND ITS POWERS AND DUTIES, FOR DATA
20 SUBMISSION AND COLLECTION AND FOR ACCESS TO COUNCIL DATA;
21 PROVIDING FOR THE ESTABLISHMENT OF A HEALTH CARE COST
22 CONTAINMENT COUNCIL ACT REVIEW COMMITTEE AND FOR SUNSET OF
23 ACT; PROVIDING FOR ABATEMENT UNDER HEALTH CARE PROVIDER

1 RETENTION PROGRAM; AND MAKING A RELATED REPEAL.

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

4 ~~Section 1. Section 3 of the act of July 8, 1986 (P.L.408,~~ <—
5 ~~No.89), known as the Health Care Cost Containment Act, reenacted~~
6 ~~and amended July 17, 2003 (P.L.31, No.14), is amended by adding~~
7 ~~a definition to read:~~

8 ~~Section 3. Definitions.~~

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

12 * * *

13 ~~"Committee." The Health Care Cost Containment Council Act~~
14 ~~Review Committee.~~

15 * * *

16 ~~Section 2. Section 5(d) of the act is amended by adding a~~
17 ~~paragraph and the section is amended by adding a subsection to~~
18 ~~read:~~

19 ~~Section 5. Powers and duties of the council.~~

20 * * *

21 ~~(d) General duties and functions. The council is hereby~~
22 ~~authorized to and shall perform the following duties and~~
23 ~~functions:~~

24 * * *

25 ~~(9.1) Compile and establish an Internet database for the~~
26 ~~general public showing Medicare reimbursement rates for~~
27 ~~common covered services and treatments.~~

28 * * *

29 ~~(e) Definitions. For purposes of subsection (d)(9.1), the~~
30 ~~following words and phrases shall have the meanings given to~~

1 ~~them in this subsection:~~

2 ~~"Ambulatory service facility." A facility licensed in this~~
3 ~~Commonwealth, not part of a hospital, which provides medical,~~
4 ~~diagnostic or surgical treatment to patients not requiring~~
5 ~~hospitalization, including ambulatory surgical facilities,~~
6 ~~ambulatory imaging or diagnostic centers, birthing centers,~~
7 ~~freestanding emergency rooms and any other facilities providing~~
8 ~~ambulatory care which charge a separate facility charge.~~
9 ~~Physician's offices and offices of other licensed health care~~
10 ~~providers, whether in group or individual practices, shall be~~
11 ~~considered ambulatory service facilities for the purposes of~~
12 ~~this act.~~

13 ~~"Covered services." Any health care services or procedures~~
14 ~~connected with episodes of illness that require either inpatient~~
15 ~~hospital care or major ambulatory service such as surgical,~~
16 ~~medical or major radiological procedures, including any initial~~
17 ~~and follow up outpatient services associated with the episode of~~
18 ~~illness before, during or after inpatient hospital care or major~~
19 ~~ambulatory service. The term includes routine outpatient~~
20 ~~services connected with episodes of illness that do not require~~
21 ~~hospitalization or major ambulatory service, including all~~
22 ~~office visits to physicians, chiropractors and other data~~
23 ~~sources including other licensed health care providers.~~

24 ~~"Data source." A hospital; ambulatory service facility;~~
25 ~~physician; audiologist; birthing center; chiropractor; dentist;~~
26 ~~doctor of medicine; mental health professional including~~
27 ~~psychologists; nurse practitioner; optometrist; osteopath;~~
28 ~~physical therapist; podiatrist; speech pathologist or other~~
29 ~~licensed health care provider; health maintenance organization~~
30 ~~as defined in the act of December 29, 1972 (P.L.1701, No.364);~~

1 ~~known as the Health Maintenance Organization Act; hospital,~~
2 ~~medical or health service plan with a certificate of authority~~
3 ~~issued by the Insurance Department, including, but not limited~~
4 ~~to, hospital plan corporations as defined in 40 Pa.C.S. Ch. 61~~
5 ~~(relating to hospital plan corporations) and professional health~~
6 ~~services plan corporations as defined in 40 Pa.C.S. Ch. 63~~
7 ~~(relating to professional health services plan corporations);~~
8 ~~commercial insurer with a certificate of authority issued by the~~
9 ~~Insurance Department providing health or accident insurance;~~
10 ~~self insured employer providing health or accident coverage or~~
11 ~~benefits for employees employed in this Commonwealth;~~
12 ~~administrator of a self insured or partially self insured health~~
13 ~~or accident plan providing covered services in this~~
14 ~~Commonwealth; any health and welfare fund that provides health~~
15 ~~or accident benefits or insurance pertaining to covered service~~
16 ~~in this Commonwealth; the Department of Public Welfare for those~~
17 ~~covered services it purchases or provides through the medical~~
18 ~~assistance program under the act of June 13, 1967 (P.L.31,~~
19 ~~No.21), known as the Public Welfare Code, and any other payor~~
20 ~~for covered services in this Commonwealth other than an~~
21 ~~individual. This term shall also include physicians.~~

22 ~~"Health care facility." A general or special hospital,~~
23 ~~including tuberculosis and psychiatric hospitals, kidney disease~~
24 ~~treatment centers, including freestanding hemodialysis units,~~
25 ~~birthing centers, offices of physicians, chiropractors and other~~
26 ~~data sources including other licensed health care providers, and~~
27 ~~ambulatory service facilities as defined in this section, and~~
28 ~~hospices, both profit and nonprofit, and including those~~
29 ~~operated by an agency of State or local government.~~

30 ~~"Licensee." An individual who is a data source and is~~

~~licensed or certified by the Commonwealth of Pennsylvania to provide a covered service in a hospital, an office or other health care facility in this Commonwealth.~~

~~"Medicare." The program established under Title XVIII of the Social Security Act (49 Stat. 620, 42 U.S.C. § 1395 et seq.).~~

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

~~(1) a licensee;~~

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

~~(3) an officer, employee or entity of a licensee or health care facility acting in the course and scope of employment.~~

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

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

~~Section 3. The act is amended by adding a section to read:~~
~~Section 17.2. Health Care Cost Containment Council Act Review Committee.~~

~~(a) Establishment. There is hereby established an independent committee to be known as the Health Care Cost Containment Council Act Review Committee.~~

~~(b) Composition. The committee shall consist of the following voting members composed of and appointed as follows:~~

~~(1) One member appointed by the Governor.~~

~~(2) Four members appointed by the General Assembly, one~~

~~of whom shall be appointed by each of the following:~~

~~(i) one by the President pro tempore of the Senate;~~

~~(ii) one by the Minority Leader of the Senate;~~

~~(iii) one by the Majority Leader of the House of
Representatives; and~~

~~(iv) one by the Minority Leader of the House of
Representatives.~~

~~(3) Two representatives of the business community, at
least one of whom represents small business, and neither of
whom is primarily involved in the provision of health care or
health insurance, one of whom shall be appointed by the
President pro tempore of the Senate and one of whom shall be
appointed by the Speaker of the House of Representatives from
a list of four qualified persons recommended by the
Pennsylvania Chamber of Business and Industry.~~

~~(4) Two representatives of organized labor, one of whom
shall be appointed by the President pro tempore of the Senate
and one of whom shall be appointed by the Speaker of the
House of Representatives from a list of four qualified
persons recommended by the Pennsylvania AFL CIO.~~

~~(5) One representative of consumers who is not primarily
involved in the provision of health care or health care
insurance, appointed by the Governor from a list of three
qualified persons recommended jointly by the President pro
tempore of the Senate and the Speaker of the House of
Representatives.~~

~~(6) One representative of hospitals, appointed by the
Governor from a list of three qualified hospital
representatives recommended by the Hospital and Health System
Association of Pennsylvania.~~

~~(7) One representative of physicians, appointed by the Governor from a list of three qualified physician representatives recommended jointly by the Pennsylvania Medical Society and the Pennsylvania Osteopathic Medical Society.~~

~~(8) One representative of nurses, appointed by the Governor from a list of three qualified representatives recommended by the Pennsylvania State Nurses Association.~~

~~(9) One representative of the Blue Cross and Blue Shield plans in Pennsylvania, appointed by the Governor from a list of three qualified persons recommended jointly by the Blue Cross and Blue Shield plans of Pennsylvania.~~

~~(10) One representative of commercial insurance carriers, appointed by the Governor from a list of three qualified persons recommended by the Insurance Federation of Pennsylvania, Inc.~~

~~(11) One representative of health maintenance organizations, appointed by the Governor from a list of three qualified persons recommended by the Managed Care Association of Pennsylvania.~~

~~(c) Chairperson. The appointment made by the Governor under subsection (b)(1) shall serve as chairman of the committee.~~

~~(d) Quorum. Eleven members shall constitute a quorum for the transaction of any business and the act by the majority of the members present at any meeting in which there is a quorum shall be deemed to be the act of the committee.~~

~~(e) Meetings.~~

~~(1) All meetings of the committee shall be advertised and conducted pursuant to 65 Pa.C.S. Ch. 7 (relating to open meetings).~~

~~(2) All action taken by the committee shall be taken in open public session, and action of the committee shall not be taken except upon the affirmative vote of a majority of the members of the committee present during meetings at which a quorum is present.~~

~~(f) Compensation and expenses. The members of the committee shall not receive a salary or per diem allowance for serving as members of the committee but shall be reimbursed for actual and necessary expenses incurred in the performance of their duties. Expenses may include reimbursement of travel and living expenses while engaged in committee business.~~

~~(g) Commencement of committee.~~

~~(1) Within 15 days after the effective date of this section, each organization or individual required to submit a list of recommended persons to the Governor, the President pro tempore of the Senate or the Speaker of the House of Representatives under subsection (b) shall submit the list.~~

~~(2) Within 30 days of the effective date of this section, the Governor, the President pro tempore of the Senate and the Speaker of the House of Representatives shall make the appointments called for in subsection (b), and the committee shall begin operations immediately following the appointments.~~

~~(h) Responsibilities of the committee. The committee shall have the following powers and duties:~~

~~(1) To study, review and recommend changes to this act.~~

~~(2) To accept and review suggested changes to this act submitted by members of the committee.~~

~~(3) To approve, by a majority vote of the members of the committee, a report recommending statutory changes to this~~

1 ~~act.~~

2 ~~(4) To submit the report approved under paragraph (3) to~~
3 ~~the President pro tempore of the Senate and the Speaker of~~
4 ~~the House of Representatives by April 30, 2009.~~

5 ~~(i) Committee support. The council shall offer staff and~~
6 ~~administrative support necessary for the committee to carry out~~
7 ~~its duties under this section.~~

8 ~~Section 4. Section 19 of the act is amended to read:~~

9 ~~Section 19. Sunset.~~

10 ~~This act shall expire [June 30, 2008, unless reenacted prior~~
11 ~~to that date.] December 31, 2018, unless the General Assembly~~
12 ~~acts within 60 days after the submission of the report under~~
13 ~~section 17.2(h)(4). By September 1, 2007, a written report by~~
14 ~~the Legislative Budget and Finance Committee evaluating the~~
15 ~~management, visibility, awareness and performance of the council~~
16 ~~shall be provided to the Public Health and Welfare Committee of~~
17 ~~the Senate and the Health and Human Services Committee of the~~
18 ~~House of Representatives. The report shall include a review of~~
19 ~~the council's procedures and policies, the availability and~~
20 ~~quality of data for completing reports to hospitals and outside~~
21 ~~vendor purchasers, the ability of the council to become self-~~
22 ~~sufficient by selling data to outside purchasers, whether there~~
23 ~~is a more cost efficient way of accomplishing the objectives of~~
24 ~~the council and the need for reauthorization of the council.~~

25 ~~Section 5. This act shall take effect immediately.~~

26 ~~SECTION 1. THE TITLE OF THE ACT OF JULY 8, 1986 (P.L.408,~~
27 ~~NO.89), KNOWN AS THE HEALTH CARE COST CONTAINMENT ACT, REENACTED~~
28 ~~AND AMENDED JULY 17, 2003 (P.L.31, NO.14), IS AMENDED TO READ:~~

29 ~~AN ACT~~

30 ~~PROVIDING FOR THE CREATION OF THE HEALTH CARE COST CONTAINMENT~~

~~COUNCIL, FOR ITS POWERS AND DUTIES, FOR HEALTH CARE COST
CONTAINMENT THROUGH THE COLLECTION AND DISSEMINATION OF DATA,
FOR PUBLIC ACCOUNTABILITY OF HEALTH CARE COSTS AND FOR HEALTH
CARE FOR THE INDIGENT; PROVIDING FOR HEALTH CARE PROVIDER
RETENTION; AND MAKING AN APPROPRIATION.~~

~~SECTION 1.1. SECTION 3 OF THE ACT IS AMENDED BY ADDING A
DEFINITION TO READ:~~

~~SECTION 3. 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:~~

~~* * *~~

~~"COMMITTEE." THE HEALTH CARE COST CONTAINMENT COUNCIL ACT
REVIEW COMMITTEE.~~

~~* * *~~

~~SECTION 2. SECTIONS 4(F), 5(C) AND (D), 6(A) AND (D) AND
10(B)(5) OF THE ACT ARE AMENDED TO READ:~~

~~SECTION 4. HEALTH CARE COST CONTAINMENT COUNCIL.~~

~~* * *~~

~~(F) BYLAWS. THE COUNCIL SHALL ADOPT BYLAWS, NOT
INCONSISTENT WITH THIS ACT, AND MAY APPOINT SUCH COMMITTEES OR
ELECT SUCH OFFICERS SUBORDINATE TO THOSE PROVIDED FOR IN
SUBSECTION (C) AS IT DEEMS ADVISABLE. THE COUNCIL SHALL PROVIDE
FOR THE APPROVAL AND PARTICIPATION OF ADDITIONAL DELEGATES
APPOINTED UNDER SUBSECTION (B)(7) AND (8) SO THAT EACH
ORGANIZATION REPRESENTED BY DELEGATES UNDER THOSE PARAGRAPHS
SHALL NOT HAVE MORE THAN ONE VOTE ON ANY COMMITTEE TO WHICH THEY
ARE APPOINTED. THE COUNCIL SHALL ALSO APPOINT A TECHNICAL
ADVISORY GROUP WHICH SHALL, ON AN AD HOC BASIS, RESPOND TO
ISSUES PRESENTED TO IT BY THE COUNCIL OR COMMITTEES OF THE~~

1 COUNCIL AND SHALL MAKE RECOMMENDATIONS TO THE COUNCIL. THE
2 TECHNICAL ADVISORY GROUP SHALL INCLUDE PHYSICIANS, RESEARCHERS,
3 BIOSTATISTICIANS, ONE REPRESENTATIVE OF THE HOSPITAL AND
4 HEALTHSYSTEM ASSOCIATION OF PENNSYLVANIA AND ONE REPRESENTATIVE
5 OF THE PENNSYLVANIA MEDICAL SOCIETY. THE HOSPITAL AND
6 HEALTHSYSTEM ASSOCIATION OF PENNSYLVANIA AND THE PENNSYLVANIA
7 MEDICAL SOCIETY REPRESENTATIVES SHALL NOT BE SUBJECT TO
8 EXECUTIVE COMMITTEE APPROVAL. IN APPOINTING OTHER PHYSICIANS,
9 RESEARCHERS AND BIOSTATISTICIANS TO THE TECHNICAL ADVISORY
10 GROUP, THE COUNCIL SHALL CONSULT WITH AND TAKE NOMINATIONS FROM
11 THE REPRESENTATIVES OF THE HOSPITAL ASSOCIATION OF PENNSYLVANIA,
12 THE PENNSYLVANIA MEDICAL SOCIETY, THE PENNSYLVANIA OSTEOPATHIC
13 MEDICAL SOCIETY OR OTHER LIKE ORGANIZATIONS. AT ITS DISCRETION
14 AND IN ACCORDANCE WITH THIS SECTION, NOMINATIONS SHALL BE
15 APPROVED BY THE EXECUTIVE COMMITTEE OF THE COUNCIL. IF THE
16 SUBJECT MATTER OF ANY PROJECT EXCEEDS THE EXPERTISE OF THE
17 TECHNICAL ADVISORY GROUP, PHYSICIANS IN APPROPRIATE SPECIALTIES
18 WHO POSSESS CURRENT KNOWLEDGE OF THE ISSUE UNDER STUDY MAY BE
19 CONSULTED. THE TECHNICAL ADVISORY GROUP SHALL ALSO REVIEW THE
20 AVAILABILITY AND RELIABILITY OF SEVERITY OF ILLNESS MEASUREMENTS
21 AS THEY RELATE TO SMALL HOSPITALS AND PSYCHIATRIC,
22 REHABILITATION AND CHILDREN'S HOSPITALS AND SHALL MAKE
23 RECOMMENDATIONS TO THE COUNCIL BASED UPON THIS REVIEW. MEETINGS
24 OF THE TECHNICAL ADVISORY GROUP SHALL BE OPEN TO THE GENERAL
25 PUBLIC.

26 * * *

27 SECTION 5. POWERS AND DUTIES OF THE COUNCIL.

28 * * *

29 (C) AUDIT POWERS. THE COUNCIL SHALL HAVE THE RIGHT TO
30 INDEPENDENTLY AUDIT ALL INFORMATION REQUIRED TO BE SUBMITTED BY

~~DATA SOURCES AS NEEDED TO CORROBORATE THE ACCURACY OF THE
SUBMITTED DATA, PURSUANT TO THE FOLLOWING:~~

~~(1) AUDITS OF INFORMATION SUBMITTED BY PROVIDERS OR
HEALTH CARE INSURERS SHALL BE PERFORMED ON A SAMPLE AND
ISSUE SPECIFIC BASIS, AS NEEDED BY THE COUNCIL, AND SHALL BE
COORDINATED, TO THE EXTENT PRACTICABLE, WITH AUDITS PERFORMED
BY THE COMMONWEALTH. ALL HEALTH CARE INSURERS AND PROVIDERS
ARE HEREBY REQUIRED TO MAKE THOSE BOOKS, RECORDS OF ACCOUNTS
AND ANY OTHER DATA NEEDED BY THE AUDITORS AVAILABLE TO THE
COUNCIL AT A CONVENIENT LOCATION WITHIN 30 DAYS OF A WRITTEN
NOTIFICATION BY THE COUNCIL.~~

~~(2) AUDITS OF INFORMATION SUBMITTED BY PURCHASERS SHALL
BE PERFORMED ON A SAMPLE BASIS, UNLESS THERE EXISTS
REASONABLE CAUSE TO AUDIT SPECIFIC PURCHASERS, BUT IN NO CASE
SHALL THE COUNCIL HAVE THE POWER TO AUDIT FINANCIAL
STATEMENTS OF PURCHASERS.~~

~~(3) ALL AUDITS PERFORMED BY THE COUNCIL SHALL BE
PERFORMED AT THE EXPENSE OF THE COUNCIL.~~

~~(4) THE RESULTS OF AUDITS OF PROVIDERS OR HEALTH CARE
INSURERS SHALL BE PROVIDED TO THE AUDITED PROVIDERS AND
HEALTH CARE INSURERS ON A TIMELY BASIS, NOT TO EXCEED 30 DAYS
BEYOND PRESENTATION OF AUDIT FINDINGS TO THE COUNCIL.~~

~~(D) GENERAL DUTIES AND FUNCTIONS. THE COUNCIL IS HEREBY
AUTHORIZED TO AND SHALL PERFORM THE FOLLOWING DUTIES AND
FUNCTIONS:~~

~~(1) DEVELOP A COMPUTERIZED SYSTEM FOR THE COLLECTION,
ANALYSIS AND DISSEMINATION OF DATA. THE COUNCIL MAY CONTRACT
WITH A VENDOR WHO WILL PROVIDE SUCH DATA PROCESSING SERVICES.
THE COUNCIL SHALL ASSURE THAT THE SYSTEM WILL BE CAPABLE OF
PROCESSING ALL DATA REQUIRED TO BE COLLECTED UNDER THIS ACT.~~

1 ~~ANY VENDOR SELECTED BY THE COUNCIL SHALL BE SELECTED IN~~
2 ~~ACCORDANCE WITH THE PROVISIONS OF SECTION 16, AND SAID VENDOR~~
3 ~~SHALL RELINQUISH ANY AND ALL PROPRIETARY RIGHTS OR CLAIMS TO~~
4 ~~THE DATA BASE CREATED AS A RESULT OF IMPLEMENTATION OF THE~~
5 ~~DATA PROCESSING SYSTEM.~~

6 ~~(2) ESTABLISH A PENNSYLVANIA UNIFORM CLAIMS AND BILLING~~
7 ~~FORM FOR ALL DATA SOURCES AND ALL PROVIDERS WHICH SHALL BE~~
8 ~~UTILIZED AND MAINTAINED BY ALL DATA SOURCES AND ALL PROVIDERS~~
9 ~~FOR ALL SERVICES COVERED UNDER THIS ACT.~~

10 ~~(3) COLLECT AND DISSEMINATE DATA, AS SPECIFIED IN~~
11 ~~SECTION 6, AND OTHER INFORMATION FROM DATA SOURCES TO WHICH~~
12 ~~THE COUNCIL IS ENTITLED, PREPARED ACCORDING TO FORMATS, TIME~~
13 ~~FRAMES AND CONFIDENTIALITY PROVISIONS AS SPECIFIED IN~~
14 ~~SECTIONS 6 AND 10, AND BY THE COUNCIL.~~

15 ~~(4) ADOPT AND IMPLEMENT A METHODOLOGY TO COLLECT AND~~
16 ~~DISSEMINATE DATA REFLECTING PROVIDER QUALITY AND PROVIDER~~
17 ~~SERVICE EFFECTIVENESS PURSUANT TO SECTION 6.~~

18 ~~(5) SUBJECT TO THE RESTRICTIONS ON ACCESS TO RAW DATA~~
19 ~~SET FORTH IN SECTION 10, ISSUE SPECIAL REPORTS AND MAKE~~
20 ~~AVAILABLE RAW DATA AS DEFINED IN SECTION 3 TO ANY PURCHASER~~
21 ~~REQUESTING IT. SALE BY ANY RECIPIENT OR EXCHANGE OR~~
22 ~~PUBLICATION BY A RECIPIENT, OTHER THAN A PURCHASER, OF RAW~~
23 ~~COUNCIL DATA TO OTHER PARTIES WITHOUT THE EXPRESS WRITTEN~~
24 ~~CONSENT OF, AND UNDER TERMS APPROVED BY, THE COUNCIL SHALL BE~~
25 ~~UNAUTHORIZED USE OF DATA PURSUANT TO SECTION 10(C).~~

26 ~~(6) ON AN ANNUAL BASIS, PUBLISH IN THE PENNSYLVANIA~~
27 ~~BULLETIN A LIST OF ALL THE RAW DATA REPORTS IT HAS PREPARED~~
28 ~~UNDER SECTION 10(F) AND A DESCRIPTION OF THE DATA OBTAINED~~
29 ~~THROUGH EACH COMPUTER TO COMPUTER ACCESS IT HAS PROVIDED~~
30 ~~UNDER SECTION 10(F) AND OF THE NAMES OF THE PARTIES TO WHOM~~

1 ~~THE COUNCIL PROVIDED THE REPORTS OR THE COMPUTER TO COMPUTER~~
2 ~~ACCESS DURING THE PREVIOUS MONTH.~~

3 ~~(7) PROMOTE COMPETITION IN THE HEALTH CARE AND HEALTH~~
4 ~~INSURANCE MARKETS.~~

5 ~~(8) ASSURE THAT THE USE OF COUNCIL DATA DOES NOT RAISE~~
6 ~~ACCESS BARRIERS TO CARE.~~

7 ~~(10) MAKE ANNUAL REPORTS TO THE GENERAL ASSEMBLY ON THE~~
8 ~~RATE OF INCREASE IN THE COST OF HEALTH CARE IN THE~~
9 ~~COMMONWEALTH AND THE EFFECTIVENESS OF THE COUNCIL IN CARRYING~~
10 ~~OUT THE LEGISLATIVE INTENT OF THIS ACT. IN ADDITION, THE~~
11 ~~COUNCIL MAY MAKE RECOMMENDATIONS ON THE NEED FOR FURTHER~~
12 ~~HEALTH CARE COST CONTAINMENT LEGISLATION. THE COUNCIL SHALL~~
13 ~~ALSO MAKE ANNUAL REPORTS TO THE GENERAL ASSEMBLY ON THE~~
14 ~~QUALITY AND EFFECTIVENESS OF HEALTH CARE AND ACCESS TO HEALTH~~
15 ~~CARE FOR ALL CITIZENS OF THE COMMONWEALTH.~~

16 ~~(12) CONDUCT STUDIES AND PUBLISH REPORTS THEREON~~
17 ~~ANALYZING THE EFFECTS THAT NONINPATIENT, ALTERNATIVE HEALTH~~
18 ~~CARE DELIVERY SYSTEMS HAVE ON HEALTH CARE COSTS. THESE~~
19 ~~SYSTEMS SHALL INCLUDE, BUT NOT BE LIMITED TO: HMO'S; PPO'S;~~
20 ~~PRIMARY HEALTH CARE FACILITIES; HOME HEALTH CARE; ATTENDANT~~
21 ~~CARE; AMBULATORY SERVICE FACILITIES; FREESTANDING EMERGENCY~~
22 ~~CENTERS; BIRTHING CENTERS; AND HOSPICE CARE. THESE REPORTS~~
23 ~~SHALL BE SUBMITTED TO THE GENERAL ASSEMBLY AND SHALL BE MADE~~
24 ~~AVAILABLE TO THE PUBLIC.~~

25 ~~(13) CONDUCT STUDIES AND MAKE REPORTS CONCERNING THE~~
26 ~~UTILIZATION OF EXPERIMENTAL AND NONEXPERIMENTAL TRANSPLANT~~
27 ~~SURGERY AND OTHER HIGHLY TECHNICAL AND EXPERIMENTAL~~
28 ~~PROCEDURES, INCLUDING COSTS AND MORTALITY RATES.~~

29 ~~(14) IN ORDER TO ENSURE THAT THE COUNCIL ADOPTS AND~~
30 ~~MAINTAINS BOTH SCIENTIFICALLY CREDIBLE AND COST EFFECTIVE~~

1 ~~METHODOLOGY TO COLLECT AND DISSEMINATE DATA REFLECTING~~
2 ~~PROVIDER QUALITY AND SERVICE EFFECTIVENESS, THE COUNCIL~~
3 ~~SHALL, WITHIN ONE YEAR OF THE EFFECTIVE DATE OF THIS~~
4 ~~PARAGRAPH, UTILIZING CURRENT COMMONWEALTH AGENCY GUIDELINES~~
5 ~~AND PROCEDURES, ISSUE A REQUEST FOR INFORMATION FROM ANY~~
6 ~~VENDOR THAT WISHES TO PROVIDE DATA COLLECTION OR RISK~~
7 ~~ADJUSTMENT METHODOLOGY TO THE COUNCIL TO HELP MEET THE~~
8 ~~REQUIREMENTS OF THIS SUBSECTION AND SECTION 6. THE COUNCIL~~
9 ~~SHALL ESTABLISH AN INDEPENDENT REQUEST FOR INFORMATION REVIEW~~
10 ~~COMMITTEE TO REVIEW AND RANK ALL RESPONSES AND TO MAKE A~~
11 ~~FINAL RECOMMENDATION TO THE COUNCIL. THE REQUEST FOR~~
12 ~~INFORMATION REVIEW COMMITTEE SHALL CONSIST OF THE FOLLOWING~~
13 ~~MEMBERS APPOINTED BY THE GOVERNOR:~~

14 ~~(I) ONE REPRESENTATIVE OF THE HOSPITAL AND~~
15 ~~HEALTHSYSTEM ASSOCIATION OF PENNSYLVANIA.~~

16 ~~(II) ONE REPRESENTATIVE OF THE PENNSYLVANIA MEDICAL~~
17 ~~SOCIETY.~~

18 ~~(III) ONE REPRESENTATIVE OF INSURANCE.~~

19 ~~(IV) ONE REPRESENTATIVE OF LABOR.~~

20 ~~(V) ONE REPRESENTATIVE OF BUSINESS.~~

21 ~~(VI) TWO REPRESENTATIVES OF THE GENERAL PUBLIC.~~

22 ~~(15) THE COUNCIL SHALL EXECUTE A REQUEST FOR PROPOSALS~~
23 ~~WITH THIRD PARTY VENDORS FOR THE PURPOSE OF DEMONSTRATING A~~
24 ~~METHODOLOGY FOR THE COLLECTION, ANALYSIS AND REPORTING OF~~
25 ~~HOSPITAL SPECIFIC COMPLICATION RATES. THE RESULTS OF THIS~~
26 ~~DEMONSTRATION SHALL BE PROVIDED TO THE CHAIRMAN AND MINORITY~~
27 ~~CHAIRMAN OF THE PUBLIC HEALTH AND WELFARE COMMITTEE OF THE~~
28 ~~SENATE AND THE CHAIRMAN AND MINORITY CHAIRMAN OF THE HEALTH~~
29 ~~AND HUMAN SERVICES COMMITTEE OF THE HOUSE OF REPRESENTATIVES.~~
30 ~~THIS METHODOLOGY MAY BE UTILIZED BY THE COUNCIL FOR PUBLIC~~

1 ~~REPORTING ON COMPARATIVE HOSPITAL COMPLICATION RATES.~~

2 ~~SECTION 6. DATA SUBMISSION AND COLLECTION.~~

3 ~~(A) (1) SUBMISSION OF DATA. THE COUNCIL IS HEREBY~~
4 ~~AUTHORIZED TO COLLECT AND DATA SOURCES ARE HEREBY REQUIRED TO~~
5 ~~SUBMIT, UPON REQUEST OF THE COUNCIL, ALL DATA REQUIRED IN~~
6 ~~THIS SECTION, ACCORDING TO UNIFORM SUBMISSION FORMATS, CODING~~
7 ~~SYSTEMS AND OTHER TECHNICAL SPECIFICATIONS NECESSARY TO~~
8 ~~RENDER THE INCOMING DATA SUBSTANTIALLY VALID, CONSISTENT,~~
9 ~~COMPATIBLE AND MANAGEABLE USING ELECTRONIC DATA PROCESSING~~
10 ~~ACCORDING TO DATA SUBMISSION SCHEDULES, SUCH SCHEDULES TO~~
11 ~~AVOID, TO THE EXTENT POSSIBLE, SUBMISSION OF IDENTICAL DATA~~
12 ~~FROM MORE THAN ONE DATA SOURCE, ESTABLISHED AND PROMULGATED~~
13 ~~BY THE COUNCIL IN REGULATIONS PURSUANT TO ITS AUTHORITY UNDER~~
14 ~~SECTION 5(B). IF PAYOR DATA IS REQUESTED BY THE COUNCIL, IT~~
15 ~~SHALL, TO THE EXTENT POSSIBLE, BE OBTAINED FROM PRIMARY PAYOR~~
16 ~~SOURCES. THE COUNCIL SHALL NOT REQUIRE ANY DATA SOURCES TO~~
17 ~~CONTRACT WITH ANY SPECIFIC VENDOR FOR SUBMISSION OF ANY~~
18 ~~SPECIFIC DATA ELEMENTS TO THE COUNCIL.~~

19 ~~(1.1) ANY VENDOR SHALL COMPLY WITH DATA SUBMISSION~~
20 ~~GUIDELINES ESTABLISHED IN THE REPORT SUBMITTED UNDER SECTION~~
21 ~~17.2. THE COUNCIL SHALL MAINTAIN A VENDOR LIST OF AT LEAST~~
22 ~~TWO VENDORS THAT MAY BE CHOSEN BY ANY DATA SOURCE FOR~~
23 ~~SUBMISSION OF ANY SPECIFIC DATA ELEMENTS.~~

24 ~~(2) EXCEPT AS PROVIDED IN THIS SECTION, THE COUNCIL MAY~~
25 ~~ADOPT ANY NATIONALLY RECOGNIZED METHODOLOGY TO ADJUST DATA~~
26 ~~SUBMITTED UNDER SUBSECTION (C) FOR SEVERITY OF ILLNESS. EVERY~~
27 ~~THREE YEARS AFTER THE EFFECTIVE DATE OF THIS PARAGRAPH, THE~~
28 ~~COUNCIL SHALL SOLICIT BIDS FROM THIRD PARTY VENDORS TO ADJUST~~
29 ~~THE DATA. THE SOLICITATION SHALL BE IN ACCORDANCE WITH 62~~
30 ~~PA.C.S. (RELATING TO PROCUREMENT). EXCEPT AS PROVIDED IN~~

1 ~~SUBPARAGRAPH (I), IN CARRYING OUT ITS RESPONSIBILITIES, THE~~
2 ~~COUNCIL SHALL NOT REQUIRE HEALTH CARE FACILITIES TO REPORT~~
3 ~~DATA ELEMENTS WHICH ARE NOT INCLUDED IN THE MANUAL DEVELOPED~~
4 ~~BY THE NATIONAL UNIFORM BILLING COMMITTEE. THE FOLLOWING~~
5 ~~APPLY:~~

6 ~~(I) WITHIN 60 DAYS OF THE EFFECTIVE DATE OF THIS~~
7 ~~PARAGRAPH, THE COUNCIL SHALL PUBLISH IN THE PENNSYLVANIA~~
8 ~~BULLETIN A LIST OF DISEASES, PROCEDURES AND MEDICAL~~
9 ~~CONDITIONS, NOT TO EXCEED 35, FOR WHICH DATA UNDER~~
10 ~~SUBSECTIONS (C)(21) AND (D) SHALL BE REQUIRED. THE CHOSEN~~
11 ~~LIST SHALL NOT REPRESENT MORE THAN 50% OF TOTAL HOSPITAL~~
12 ~~DISCHARGES, BASED UPON THE PREVIOUS YEAR'S HOSPITAL~~
13 ~~DISCHARGE DATA. SUBSEQUENT TO THE PUBLICATION OF THE~~
14 ~~LIST, ANY DATA SUBMISSION REQUIREMENTS UNDER SUBSECTIONS~~
15 ~~(C)(21) AND (D) PREVIOUSLY IN EFFECT SHALL BE NULL AND~~
16 ~~VOID FOR DISEASES, PROCEDURES AND MEDICAL CONDITIONS NOT~~
17 ~~FOUND ON THE LIST. ALL OTHER DATA ELEMENTS PURSUANT TO~~
18 ~~SUBSECTION (C) SHALL CONTINUE TO BE REQUIRED FROM DATA~~
19 ~~SOURCES. THE COUNCIL SHALL REVIEW THE LIST AND MAY ADD NO~~
20 ~~MORE THAN A NET OF THREE DISEASES, PROCEDURES OR MEDICAL~~
21 ~~CONDITIONS PER YEAR OVER A FIVE YEAR PERIOD STARTING ON~~
22 ~~THE EFFECTIVE DATE OF THIS SUBPARAGRAPH. THE ADJUSTED~~
23 ~~LIST OF DISEASES, PROCEDURES AND MEDICAL CONDITIONS SHALL~~
24 ~~AT NO TIME BE MORE THAN 50% OF TOTAL HOSPITAL DISCHARGES.~~

25 ~~(II) IF THE CURRENT DATA VENDOR IS UNABLE TO~~
26 ~~ACHIEVE, ON A PER CHART BASIS, SAVINGS OF AT LEAST 40% IN~~
27 ~~THE COST OF HOSPITAL COMPLIANCE WITH THE DATA ABSTRACTING~~
28 ~~AND SUBMISSION REQUIREMENTS OF THIS ACT BY JUNE 30, 2004,~~
29 ~~AS COMPARED TO JUNE 30, 2003, THEN THE COUNCIL SHALL~~
30 ~~DISQUALIFY THE CURRENT VENDOR AND REOPEN THE BIDDING~~

1 ~~PROCESS. THE INDEPENDENT AUDITOR SHALL DETERMINE THE~~
2 ~~EXTENT AND VALIDITY OF THE SAVINGS. IN DETERMINING ANY~~
3 ~~DEMONSTRATED COST SAVINGS, SURVEYS OF ALL HOSPITALS IN~~
4 ~~THIS COMMONWEALTH SHALL BE CONDUCTED AND CONSIDERATION~~
5 ~~SHALL BE GIVEN AT A MINIMUM TO:~~

6 ~~(A) NEW COSTS, IN TERMS OF MAKING THE~~
7 ~~METHODOLOGY OPERATIONAL, ASSOCIATED WITH LABORATORY,~~
8 ~~PHARMACY AND OTHER INFORMATION SYSTEMS A HOSPITAL IS~~
9 ~~REQUIRED TO PURCHASE IN ORDER TO REDUCE HOSPITAL~~
10 ~~COMPLIANCE COSTS, INCLUDING THE COST OF ELECTRONIC~~
11 ~~TRANSFER OF REQUIRED DATA; AND~~

12 ~~(B) THE AUDITED DIRECT PERSONNEL AND RELATED~~
13 ~~COSTS OF DATA ABSTRACTING AND SUBMISSION REQUIRED.~~

14 ~~(III) REVIEW BY THE INDEPENDENT AUDITOR SHALL~~
15 ~~COMMENCE BY MARCH 1, 2004, AND SHALL CONCLUDE WITH A~~
16 ~~REPORT OF FINDINGS BY JULY 31, 2004. THE REPORT SHALL BE~~
17 ~~DELIVERED TO THE COUNCIL, THE GOVERNOR, THE HEALTH AND~~
18 ~~HUMAN SERVICES COMMITTEE OF THE HOUSE OF REPRESENTATIVES~~
19 ~~AND THE PUBLIC HEALTH AND WELFARE COMMITTEE OF THE~~
20 ~~SENATE.~~

21 ~~* * *~~

22 ~~(D) PROVIDER QUALITY AND PROVIDER SERVICE EFFECTIVENESS DATA~~
23 ~~ELEMENTS. IN CARRYING OUT ITS DUTY TO COLLECT DATA ON PROVIDER~~
24 ~~QUALITY AND PROVIDER SERVICE EFFECTIVENESS UNDER SECTION 5(D)(4)~~
25 ~~AND SUBSECTION (C)(21), THE COUNCIL SHALL DEFINE A METHODOLOGY~~
26 ~~TO MEASURE PROVIDER SERVICE EFFECTIVENESS WHICH MAY INCLUDE~~
27 ~~ADDITIONAL DATA ELEMENTS TO BE SPECIFIED BY THE COUNCIL~~
28 ~~SUFFICIENT TO CARRY OUT ITS RESPONSIBILITIES UNDER SECTION~~
29 ~~5(D)(4). THE COUNCIL MAY ADOPT A NATIONALLY RECOGNIZED~~
30 ~~METHODOLOGY OF QUANTIFYING AND COLLECTING DATA ON PROVIDER~~

1 ~~QUALITY AND PROVIDER SERVICE EFFECTIVENESS UNTIL SUCH TIME AS~~
2 ~~THE COUNCIL HAS THE CAPABILITY OF DEVELOPING ITS OWN METHODOLOGY~~
3 ~~AND STANDARD DATA ELEMENTS. THE COUNCIL SHALL INCLUDE IN THE~~
4 ~~PENNSYLVANIA UNIFORM CLAIMS AND BILLING FORM A FIELD CONSISTING~~
5 ~~OF THE DATA ELEMENTS REQUIRED PURSUANT TO SUBSECTION (C)(21) TO~~
6 ~~PROVIDE INFORMATION ON EACH PROVISION OF COVERED SERVICES~~
7 ~~SUFFICIENT TO PERMIT ANALYSIS OF PROVIDER QUALITY AND PROVIDER~~
8 ~~SERVICE EFFECTIVENESS WITHIN 180 DAYS OF COMMENCEMENT OF ITS~~
9 ~~OPERATIONS PURSUANT TO SECTION 4. IN CARRYING OUT ITS~~
10 ~~RESPONSIBILITIES, THE COUNCIL SHALL NOT REQUIRE HEALTH CARE~~
11 ~~INSURERS TO REPORT ON DATA ELEMENTS THAT ARE NOT REPORTED TO~~
12 ~~NATIONALLY RECOGNIZED ACCREDITING ORGANIZATIONS, TO THE~~
13 ~~DEPARTMENT OF HEALTH OR TO THE INSURANCE DEPARTMENT IN QUARTERLY~~
14 ~~OR ANNUAL REPORTS. THE COUNCIL SHALL NOT REQUIRE REPORTING BY~~
15 ~~HEALTH CARE INSURERS IN DIFFERENT FORMATS THAN ARE REQUIRED FOR~~
16 ~~REPORTING TO NATIONALLY RECOGNIZED ACCREDITING ORGANIZATIONS OR~~
17 ~~ON QUARTERLY OR ANNUAL REPORTS SUBMITTED TO THE DEPARTMENT OF~~
18 ~~HEALTH OR TO THE INSURANCE DEPARTMENT. THE COUNCIL MAY ADOPT THE~~
19 ~~QUALITY FINDINGS AS REPORTED TO NATIONALLY RECOGNIZED~~
20 ~~ACCREDITING ORGANIZATIONS. ADDITIONAL QUALITY DATA ELEMENTS MUST~~
21 ~~BE DEFINED AND RELEASED FOR PUBLIC COMMENT PRIOR TO THE~~
22 ~~PROMULGATION OF REGULATIONS PURSUANT TO SECTION 5(B). THE PUBLIC~~
23 ~~COMMENT PERIOD SHALL BE NO LESS THAN 30 DAYS FROM THE RELEASE OF~~
24 ~~THESE ELEMENTS.~~

25 * * *

26 ~~SECTION 10. ACCESS TO COUNCIL DATA.~~

27 * * *

28 (B) ~~LIMITATIONS ON ACCESS. UNLESS SPECIFICALLY PROVIDED FOR~~
29 ~~IN THIS ACT, NEITHER THE COUNCIL NOR ANY CONTRACTING SYSTEM~~
30 ~~VENDOR SHALL RELEASE AND NO DATA SOURCE, PERSON, MEMBER OF THE~~

~~PUBLIC OR OTHER USER OF ANY DATA OF THE COUNCIL SHALL GAIN
ACCESS TO:~~

~~* * *~~

~~(5) ANY RAW DATA DISCLOSING DISCOUNTS OR DIFFERENTIALS
BETWEEN PAYMENTS ACCEPTED BY PROVIDERS FOR SERVICES AND THEIR
BILLED CHARGES OBTAINED BY IDENTIFIED PAYORS FROM IDENTIFIED
PROVIDERS UNLESS THE DATA IS RELEASED IN A STATEWIDE,
AGGREGATE FORMAT THAT DOES NOT IDENTIFY ANY INDIVIDUAL PAYOR
OR CLASS OF PAYORS AND THE COUNCIL ASSURES THAT THE RELEASE
OF SUCH INFORMATION IS NOT PREJUDICIAL OR INEQUITABLE TO ANY
INDIVIDUAL PAYOR OR PROVIDER OR GROUP THEREOF. PAYOR DATA
SHALL BE RELEASED TO INDIVIDUAL PROVIDERS FOR PURPOSES OF
VERIFICATION AND VALIDATION PRIOR TO INCLUSION IN A PUBLIC
REPORT. AN INDIVIDUAL PROVIDER SHALL VERIFY AND VALIDATE THE
PAYOR DATA WITHIN 30 DAYS OF ITS RELEASE TO THAT SPECIFIC
INDIVIDUAL PROVIDER.~~

~~* * *~~

~~SECTION 3. THE ACT IS AMENDED BY ADDING SECTIONS TO READ:
SECTION 17.2. HEALTH CARE COST CONTAINMENT COUNCIL ACT REVIEW
COMMITTEE.~~

~~(A) ESTABLISHMENT. THERE IS HEREBY ESTABLISHED AN
INDEPENDENT COMMITTEE TO BE KNOWN AS THE HEALTH CARE COST
CONTAINMENT COUNCIL ACT REVIEW COMMITTEE.~~

~~(B) COMPOSITION. THE COMMITTEE SHALL CONSIST OF THE
FOLLOWING VOTING MEMBERS COMPOSED OF AND APPOINTED AS FOLLOWS:~~

~~(1) ONE MEMBER APPOINTED BY THE GOVERNOR.~~

~~(2) FOUR MEMBERS APPOINTED BY THE GENERAL ASSEMBLY, ONE
OF WHOM SHALL BE APPOINTED BY EACH OF THE FOLLOWING:~~

~~(I) ONE BY THE PRESIDENT PRO TEMPORE OF THE SENATE;~~

~~(II) ONE BY THE MINORITY LEADER OF THE SENATE;~~

~~(III) ONE BY THE MAJORITY LEADER OF THE HOUSE OF
REPRESENTATIVES; AND~~

~~(IV) ONE BY THE MINORITY LEADER OF THE HOUSE OF
REPRESENTATIVES.~~

~~(3) TWO REPRESENTATIVES OF THE BUSINESS COMMUNITY, AT
LEAST ONE OF WHOM REPRESENTS SMALL BUSINESS, AND NEITHER OF
WHOM IS PRIMARILY INVOLVED IN THE PROVISION OF HEALTH CARE OR
HEALTH INSURANCE, ONE OF WHOM SHALL BE APPOINTED BY THE
PRESIDENT PRO TEMPORE OF THE SENATE AND ONE OF WHOM SHALL BE
APPOINTED BY THE SPEAKER OF THE HOUSE OF REPRESENTATIVES FROM
A LIST OF FOUR QUALIFIED PERSONS RECOMMENDED BY THE
PENNSYLVANIA CHAMBER OF BUSINESS AND INDUSTRY.~~

~~(4) TWO REPRESENTATIVES OF ORGANIZED LABOR, ONE OF WHOM
SHALL BE APPOINTED BY THE PRESIDENT PRO TEMPORE OF THE SENATE
AND ONE OF WHOM SHALL BE APPOINTED BY THE SPEAKER OF THE
HOUSE OF REPRESENTATIVES FROM A LIST OF FOUR QUALIFIED
PERSONS RECOMMENDED BY THE PENNSYLVANIA AFL CIO.~~

~~(5) ONE REPRESENTATIVE OF CONSUMERS WHO IS NOT PRIMARILY
INVOLVED IN THE PROVISION OF HEALTH CARE OR HEALTH CARE
INSURANCE, APPOINTED BY THE GOVERNOR FROM A LIST OF THREE
QUALIFIED PERSONS RECOMMENDED JOINTLY BY THE PRESIDENT PRO
TEMPORE OF THE SENATE AND THE SPEAKER OF THE HOUSE OF
REPRESENTATIVES.~~

~~(6) ONE REPRESENTATIVE OF HOSPITALS, APPOINTED BY THE
GOVERNOR FROM A LIST OF THREE QUALIFIED HOSPITAL
REPRESENTATIVES RECOMMENDED BY THE HOSPITAL AND HEALTH SYSTEM
ASSOCIATION OF PENNSYLVANIA.~~

~~(7) ONE REPRESENTATIVE OF PHYSICIANS, APPOINTED BY THE
GOVERNOR FROM A LIST OF THREE QUALIFIED PHYSICIAN
REPRESENTATIVES RECOMMENDED JOINTLY BY THE PENNSYLVANIA~~

~~MEDICAL SOCIETY AND THE PENNSYLVANIA OSTEOPATHIC MEDICAL
SOCIETY.~~

~~(8) ONE REPRESENTATIVE OF NURSES, APPOINTED BY THE
GOVERNOR FROM A LIST OF THREE QUALIFIED REPRESENTATIVES
RECOMMENDED BY THE PENNSYLVANIA STATE NURSES ASSOCIATION.~~

~~(9) ONE REPRESENTATIVE OF THE BLUE CROSS AND BLUE SHIELD
PLANS IN PENNSYLVANIA, APPOINTED BY THE GOVERNOR FROM A LIST
OF THREE QUALIFIED PERSONS RECOMMENDED JOINTLY BY THE BLUE
CROSS AND BLUE SHIELD PLANS OF PENNSYLVANIA.~~

~~(10) ONE REPRESENTATIVE OF COMMERCIAL INSURANCE
CARRIERS, APPOINTED BY THE GOVERNOR FROM A LIST OF THREE
QUALIFIED PERSONS RECOMMENDED BY THE INSURANCE FEDERATION OF
PENNSYLVANIA, INC.~~

~~(C) CHAIRPERSON. THE APPOINTMENT MADE BY THE GOVERNOR UNDER
SUBSECTION (B)(1) SHALL SERVE AS CHAIRMAN OF THE COMMITTEE.~~

~~(D) QUORUM. ELEVEN MEMBERS SHALL CONSTITUTE A QUORUM FOR
THE TRANSACTION OF ANY BUSINESS, AND THE ACT BY THE MAJORITY OF
THE MEMBERS PRESENT AT ANY MEETING IN WHICH THERE IS A QUORUM
SHALL BE DEEMED TO BE THE ACT OF THE COMMITTEE.~~

~~(E) MEETINGS.~~

~~(1) ALL MEETINGS OF THE COMMITTEE SHALL BE ADVERTISED
AND CONDUCTED PURSUANT TO 65 PA.C.S. CH. 7 (RELATING TO OPEN
MEETINGS).~~

~~(2) ALL ACTION TAKEN BY THE COMMITTEE SHALL BE TAKEN IN
OPEN PUBLIC SESSION, AND ACTION OF THE COMMITTEE SHALL NOT BE
TAKEN EXCEPT UPON THE AFFIRMATIVE VOTE OF A MAJORITY OF THE
MEMBERS OF THE COMMITTEE PRESENT DURING MEETINGS AT WHICH A
QUORUM IS PRESENT.~~

~~(F) COMPENSATION AND EXPENSES. THE MEMBERS OF THE COMMITTEE
SHALL NOT RECEIVE A SALARY OR PER DIEM ALLOWANCE FOR SERVING AS~~

1 ~~MEMBERS OF THE COMMITTEE BUT SHALL BE REIMBURSED FOR ACTUAL AND~~
2 ~~NECESSARY EXPENSES INCURRED IN THE PERFORMANCE OF THEIR DUTIES.~~
3 ~~EXPENSES MAY INCLUDE REIMBURSEMENT OF TRAVEL AND LIVING EXPENSES~~
4 ~~WHILE ENGAGED IN COMMITTEE BUSINESS.~~

5 ~~(G) COMMENCEMENT OF COMMITTEE.~~

6 ~~(1) WITHIN 15 DAYS AFTER THE EFFECTIVE DATE OF THIS~~
7 ~~SECTION, EACH ORGANIZATION OR INDIVIDUAL REQUIRED TO SUBMIT A~~
8 ~~LIST OF RECOMMENDED PERSONS TO THE GOVERNOR, THE PRESIDENT~~
9 ~~PRO TEMPORE OF THE SENATE OR THE SPEAKER OF THE HOUSE OF~~
10 ~~REPRESENTATIVES UNDER SUBSECTION (B) SHALL SUBMIT THE LIST.~~

11 ~~(2) WITHIN 30 DAYS OF THE EFFECTIVE DATE OF THIS~~
12 ~~SECTION, THE GOVERNOR, THE PRESIDENT PRO TEMPORE OF THE~~
13 ~~SENATE AND THE SPEAKER OF THE HOUSE OF REPRESENTATIVES SHALL~~
14 ~~MAKE THE APPOINTMENTS CALLED FOR IN SUBSECTION (B), AND THE~~
15 ~~COMMITTEE SHALL BEGIN OPERATIONS IMMEDIATELY FOLLOWING THE~~
16 ~~APPOINTMENTS.~~

17 ~~(H) RESPONSIBILITIES OF THE COMMITTEE. THE COMMITTEE SHALL~~
18 ~~HAVE THE FOLLOWING POWERS AND DUTIES:~~

19 ~~(1) TO STUDY, REVIEW AND RECOMMEND CHANGES TO THIS ACT.~~

20 ~~(2) TO ACCEPT AND REVIEW SUGGESTED CHANGES TO THIS ACT~~
21 ~~SUBMITTED BY MEMBERS OF THE COMMITTEE.~~

22 ~~(3) TO APPROVE, BY A MAJORITY VOTE OF THE MEMBERS OF THE~~
23 ~~COMMITTEE, A REPORT RECOMMENDING STATUTORY CHANGES TO THIS~~
24 ~~ACT. THE REPORT SHALL INCLUDE, AT A MINIMUM, THE FOLLOWING:~~

25 ~~(I) THE ESTABLISHMENT OF AN INTERNET DATABASE FOR~~
26 ~~THE GENERAL PUBLIC SHOWING MEDICARE REIMBURSEMENT RATES~~
27 ~~FOR COMMON COVERED SERVICES AND TREATMENT.~~

28 ~~(II) IN CONSULTATION WITH EXPERTS IN THE FIELDS OF~~
29 ~~QUALITY DATA AND OUTCOME MEASURES, THE DEFINITION AND~~
30 ~~IMPLEMENTATION OF:~~

~~(A) A METHODOLOGY BY PROVIDER TYPE FOR THE
COUNCIL TO RISK ADJUST QUALITY DATA.~~

~~(B) A METHODOLOGY FOR THE COUNCIL TO COLLECT AND
DISSEMINATE DATA REFLECTING PROVIDER QUALITY AND
PROVIDER SERVICE EFFECTIVENESS.~~

~~(4) TO SUBMIT THE REPORT APPROVED UNDER PARAGRAPH (3) TO
THE PRESIDENT PRO TEMPORE OF THE SENATE AND THE SPEAKER OF
THE HOUSE OF REPRESENTATIVES BY APRIL 30, 2009.~~

~~(I) COMMITTEE SUPPORT. THE COUNCIL SHALL OFFER STAFF AND
ADMINISTRATIVE SUPPORT FROM THE COUNCIL OR ITS WORK GROUPS
NECESSARY FOR THE COMMITTEE TO CARRY OUT ITS DUTIES UNDER THIS
SECTION.~~

~~SECTION 17.3. ABATEMENT UNDER HEALTH CARE PROVIDER RETENTION
PROGRAM.~~

~~(A) PROGRAM. THE INSURANCE DEPARTMENT SHALL CONTINUE THE
HEALTH CARE PROVIDER RETENTION PROGRAM, ORIGINALLY ESTABLISHED
IN SECTION 1102 OF THE ACT OF MARCH 20, 2002 (P.L.154, NO.13),
KNOWN AS THE MEDICAL CARE AVAILABILITY AND REDUCTION OF ERROR
(MCARE) ACT, FOR ALL HEALTH CARE PROVIDERS AS SET FORTH IN
CHAPTER 11 OF THE MEDICAL CARE AVAILABILITY AND REDUCTION OF
ERROR (MCARE) ACT. THIS SECTION SHALL APPLY TO CALENDAR YEARS
2008 AND 2009.~~

~~(B) ABATEMENT. NOTWITHSTANDING SECTION 1104(B)(2) OF THE
MEDICAL CARE AVAILABILITY AND REDUCTION OF ERROR (MCARE) ACT,
BIRTH CENTERS SHALL BE ELIGIBLE FOR ABATEMENT UNDER SUBSECTION
(A).~~

~~(C) DEFINITIONS. AS USED IN THIS SECTION, THE FOLLOWING
WORDS AND PHRASES SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS
SUBSECTION:~~

~~"BIRTH CENTER." AS DEFINED IN SECTION 103 OF THE ACT OF~~

~~MARCH 20, 2002 (P.L.154, NO.13), KNOWN AS THE MEDICAL CARE
AVAILABILITY AND REDUCTION OF ERROR (MCARE) ACT.~~

~~"HEALTH CARE PROVIDER." AS DEFINED IN SECTION 103 OF THE ACT
OF MARCH 20, 2002 (P.L.154, NO.13), KNOWN AS THE MEDICAL CARE
AVAILABILITY AND REDUCTION OF ERROR (MCARE) ACT.~~

~~SECTION 4. SECTION 19 OF THE ACT IS AMENDED TO READ:
SECTION 19. SUNSET.~~

~~THIS ACT SHALL EXPIRE [JUNE 30, 2008] JUNE 30, 2013, UNLESS
REENACTED PRIOR TO THAT DATE. BY SEPTEMBER 1, [2007] 2012, A
WRITTEN REPORT BY THE LEGISLATIVE BUDGET AND FINANCE COMMITTEE
EVALUATING THE MANAGEMENT, VISIBILITY, AWARENESS AND PERFORMANCE
OF THE COUNCIL SHALL BE PROVIDED TO THE PUBLIC HEALTH AND
WELFARE COMMITTEE OF THE SENATE AND THE HEALTH AND HUMAN
SERVICES COMMITTEE OF THE HOUSE OF REPRESENTATIVES. THE REPORT
SHALL INCLUDE A REVIEW OF THE COUNCIL'S PROCEDURES AND POLICIES,
THE AVAILABILITY AND QUALITY OF DATA FOR COMPLETING REPORTS [TO
HOSPITALS AND OUTSIDE VENDOR PURCHASERS, THE ABILITY OF THE
COUNCIL TO BECOME SELF SUFFICIENT BY SELLING DATA TO OUTSIDE
PURCHASERS], WHETHER THERE IS A MORE COST EFFICIENT WAY OF
ACCOMPLISHING THE OBJECTIVES OF THE COUNCIL AND THE NEED FOR
REAUTHORIZATION OF THE COUNCIL.~~

~~SECTION 1. THE TITLE OF THE ACT OF JULY 8, 1986 (P.L.408,
NO.89), KNOWN AS THE HEALTH CARE COST CONTAINMENT ACT, REENACTED
AND AMENDED JULY 17, 2003 (P.L.31, NO.14), IS REENACTED AND
AMENDED TO READ:~~

~~AN ACT
PROVIDING FOR THE CREATION OF THE HEALTH CARE COST CONTAINMENT
COUNCIL, FOR ITS POWERS AND DUTIES, FOR HEALTH CARE COST
CONTAINMENT THROUGH THE COLLECTION AND DISSEMINATION OF DATA,
FOR PUBLIC ACCOUNTABILITY OF HEALTH CARE COSTS AND FOR HEALTH~~

CARE FOR THE INDIGENT; PROVIDING FOR HEALTH CARE PROVIDER
RETENTION; AND MAKING AN APPROPRIATION.

SECTION 2. SECTIONS 1 AND 2 OF THE ACT ARE REENACTED TO
READ:

SECTION 1. SHORT TITLE.

THIS ACT SHALL BE KNOWN AND MAY BE CITED AS THE HEALTH CARE
COST CONTAINMENT ACT.

SECTION 2. LEGISLATIVE FINDING AND DECLARATION.

THE GENERAL ASSEMBLY FINDS THAT THERE EXISTS IN THIS
COMMONWEALTH A MAJOR CRISIS BECAUSE OF THE CONTINUING ESCALATION
OF COSTS FOR HEALTH CARE SERVICES. BECAUSE OF THE CONTINUING
ESCALATION OF COSTS, AN INCREASINGLY LARGE NUMBER OF
PENNSYLVANIA CITIZENS HAVE SEVERELY LIMITED ACCESS TO
APPROPRIATE AND TIMELY HEALTH CARE. INCREASING COSTS ARE ALSO
UNDERMINING THE QUALITY OF HEALTH CARE SERVICES CURRENTLY BEING
PROVIDED. FURTHER, THE CONTINUING ESCALATION IS NEGATIVELY
AFFECTING THE ECONOMY OF THIS COMMONWEALTH, IS RESTRICTING NEW
ECONOMIC GROWTH AND IS IMPEDING THE CREATION OF NEW JOB
OPPORTUNITIES IN THIS COMMONWEALTH.

THE CONTINUING ESCALATION OF HEALTH CARE COSTS IS
ATTRIBUTABLE TO A NUMBER OF INTERRELATED CAUSES, INCLUDING:

(1) INEFFICIENCY IN THE PRESENT CONFIGURATION OF HEALTH
CARE SERVICE SYSTEMS AND IN THEIR OPERATION.

(2) THE PRESENT SYSTEM OF HEALTH CARE COST PAYMENTS BY
THIRD PARTIES.

(3) THE INCREASING BURDEN OF INDIGENT CARE WHICH
ENCOURAGES COST SHIFTING.

(4) THE ABSENCE OF A CONCENTRATED AND CONTINUOUS EFFORT
IN ALL SEGMENTS OF THE HEALTH CARE INDUSTRY TO CONTAIN HEALTH
CARE COSTS.

1 THEREFORE, IT IS HEREBY DECLARED TO BE THE POLICY OF THE
2 COMMONWEALTH OF PENNSYLVANIA TO PROMOTE HEALTH CARE COST
3 CONTAINMENT AND TO IDENTIFY APPROPRIATE UTILIZATION PRACTICES BY
4 CREATING AN INDEPENDENT COUNCIL TO BE KNOWN AS THE HEALTH CARE
5 COST CONTAINMENT COUNCIL.

6 IT IS THE PURPOSE OF THIS LEGISLATION TO PROMOTE THE PUBLIC
7 INTEREST BY ENCOURAGING THE DEVELOPMENT OF COMPETITIVE HEALTH
8 CARE SERVICES IN WHICH HEALTH CARE COSTS ARE CONTAINED AND TO
9 ASSURE THAT ALL CITIZENS HAVE REASONABLE ACCESS TO QUALITY
10 HEALTH CARE.

11 IT IS FURTHER THE INTENT OF THIS ACT TO FACILITATE THE
12 CONTINUING PROVISION OF QUALITY, COST-EFFECTIVE HEALTH SERVICES
13 THROUGHOUT THE COMMONWEALTH BY PROVIDING CURRENT, ACCURATE DATA
14 AND INFORMATION TO THE PURCHASERS AND CONSUMERS OF HEALTH CARE
15 ON BOTH COST AND QUALITY OF HEALTH CARE SERVICES AND TO PUBLIC
16 OFFICIALS FOR THE PURPOSE OF DETERMINING HEALTH-RELATED PROGRAMS
17 AND POLICIES AND TO ASSURE ACCESS TO HEALTH CARE SERVICES.

18 NOTHING IN THIS ACT SHALL PROHIBIT A PURCHASER FROM OBTAINING
19 FROM ITS THIRD-PARTY INSURER, CARRIER OR ADMINISTRATOR, NOR
20 RELIEVE SAID THIRD-PARTY INSURER, CARRIER OR ADMINISTRATOR FROM
21 THE OBLIGATION OF PROVIDING, ON TERMS CONSISTENT WITH PAST
22 PRACTICES, DATA PREVIOUSLY PROVIDED TO A PURCHASER PURSUANT TO
23 ANY EXISTING OR FUTURE ARRANGEMENT, AGREEMENT OR UNDERSTANDING.

24 SECTION 3. SECTIONS 3, 4, 5 AND 6 OF THE ACT ARE REENACTED
25 AND AMENDED TO READ:

26 SECTION 3. DEFINITIONS.

27 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS ACT SHALL
28 HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
29 CONTEXT CLEARLY INDICATES OTHERWISE:

30 "AMBULATORY SERVICE FACILITY." A FACILITY LICENSED IN THIS

1 COMMONWEALTH, NOT PART OF A HOSPITAL, WHICH PROVIDES MEDICAL,
2 DIAGNOSTIC OR SURGICAL TREATMENT TO PATIENTS NOT REQUIRING
3 HOSPITALIZATION, INCLUDING AMBULATORY SURGICAL FACILITIES,
4 AMBULATORY IMAGING OR DIAGNOSTIC CENTERS, BIRTHING CENTERS,
5 FREESTANDING EMERGENCY ROOMS AND ANY OTHER FACILITIES PROVIDING
6 AMBULATORY CARE WHICH CHARGE A SEPARATE FACILITY CHARGE. THIS
7 TERM DOES NOT INCLUDE THE OFFICES OF PRIVATE PHYSICIANS OR
8 DENTISTS, WHETHER FOR INDIVIDUAL OR GROUP PRACTICES.

9 "CHARGE" OR "RATE." THE AMOUNT BILLED BY A PROVIDER FOR
10 SPECIFIC GOODS OR SERVICES PROVIDED TO A PATIENT, PRIOR TO ANY
11 ADJUSTMENT FOR CONTRACTUAL ALLOWANCES.

12 "COMMITTEE." THE HEALTH CARE COST CONTAINMENT COUNCIL ACT
13 REVIEW COMMITTEE.

14 "COUNCIL." THE HEALTH CARE COST CONTAINMENT COUNCIL.

15 "COVERED SERVICES." ANY HEALTH CARE SERVICES OR PROCEDURES
16 CONNECTED WITH EPISODES OF ILLNESS THAT REQUIRE EITHER INPATIENT
17 HOSPITAL CARE OR MAJOR AMBULATORY SERVICE SUCH AS SURGICAL,
18 MEDICAL OR MAJOR RADIOLOGICAL PROCEDURES, INCLUDING ANY INITIAL
19 AND FOLLOW-UP OUTPATIENT SERVICES ASSOCIATED WITH THE EPISODE OF
20 ILLNESS BEFORE, DURING OR AFTER INPATIENT HOSPITAL CARE OR MAJOR
21 AMBULATORY SERVICE. THE TERM DOES NOT INCLUDE ROUTINE OUTPATIENT
22 SERVICES CONNECTED WITH EPISODES OF ILLNESS THAT DO NOT REQUIRE
23 HOSPITALIZATION OR MAJOR AMBULATORY SERVICE.

24 "DATA SOURCE." A HOSPITAL; AMBULATORY SERVICE FACILITY;
25 PHYSICIAN; HEALTH MAINTENANCE ORGANIZATION AS DEFINED IN THE ACT
26 OF DECEMBER 29, 1972 (P.L.1701, NO.364), KNOWN AS THE HEALTH
27 MAINTENANCE ORGANIZATION ACT; HOSPITAL, MEDICAL OR HEALTH
28 SERVICE PLAN WITH A CERTIFICATE OF AUTHORITY ISSUED BY THE
29 INSURANCE DEPARTMENT, INCLUDING, BUT NOT LIMITED TO, HOSPITAL
30 PLAN CORPORATIONS AS DEFINED IN 40 PA.C.S. CH. 61 (RELATING TO

1 HOSPITAL PLAN CORPORATIONS) AND PROFESSIONAL HEALTH SERVICES
2 PLAN CORPORATIONS AS DEFINED IN 40 PA.C.S. CH. 63 (RELATING TO
3 PROFESSIONAL HEALTH SERVICES PLAN CORPORATIONS); COMMERCIAL
4 INSURER WITH A CERTIFICATE OF AUTHORITY ISSUED BY THE INSURANCE
5 DEPARTMENT PROVIDING HEALTH OR ACCIDENT INSURANCE; SELF-INSURED
6 EMPLOYER PROVIDING HEALTH OR ACCIDENT COVERAGE OR BENEFITS FOR
7 EMPLOYEES EMPLOYED IN THE COMMONWEALTH; ADMINISTRATOR OF A SELF-
8 INSURED OR PARTIALLY SELF-INSURED HEALTH OR ACCIDENT PLAN
9 PROVIDING COVERED SERVICES IN THE COMMONWEALTH; ANY HEALTH AND
10 WELFARE FUND THAT PROVIDES HEALTH OR ACCIDENT BENEFITS OR
11 INSURANCE PERTAINING TO COVERED SERVICE IN THE COMMONWEALTH; THE
12 DEPARTMENT OF PUBLIC WELFARE FOR THOSE COVERED SERVICES IT
13 PURCHASES OR PROVIDES THROUGH THE MEDICAL ASSISTANCE PROGRAM
14 UNDER THE ACT OF JUNE 13, 1967 (P.L.31, NO.21), KNOWN AS THE
15 PUBLIC WELFARE CODE, AND ANY OTHER PAYOR FOR COVERED SERVICES IN
16 THE COMMONWEALTH OTHER THAN AN INDIVIDUAL.

17 "HEALTH CARE FACILITY." A GENERAL OR SPECIAL HOSPITAL,
18 INCLUDING TUBERCULOSIS AND PSYCHIATRIC HOSPITALS, KIDNEY DISEASE
19 TREATMENT CENTERS, INCLUDING FREESTANDING HEMODIALYSIS UNITS,
20 AND AMBULATORY SERVICE FACILITIES AS DEFINED IN THIS SECTION,
21 AND HOSPICES, BOTH PROFIT AND NONPROFIT, AND INCLUDING THOSE
22 OPERATED BY AN AGENCY OF STATE OR LOCAL GOVERNMENT.

23 "HEALTH CARE INSURER." ANY PERSON, CORPORATION OR OTHER
24 ENTITY THAT OFFERS ADMINISTRATIVE, INDEMNITY OR PAYMENT SERVICES
25 FOR HEALTH CARE IN EXCHANGE FOR A PREMIUM OR SERVICE CHARGE
26 UNDER A PROGRAM OF HEALTH CARE BENEFITS, INCLUDING, BUT NOT
27 LIMITED TO, AN INSURANCE COMPANY, ASSOCIATION OR EXCHANGE
28 ISSUING HEALTH INSURANCE POLICIES IN THIS COMMONWEALTH; HOSPITAL
29 PLAN CORPORATION AS DEFINED IN 40 PA.C.S. CH. 61 (RELATING TO
30 HOSPITAL PLAN CORPORATIONS); PROFESSIONAL HEALTH SERVICES PLAN

1 CORPORATION AS DEFINED IN 40 PA.C.S. CH. 63 (RELATING TO
2 PROFESSIONAL HEALTH SERVICES PLAN CORPORATIONS); HEALTH
3 MAINTENANCE ORGANIZATION; PREFERRED PROVIDER ORGANIZATION;
4 FRATERNAL BENEFIT SOCIETIES; BENEFICIAL SOCIETIES; AND THIRD-
5 PARTY ADMINISTRATORS; BUT EXCLUDING EMPLOYERS, LABOR UNIONS OR
6 HEALTH AND WELFARE FUNDS JOINTLY OR SEPARATELY ADMINISTERED BY
7 EMPLOYERS OR LABOR UNIONS THAT PURCHASE OR SELF-FUND A PROGRAM
8 OF HEALTH CARE BENEFITS FOR THEIR EMPLOYEES OR MEMBERS AND THEIR
9 DEPENDENTS.

10 "HEALTH MAINTENANCE ORGANIZATION." AN ORGANIZED SYSTEM WHICH
11 COMBINES THE DELIVERY AND FINANCING OF HEALTH CARE AND WHICH
12 PROVIDES BASIC HEALTH SERVICES TO VOLUNTARILY ENROLLED
13 SUBSCRIBERS FOR A FIXED PREPAID FEE, AS DEFINED IN THE ACT OF
14 DECEMBER 29, 1972 (P.L.1701, NO.364), KNOWN AS THE HEALTH
15 MAINTENANCE ORGANIZATION ACT.

16 "HOSPITAL." AN INSTITUTION, LICENSED IN THIS COMMONWEALTH,
17 WHICH IS A GENERAL, TUBERCULOSIS, MENTAL, CHRONIC DISEASE OR
18 OTHER TYPE OF HOSPITAL, OR KIDNEY DISEASE TREATMENT CENTER,
19 WHETHER PROFIT OR NONPROFIT, AND INCLUDING THOSE OPERATED BY AN
20 AGENCY OF STATE OR LOCAL GOVERNMENT.

21 "INDIGENT CARE." THE ACTUAL COSTS, AS DETERMINED BY THE
22 COUNCIL, FOR THE PROVISION OF APPROPRIATE HEALTH CARE, ON AN
23 INPATIENT OR OUTPATIENT BASIS, GIVEN TO INDIVIDUALS WHO CANNOT
24 PAY FOR THEIR CARE BECAUSE THEY ARE ABOVE THE MEDICAL ASSISTANCE
25 ELIGIBILITY LEVELS AND HAVE NO HEALTH INSURANCE OR OTHER
26 FINANCIAL RESOURCES WHICH CAN COVER THEIR HEALTH CARE.

27 "MAJOR AMBULATORY SERVICE." SURGICAL OR MEDICAL PROCEDURES,
28 INCLUDING DIAGNOSTIC AND THERAPEUTIC RADIOLOGICAL PROCEDURES,
29 COMMONLY PERFORMED IN HOSPITALS OR AMBULATORY SERVICE
30 FACILITIES, WHICH ARE NOT OF A TYPE COMMONLY PERFORMED OR WHICH

1 CANNOT BE SAFELY PERFORMED IN PHYSICIANS' OFFICES AND WHICH
2 REQUIRE SPECIAL FACILITIES SUCH AS OPERATING ROOMS OR SUITES OR
3 SPECIAL EQUIPMENT SUCH AS FLUOROSCOPIC EQUIPMENT OR COMPUTED
4 TOMOGRAPHIC SCANNERS, OR A POSTPROCEDURE RECOVERY ROOM OR SHORT-
5 TERM CONVALESCENT ROOM.

6 "MEDICAL PROCEDURE INCIDENCE VARIATIONS." THE VARIATION IN
7 THE INCIDENCE IN THE POPULATION OF SPECIFIC MEDICAL, SURGICAL
8 AND RADIOLOGICAL PROCEDURES IN ANY GIVEN YEAR, EXPRESSED AS A
9 DEVIATION FROM THE NORM, AS THESE TERMS ARE DEFINED IN THE
10 CLASSICAL STATISTICAL DEFINITION OF "VARIATION," "INCIDENCE,"
11 "DEVIATION" AND "NORM."

12 "MEDICALLY INDIGENT" OR "INDIGENT." THE STATUS OF A PERSON
13 AS DESCRIBED IN THE DEFINITION OF INDIGENT CARE.

14 "PAYMENT." THE PAYMENTS THAT PROVIDERS ACTUALLY ACCEPT FOR
15 THEIR SERVICES, EXCLUSIVE OF CHARITY CARE, RATHER THAN THE
16 CHARGES THEY BILL.

17 "PAYOR." ANY PERSON OR ENTITY, INCLUDING, BUT NOT LIMITED
18 TO, HEALTH CARE INSURERS AND PURCHASERS, THAT MAKE DIRECT
19 PAYMENTS TO PROVIDERS FOR COVERED SERVICES.

20 "PHYSICIAN." AN INDIVIDUAL LICENSED UNDER THE LAWS OF THIS
21 COMMONWEALTH TO PRACTICE MEDICINE AND SURGERY WITHIN THE SCOPE
22 OF THE ACT OF OCTOBER 5, 1978 (P.L.1109, NO.261), KNOWN AS THE
23 OSTEOPATHIC MEDICAL PRACTICE ACT, OR THE ACT OF DECEMBER 20,
24 1985 (P.L.457, NO.112), KNOWN AS THE MEDICAL PRACTICE ACT OF
25 1985.

26 "PREFERRED PROVIDER ORGANIZATION." ANY ARRANGEMENT BETWEEN A
27 HEALTH CARE INSURER AND PROVIDERS OF HEALTH CARE SERVICES WHICH
28 SPECIFIES RATES OF PAYMENT TO SUCH PROVIDERS WHICH DIFFER FROM
29 THEIR USUAL AND CUSTOMARY CHARGES TO THE GENERAL PUBLIC AND
30 WHICH ENCOURAGE ENROLLEES TO RECEIVE HEALTH SERVICES FROM SUCH

1 PROVIDERS.

2 "PROVIDER." A HOSPITAL, AN AMBULATORY SERVICE FACILITY OR A
3 PHYSICIAN.

4 "PROVIDER QUALITY." THE EXTENT TO WHICH A PROVIDER RENDERS
5 CARE THAT, WITHIN THE CAPABILITIES OF MODERN MEDICINE, OBTAINS
6 FOR PATIENTS MEDICALLY ACCEPTABLE HEALTH OUTCOMES AND PROGNOSSES,
7 ADJUSTED FOR PATIENT SEVERITY, AND TREATS PATIENTS
8 COMPASSIONATELY AND RESPONSIVELY.

9 "PROVIDER SERVICE EFFECTIVENESS." THE EFFECTIVENESS OF
10 SERVICES RENDERED BY A PROVIDER, DETERMINED BY MEASUREMENT OF
11 THE MEDICAL OUTCOME OF PATIENTS GROUPED BY SEVERITY RECEIVING
12 THOSE SERVICES.

13 "PURCHASER." ALL CORPORATIONS, LABOR ORGANIZATIONS AND OTHER
14 ENTITIES THAT PURCHASE BENEFITS WHICH PROVIDE COVERED SERVICES
15 FOR THEIR EMPLOYEES OR MEMBERS, EITHER THROUGH A HEALTH CARE
16 INSURER OR BY MEANS OF A SELF-FUNDED PROGRAM OF BENEFITS, AND A
17 CERTIFIED BARGAINING REPRESENTATIVE THAT REPRESENTS A GROUP OR
18 GROUPS OF EMPLOYEES FOR WHOM EMPLOYERS PURCHASE A PROGRAM OF
19 BENEFITS WHICH PROVIDE COVERED SERVICES, BUT EXCLUDING ENTITIES
20 DEFINED IN THIS SECTION AS "HEALTH CARE INSURERS."

21 "RAW DATA" OR "DATA." DATA COLLECTED BY THE COUNCIL UNDER
22 SECTION 6 IN THE FORM INITIALLY RECEIVED. NO DATA SHALL BE
23 RELEASED BY THE COUNCIL EXCEPT AS PROVIDED FOR IN SECTION 11.

24 "SEVERITY." IN ANY PATIENT, THE MEASUREABLE DEGREE OF THE
25 POTENTIAL FOR FAILURE OF ONE OR MORE VITAL ORGANS.

26 SECTION 4. HEALTH CARE COST CONTAINMENT COUNCIL.

27 (A) ESTABLISHMENT.--THE GENERAL ASSEMBLY HEREBY ESTABLISHES
28 AN INDEPENDENT COUNCIL TO BE KNOWN AS THE HEALTH CARE COST
29 CONTAINMENT COUNCIL.

30 (B) COMPOSITION.--THE COUNCIL SHALL CONSIST OF VOTING

MEMBERS, COMPOSED OF AND APPOINTED IN ACCORDANCE WITH THE
FOLLOWING:

(1) THE SECRETARY OF HEALTH.

(2) THE SECRETARY OF PUBLIC WELFARE.

(3) THE INSURANCE COMMISSIONER.

(4) SIX REPRESENTATIVES OF THE BUSINESS COMMUNITY, AT
LEAST ONE OF WHOM REPRESENTS SMALL BUSINESS, WHO ARE
PURCHASERS OF HEALTH CARE AS DEFINED IN SECTION 3, NONE OF
WHICH IS PRIMARILY INVOLVED IN THE PROVISION OF HEALTH CARE
OR HEALTH INSURANCE, THREE OF WHICH SHALL BE APPOINTED BY THE
PRESIDENT PRO TEMPORE OF THE SENATE AND THREE OF WHICH SHALL
BE APPOINTED BY THE SPEAKER OF THE HOUSE OF REPRESENTATIVES
FROM A LIST OF TWELVE QUALIFIED PERSONS RECOMMENDED BY THE
PENNSYLVANIA CHAMBER OF BUSINESS AND INDUSTRY. THREE NOMINEES
SHALL BE REPRESENTATIVES OF SMALL BUSINESS.

(5) SIX REPRESENTATIVES OF ORGANIZED LABOR, THREE OF
WHICH SHALL BE APPOINTED BY THE PRESIDENT PRO TEMPORE OF THE
SENATE AND THREE OF WHICH SHALL BE APPOINTED BY THE SPEAKER
OF THE HOUSE OF REPRESENTATIVES FROM A LIST OF TWELVE
QUALIFIED PERSONS RECOMMENDED BY THE PENNSYLVANIA AFL-CIO.

(6) ONE REPRESENTATIVE OF CONSUMERS WHO IS NOT PRIMARILY
INVOLVED IN THE PROVISION OF HEALTH CARE OR HEALTH CARE
INSURANCE, APPOINTED BY THE GOVERNOR FROM A LIST OF THREE
QUALIFIED PERSONS RECOMMENDED JOINTLY BY THE SPEAKER OF THE
HOUSE OF REPRESENTATIVES AND THE PRESIDENT PRO TEMPORE OF THE
SENATE.

(7) TWO REPRESENTATIVES OF HOSPITALS, APPOINTED BY THE
GOVERNOR FROM A LIST OF FIVE QUALIFIED HOSPITAL
REPRESENTATIVES RECOMMENDED BY THE HOSPITAL AND HEALTH SYSTEM
ASSOCIATION OF PENNSYLVANIA ONE OF WHOM SHALL BE A

1 REPRESENTATIVE OF RURAL HOSPITALS. EACH REPRESENTATIVE UNDER
2 THIS PARAGRAPH MAY APPOINT TWO ADDITIONAL DELEGATES TO ACT
3 FOR THE REPRESENTATIVE ONLY AT MEETINGS OF COMMITTEES, AS
4 PROVIDED FOR IN SUBSECTION (F).

5 (8) TWO REPRESENTATIVES OF PHYSICIANS, APPOINTED BY THE
6 GOVERNOR FROM A LIST OF FIVE QUALIFIED PHYSICIAN
7 REPRESENTATIVES RECOMMENDED JOINTLY BY THE PENNSYLVANIA
8 MEDICAL SOCIETY AND THE PENNSYLVANIA OSTEOPATHIC MEDICAL
9 SOCIETY. THE REPRESENTATIVE UNDER THIS PARAGRAPH MAY APPOINT
10 TWO ADDITIONAL DELEGATES TO ACT FOR THE REPRESENTATIVE ONLY
11 AT MEETINGS OF COMMITTEES, AS PROVIDED FOR IN SUBSECTION (F).

12 (8.1) AN INDIVIDUAL APPOINTED BY THE GOVERNOR WHO HAS
13 EXPERTISE IN THE APPLICATION OF CONTINUOUS QUALITY
14 IMPROVEMENT METHODS IN HOSPITALS.

15 (8.2) ONE REPRESENTATIVE OF NURSES, APPOINTED BY THE
16 GOVERNOR FROM A LIST OF THREE QUALIFIED REPRESENTATIVES
17 RECOMMENDED BY THE PENNSYLVANIA STATE NURSES ASSOCIATION.

18 (9) ONE REPRESENTATIVE OF THE BLUE CROSS AND BLUE SHIELD
19 PLANS IN PENNSYLVANIA, APPOINTED BY THE GOVERNOR FROM A LIST
20 OF THREE QUALIFIED PERSONS RECOMMENDED JOINTLY BY THE BLUE
21 CROSS AND BLUE SHIELD PLANS OF PENNSYLVANIA.

22 (10) ONE REPRESENTATIVE OF COMMERCIAL INSURANCE
23 CARRIERS, APPOINTED BY THE GOVERNOR FROM A LIST OF THREE
24 QUALIFIED PERSONS RECOMMENDED BY THE INSURANCE FEDERATION OF
25 PENNSYLVANIA, INC.

26 (11) ONE REPRESENTATIVE OF HEALTH MAINTENANCE
27 ORGANIZATIONS, APPOINTED BY THE GOVERNOR FROM A LIST OF THREE
28 QUALIFIED PERSONS RECOMMENDED BY THE MANAGED CARE ASSOCIATION
29 OF PENNSYLVANIA.

30 (12) IN THE CASE OF EACH APPOINTMENT TO BE MADE FROM A

1 LIST SUPPLIED BY A SPECIFIED ORGANIZATION, IT IS INCUMBENT
2 UPON THAT ORGANIZATION TO CONSULT WITH AND PROVIDE A LIST
3 WHICH REFLECTS THE INPUT OF OTHER EQUIVALENT ORGANIZATIONS
4 REPRESENTING SIMILAR INTERESTS. EACH APPOINTING AUTHORITY
5 WILL HAVE THE DISCRETION TO REQUEST ADDITIONS TO THE LIST
6 ORIGINALLY SUBMITTED. ADDITIONAL NAMES WILL BE PROVIDED NOT
7 LATER THAN 15 DAYS AFTER SUCH REQUEST. APPOINTMENTS SHALL BE
8 MADE BY THE APPOINTING AUTHORITY NO LATER THAN 90 DAYS AFTER
9 RECEIPT OF THE ORIGINAL LIST. IF, FOR ANY REASON, ANY
10 SPECIFIED ORGANIZATION SUPPLYING A LIST SHOULD CEASE TO
11 EXIST, THEN THE RESPECTIVE APPOINTING AUTHORITY SHALL SPECIFY
12 A NEW EQUIVALENT ORGANIZATION TO FULFILL THE RESPONSIBILITIES
13 OF THIS ACT.

14 (C) CHAIRPERSON AND VICE CHAIRPERSON.--THE MEMBERS SHALL
15 ANNUALLY ELECT, BY A MAJORITY VOTE OF THE MEMBERS, A CHAIRPERSON
16 AND A VICE CHAIRPERSON OF THE COUNCIL FROM AMONG THE BUSINESS
17 AND LABOR REPRESENTATIVES ON THE COUNCIL.

18 (D) QUORUM.--THIRTEEN MEMBERS, AT LEAST SIX OF WHOM MUST BE
19 MADE UP OF REPRESENTATIVES OF BUSINESS AND LABOR, SHALL
20 CONSTITUTE A QUORUM FOR THE TRANSACTION OF ANY BUSINESS, AND THE
21 ACT BY THE MAJORITY OF THE MEMBERS PRESENT AT ANY MEETING IN
22 WHICH THERE IS A QUORUM SHALL BE DEEMED TO BE THE ACT OF THE
23 COUNCIL.

24 (E) MEETINGS.--ALL MEETINGS OF THE COUNCIL SHALL BE
25 ADVERTISED AND CONDUCTED PURSUANT TO 65 PA.C.S. CH. 7 (RELATING
26 TO OPEN MEETINGS), UNLESS OTHERWISE PROVIDED IN THIS SECTION.

27 (1) THE COUNCIL SHALL MEET AT LEAST ONCE EVERY TWO
28 MONTHS, AND MAY PROVIDE FOR SPECIAL MEETINGS AS IT DEEMS
29 NECESSARY. MEETING DATES SHALL BE SET BY A MAJORITY VOTE OF
30 THE MEMBERS OF THE COUNCIL OR BY THE CALL OF THE CHAIRPERSON

1 UPON SEVEN DAYS' NOTICE TO ALL COUNCIL MEMBERS.

2 (2) ALL MEETINGS OF THE COUNCIL SHALL BE PUBLICLY
3 ADVERTISED, AS PROVIDED FOR IN THIS SUBSECTION, AND SHALL BE
4 OPEN TO THE PUBLIC, EXCEPT THAT THE COUNCIL, THROUGH ITS
5 BYLAWS, MAY PROVIDE FOR EXECUTIVE SESSIONS OF THE COUNCIL ON
6 SUBJECTS PERMITTED TO BE DISCUSSED IN SUCH SESSIONS UNDER 65
7 PA.C.S. CH. 7. NO ACT OF THE COUNCIL SHALL BE TAKEN IN AN
8 EXECUTIVE SESSION.

9 (3) THE COUNCIL SHALL PUBLISH A SCHEDULE OF ITS MEETINGS
10 IN THE PENNSYLVANIA BULLETIN AND IN AT LEAST ONE NEWSPAPER IN
11 GENERAL CIRCULATION IN THE COMMONWEALTH. SUCH NOTICE SHALL BE
12 PUBLISHED AT LEAST ONCE IN EACH CALENDAR QUARTER AND SHALL
13 LIST THE SCHEDULE OF MEETINGS OF THE COUNCIL TO BE HELD IN
14 THE SUBSEQUENT CALENDAR QUARTER. SUCH NOTICE SHALL SPECIFY
15 THE DATE, TIME AND PLACE OF THE MEETING AND SHALL STATE THAT
16 THE COUNCIL'S MEETINGS ARE OPEN TO THE GENERAL PUBLIC, EXCEPT
17 THAT NO SUCH NOTICE SHALL BE REQUIRED FOR EXECUTIVE SESSIONS
18 OF THE COUNCIL.

19 (4) ALL ACTION TAKEN BY THE COUNCIL SHALL BE TAKEN IN
20 OPEN PUBLIC SESSION, AND ACTION OF THE COUNCIL SHALL NOT BE
21 TAKEN EXCEPT UPON THE AFFIRMATIVE VOTE OF A MAJORITY OF THE
22 MEMBERS OF THE COUNCIL PRESENT DURING MEETINGS AT WHICH A
23 QUORUM IS PRESENT.

24 (F) BYLAWS.--THE COUNCIL SHALL ADOPT BYLAWS, NOT
25 INCONSISTENT WITH THIS ACT, AND MAY APPOINT SUCH COMMITTEES OR
26 ELECT SUCH OFFICERS SUBORDINATE TO THOSE PROVIDED FOR IN
27 SUBSECTION (C) AS IT DEEMS ADVISABLE. THE COUNCIL SHALL PROVIDE
28 FOR THE APPROVAL AND PARTICIPATION OF ADDITIONAL DELEGATES
29 APPOINTED UNDER SUBSECTION (B)(7) AND (8) SO THAT EACH
30 ORGANIZATION REPRESENTED BY DELEGATES UNDER THOSE PARAGRAPHS

1 SHALL NOT HAVE MORE THAN ONE VOTE ON ANY COMMITTEE TO WHICH THEY
2 ARE APPOINTED. THE COUNCIL SHALL ALSO APPOINT A TECHNICAL
3 ADVISORY GROUP WHICH SHALL, ON AN AD HOC BASIS, RESPOND TO
4 ISSUES PRESENTED TO IT BY THE COUNCIL OR COMMITTEES OF THE
5 COUNCIL AND SHALL MAKE RECOMMENDATIONS TO THE COUNCIL. THE
6 TECHNICAL ADVISORY GROUP SHALL INCLUDE PHYSICIANS, RESEARCHERS,
7 BIostatisticians, ONE REPRESENTATIVE OF THE HOSPITAL AND
8 HEALTHSYSTEM ASSOCIATION OF PENNSYLVANIA AND ONE REPRESENTATIVE
9 OF THE PENNSYLVANIA MEDICAL SOCIETY. THE HOSPITAL AND
10 HEALTHSYSTEM ASSOCIATION OF PENNSYLVANIA AND THE PENNSYLVANIA
11 MEDICAL SOCIETY REPRESENTATIVES SHALL NOT BE SUBJECT TO
12 EXECUTIVE COMMITTEE APPROVAL. IN APPOINTING OTHER PHYSICIANS,
13 RESEARCHERS AND BIostatisticians TO THE TECHNICAL ADVISORY
14 GROUP, THE COUNCIL SHALL CONSULT WITH AND TAKE NOMINATIONS FROM
15 THE REPRESENTATIVES OF THE HOSPITAL ASSOCIATION OF PENNSYLVANIA,
16 THE PENNSYLVANIA MEDICAL SOCIETY, THE PENNSYLVANIA OSTEOPATHIC
17 MEDICAL SOCIETY OR OTHER LIKE ORGANIZATIONS. AT ITS DISCRETION
18 AND IN ACCORDANCE WITH THIS SECTION, NOMINATIONS SHALL BE
19 APPROVED BY THE EXECUTIVE COMMITTEE OF THE COUNCIL. IF THE
20 SUBJECT MATTER OF ANY PROJECT EXCEEDS THE EXPERTISE OF THE
21 TECHNICAL ADVISORY GROUP, PHYSICIANS IN APPROPRIATE SPECIALTIES
22 WHO POSSESS CURRENT KNOWLEDGE OF THE ISSUE UNDER STUDY MAY BE
23 CONSULTED. THE TECHNICAL ADVISORY GROUP SHALL ALSO REVIEW THE
24 AVAILABILITY AND RELIABILITY OF SEVERITY OF ILLNESS MEASUREMENTS
25 AS THEY RELATE TO SMALL HOSPITALS AND PSYCHIATRIC,
26 REHABILITATION AND CHILDREN'S HOSPITALS AND SHALL MAKE
27 RECOMMENDATIONS TO THE COUNCIL BASED UPON THIS REVIEW. MEETINGS
28 OF THE TECHNICAL ADVISORY GROUP SHALL BE OPEN TO THE GENERAL
29 PUBLIC.

30 (G) COMPENSATION AND EXPENSES.--THE MEMBERS OF THE COUNCIL

1 SHALL NOT RECEIVE A SALARY OR PER DIEM ALLOWANCE FOR SERVING AS
2 MEMBERS OF THE COUNCIL BUT SHALL BE REIMBURSED FOR ACTUAL AND
3 NECESSARY EXPENSES INCURRED IN THE PERFORMANCE OF THEIR DUTIES.
4 SAID EXPENSES MAY INCLUDE REIMBURSEMENT OF TRAVEL AND LIVING
5 EXPENSES WHILE ENGAGED IN COUNCIL BUSINESS.

6 (H) TERMS OF COUNCIL MEMBERS.--

7 (1) THE TERMS OF THE SECRETARY OF HEALTH, THE SECRETARY
8 OF PUBLIC WELFARE AND THE INSURANCE COMMISSIONER SHALL BE
9 CONCURRENT WITH THEIR HOLDING OF PUBLIC OFFICE. THE COUNCIL
10 MEMBERS UNDER SUBSECTION (B)(4) THROUGH (11) SHALL EACH SERVE
11 FOR A TERM OF FOUR YEARS AND SHALL CONTINUE TO SERVE
12 THEREAFTER UNTIL THEIR SUCCESSOR IS APPOINTED.

13 (2) VACANCIES ON THE COUNCIL SHALL BE FILLED IN THE
14 MANNER DESIGNATED UNDER SUBSECTION (B), WITHIN 60 DAYS OF THE
15 VACANCY, EXCEPT THAT WHEN VACANCIES OCCUR AMONG THE
16 REPRESENTATIVES OF BUSINESS OR ORGANIZED LABOR, TWO
17 NOMINATIONS SHALL BE SUBMITTED BY THE ORGANIZATION SPECIFIED
18 IN SUBSECTION (B) FOR EACH VACANCY ON THE COUNCIL. IF THE
19 OFFICER REQUIRED IN SUBSECTION (B) TO MAKE APPOINTMENTS TO
20 THE COUNCIL FAILS TO ACT WITHIN 60 DAYS OF THE VACANCY, THE
21 COUNCIL CHAIRPERSON MAY APPOINT ONE OF THE PERSONS
22 RECOMMENDED FOR THE VACANCY UNTIL THE APPOINTING AUTHORITY
23 MAKES THE APPOINTMENT.

24 (3) A MEMBER MAY BE REMOVED FOR JUST CAUSE BY THE
25 APPOINTING AUTHORITY AFTER RECOMMENDATION BY A VOTE OF AT
26 LEAST 14 MEMBERS OF THE COUNCIL.

27 (4) NO APPOINTED MEMBER UNDER SUBSECTION (B)(4) THROUGH
28 (11) SHALL BE ELIGIBLE TO SERVE MORE THAN TWO FULL
29 CONSECUTIVE TERMS OF FOUR YEARS BEGINNING ON THE EFFECTIVE
30 DATE OF THIS PARAGRAPH.

(J) SUBSEQUENT APPOINTMENTS.--SUBMISSION OF LISTS OF
RECOMMENDED PERSONS AND APPOINTMENTS OF COUNCIL MEMBERS FOR
SUCCEEDING TERMS SHALL BE MADE IN THE SAME MANNER AS PRESCRIBED
IN SUBSECTION (B), EXCEPT THAT:

(1) ORGANIZATIONS REQUIRED UNDER SUBSECTION (B) TO
SUBMIT LISTS OF RECOMMENDED PERSONS SHALL DO SO AT LEAST 60
DAYS PRIOR TO EXPIRATION OF THE COUNCIL MEMBERS' TERMS.

(2) THE OFFICER REQUIRED UNDER SUBSECTION (B) TO MAKE
APPOINTMENTS TO THE COUNCIL SHALL MAKE SAID APPOINTMENTS AT
LEAST 30 DAYS PRIOR TO EXPIRATION OF THE COUNCIL MEMBERS'
TERMS. IF THE APPOINTMENTS ARE NOT MADE WITHIN THE SPECIFIED
TIME, THE COUNCIL CHAIRPERSON MAY MAKE INTERIM APPOINTMENTS
FROM THE LISTS OF RECOMMENDED INDIVIDUALS. AN INTERIM
APPOINTMENT SHALL BE VALID ONLY UNTIL THE APPROPRIATE OFFICER
UNDER SUBSECTION (B) MAKES THE REQUIRED APPOINTMENT. WHETHER
THE APPOINTMENT IS BY THE REQUIRED OFFICER OR BY THE
CHAIRPERSON OF THE COUNCIL, THE APPOINTMENT SHALL BECOME
EFFECTIVE IMMEDIATELY UPON EXPIRATION OF THE INCUMBENT
MEMBER'S TERM.

SECTION 5. POWERS AND DUTIES OF THE COUNCIL.

(A) GENERAL POWERS.--THE COUNCIL SHALL EXERCISE ALL POWERS
NECESSARY AND APPROPRIATE TO CARRY OUT ITS DUTIES, INCLUDING THE
FOLLOWING:

(1) TO EMPLOY AN EXECUTIVE DIRECTOR, INVESTIGATORS AND
OTHER STAFF NECESSARY TO COMPLY WITH THE PROVISIONS OF THIS
ACT AND REGULATIONS PROMULGATED THEREUNDER, TO EMPLOY OR
RETAIN LEGAL COUNSEL AND TO ENGAGE PROFESSIONAL CONSULTANTS,
AS IT DEEMS NECESSARY TO THE PERFORMANCE OF ITS DUTIES. ANY
CONSULTANTS, OTHER THAN SOLE SOURCE CONSULTANTS, ENGAGED BY
THE COUNCIL SHALL BE SELECTED IN ACCORDANCE WITH THE

1 PROVISIONS FOR CONTRACTING WITH VENDORS SET FORTH IN SECTION
2 16.

3 (2) TO FIX THE COMPENSATION OF ALL EMPLOYEES AND TO
4 PRESCRIBE THEIR DUTIES. NOTWITHSTANDING THE INDEPENDENCE OF
5 THE COUNCIL UNDER SECTION 4(A), EMPLOYEES UNDER THIS
6 PARAGRAPH SHALL BE DEEMED EMPLOYEES OF THE COMMONWEALTH FOR
7 THE PURPOSES OF PARTICIPATION IN THE PENNSYLVANIA EMPLOYEE
8 BENEFIT TRUST FUND.

9 (3) TO MAKE AND EXECUTE CONTRACTS AND OTHER INSTRUMENTS,
10 INCLUDING THOSE FOR PURCHASE OF SERVICES AND PURCHASE OR
11 LEASING OF EQUIPMENT AND SUPPLIES, NECESSARY OR CONVENIENT TO
12 THE EXERCISE OF THE POWERS OF THE COUNCIL. ANY SUCH CONTRACT
13 SHALL BE LET ONLY IN ACCORDANCE WITH THE PROVISION FOR
14 CONTRACTING WITH VENDORS SET FORTH IN SECTION 16.

15 (4) TO CONDUCT EXAMINATIONS AND INVESTIGATIONS, TO
16 CONDUCT AUDITS, PURSUANT TO THE PROVISIONS OF SUBSECTION (C),
17 AND TO HEAR TESTIMONY AND TAKE PROOF, UNDER OATH OR
18 AFFIRMATION, AT PUBLIC OR PRIVATE HEARINGS, ON ANY MATTER
19 NECESSARY TO ITS DUTIES.

20 (4.1) TO PROVIDE HOSPITALS WITH INDIVIDUALIZED DATA ON
21 PATIENT SAFETY INDICATORS PURSUANT TO SECTION 6(C)(7). THE
22 DATA SHALL BE RISK ADJUSTED AND MADE AVAILABLE TO HOSPITALS
23 ELECTRONICALLY AND FREE OF CHARGE ON A QUARTERLY BASIS WITHIN
24 45 DAYS OF RECEIPT OF THE CORRECTED QUARTERLY DATA FROM THE
25 HOSPITALS. THE DATA IS INTENDED TO PROVIDE THE PATIENT SAFETY
26 COMMITTEE OF EACH HOSPITAL WITH INFORMATION NECESSARY TO
27 ASSIST IN CONDUCTING PATIENT SAFETY ANALYSIS.

28 (5) TO DO ALL THINGS NECESSARY TO CARRY OUT ITS DUTIES
29 UNDER THE PROVISIONS OF THIS ACT.

30 (B) RULES AND REGULATIONS.--THE COUNCIL SHALL PROMULGATE

1 RULES AND REGULATIONS IN ACCORDANCE WITH THE ACT OF JUNE 25,
2 1982 (P.L.633, NO.181), KNOWN AS THE REGULATORY REVIEW ACT,
3 NECESSARY TO CARRY OUT ITS DUTIES UNDER THIS ACT. THIS
4 SUBSECTION SHALL NOT APPLY TO REGULATIONS IN EFFECT ON JUNE 30,
5 2003.

6 (C) AUDIT POWERS.--THE COUNCIL SHALL HAVE THE RIGHT TO
7 INDEPENDENTLY AUDIT ALL INFORMATION REQUIRED TO BE SUBMITTED BY
8 DATA SOURCES AS NEEDED TO CORROBORATE THE ACCURACY OF THE
9 SUBMITTED DATA, PURSUANT TO THE FOLLOWING:

10 (1) AUDITS OF INFORMATION SUBMITTED BY PROVIDERS OR
11 HEALTH CARE INSURERS SHALL BE PERFORMED ON A SAMPLE AND
12 ISSUE-SPECIFIC BASIS, AS NEEDED BY THE COUNCIL, AND SHALL BE
13 COORDINATED, TO THE EXTENT PRACTICABLE, WITH AUDITS PERFORMED
14 BY THE COMMONWEALTH. ALL HEALTH CARE INSURERS AND PROVIDERS
15 ARE HEREBY REQUIRED TO MAKE THOSE BOOKS, RECORDS OF ACCOUNTS
16 AND ANY OTHER DATA NEEDED BY THE AUDITORS AVAILABLE TO THE
17 COUNCIL AT A CONVENIENT LOCATION WITHIN 30 DAYS OF A WRITTEN
18 NOTIFICATION BY THE COUNCIL.

19 (2) AUDITS OF INFORMATION SUBMITTED BY PURCHASERS SHALL
20 BE PERFORMED ON A SAMPLE BASIS, UNLESS THERE EXISTS
21 REASONABLE CAUSE TO AUDIT SPECIFIC PURCHASERS, BUT IN NO CASE
22 SHALL THE COUNCIL HAVE THE POWER TO AUDIT FINANCIAL
23 STATEMENTS OF PURCHASERS.

24 (3) ALL AUDITS PERFORMED BY THE COUNCIL SHALL BE
25 PERFORMED AT THE EXPENSE OF THE COUNCIL.

26 (4) THE RESULTS OF AUDITS OF PROVIDERS OR HEALTH CARE
27 INSURERS SHALL BE PROVIDED TO THE AUDITED PROVIDERS AND
28 HEALTH CARE INSURERS ON A TIMELY BASIS, NOT TO EXCEED 30 DAYS
29 BEYOND PRESENTATION OF AUDIT FINDINGS TO THE COUNCIL.

30 (D) GENERAL DUTIES AND FUNCTIONS.--THE COUNCIL IS HEREBY

1 AUTHORIZED TO AND SHALL PERFORM THE FOLLOWING DUTIES AND
2 FUNCTIONS:

3 (1) DEVELOP A COMPUTERIZED SYSTEM FOR THE COLLECTION,
4 ANALYSIS AND DISSEMINATION OF DATA. THE COUNCIL MAY CONTRACT
5 WITH A VENDOR WHO WILL PROVIDE SUCH DATA PROCESSING SERVICES.
6 THE COUNCIL SHALL ASSURE THAT THE SYSTEM WILL BE CAPABLE OF
7 PROCESSING ALL DATA REQUIRED TO BE COLLECTED UNDER THIS ACT.
8 ANY VENDOR SELECTED BY THE COUNCIL SHALL BE SELECTED IN
9 ACCORDANCE WITH THE PROVISIONS OF SECTION 16, AND SAID VENDOR
10 SHALL RELINQUISH ANY AND ALL PROPRIETARY RIGHTS OR CLAIMS TO
11 THE DATA BASE CREATED AS A RESULT OF IMPLEMENTATION OF THE
12 DATA PROCESSING SYSTEM.

13 (2) ESTABLISH A PENNSYLVANIA UNIFORM CLAIMS AND BILLING
14 FORM FOR ALL DATA SOURCES AND ALL PROVIDERS WHICH SHALL BE
15 UTILIZED AND MAINTAINED BY ALL DATA SOURCES AND ALL PROVIDERS
16 FOR ALL SERVICES COVERED UNDER THIS ACT.

17 (3) COLLECT AND DISSEMINATE DATA, AS SPECIFIED IN
18 SECTION 6, AND OTHER INFORMATION FROM DATA SOURCES TO WHICH
19 THE COUNCIL IS ENTITLED, PREPARED ACCORDING TO FORMATS, TIME
20 FRAMES AND CONFIDENTIALITY PROVISIONS AS SPECIFIED IN
21 SECTIONS 6 AND 10, AND BY THE COUNCIL.

22 (4) ADOPT AND IMPLEMENT A METHODOLOGY TO COLLECT AND
23 DISSEMINATE DATA REFLECTING PROVIDER QUALITY AND PROVIDER
24 SERVICE EFFECTIVENESS PURSUANT TO SECTION 6.

25 (5) SUBJECT TO THE RESTRICTIONS ON ACCESS TO RAW DATA
26 SET FORTH IN SECTION 10, ISSUE SPECIAL REPORTS AND MAKE
27 AVAILABLE RAW DATA AS DEFINED IN SECTION 3 TO ANY PURCHASER
28 REQUESTING IT. SALE BY ANY RECIPIENT OR EXCHANGE OR
29 PUBLICATION BY A RECIPIENT, OTHER THAN A PURCHASER, OF RAW
30 COUNCIL DATA TO OTHER PARTIES WITHOUT THE EXPRESS WRITTEN

1 CONSENT OF, AND UNDER TERMS APPROVED BY, THE COUNCIL SHALL BE
2 UNAUTHORIZED USE OF DATA PURSUANT TO SECTION 10(C).

3 (6) ON AN ANNUAL BASIS, PUBLISH IN THE PENNSYLVANIA
4 BULLETIN A LIST OF ALL THE RAW DATA REPORTS IT HAS PREPARED
5 UNDER SECTION 10(F) AND A DESCRIPTION OF THE DATA OBTAINED
6 THROUGH EACH COMPUTER-TO-COMPUTER ACCESS IT HAS PROVIDED
7 UNDER SECTION 10(F) AND OF THE NAMES OF THE PARTIES TO WHOM
8 THE COUNCIL PROVIDED THE REPORTS OR THE COMPUTER-TO-COMPUTER
9 ACCESS DURING THE PREVIOUS MONTH.

10 (7) PROMOTE COMPETITION IN THE HEALTH CARE AND HEALTH
11 INSURANCE MARKETS.

12 (8) ASSURE THAT THE USE OF COUNCIL DATA DOES NOT RAISE
13 ACCESS BARRIERS TO CARE.

14 (10) MAKE ANNUAL REPORTS TO THE GENERAL ASSEMBLY ON THE
15 RATE OF INCREASE IN THE COST OF HEALTH CARE IN THE
16 COMMONWEALTH AND THE EFFECTIVENESS OF THE COUNCIL IN CARRYING
17 OUT THE LEGISLATIVE INTENT OF THIS ACT. IN ADDITION, THE
18 COUNCIL MAY MAKE RECOMMENDATIONS ON THE NEED FOR FURTHER
19 HEALTH CARE COST CONTAINMENT LEGISLATION. THE COUNCIL SHALL
20 ALSO MAKE ANNUAL REPORTS TO THE GENERAL ASSEMBLY ON THE
21 QUALITY AND EFFECTIVENESS OF HEALTH CARE AND ACCESS TO HEALTH
22 CARE FOR ALL CITIZENS OF THE COMMONWEALTH.

23 (12) CONDUCT STUDIES AND PUBLISH REPORTS THEREON
24 ANALYZING THE EFFECTS THAT NONINPATIENT, ALTERNATIVE HEALTH
25 CARE DELIVERY SYSTEMS HAVE ON HEALTH CARE COSTS. THESE
26 SYSTEMS SHALL INCLUDE, BUT NOT BE LIMITED TO: HMO'S; PPO'S;
27 PRIMARY HEALTH CARE FACILITIES; HOME HEALTH CARE; ATTENDANT
28 CARE; AMBULATORY SERVICE FACILITIES; FREESTANDING EMERGENCY
29 CENTERS; BIRTHING CENTERS; AND HOSPICE CARE. THESE REPORTS
30 SHALL BE SUBMITTED TO THE GENERAL ASSEMBLY AND SHALL BE MADE

1 AVAILABLE TO THE PUBLIC.

2 (13) CONDUCT STUDIES AND MAKE REPORTS CONCERNING THE
3 UTILIZATION OF EXPERIMENTAL AND NONEXPERIMENTAL TRANSPLANT
4 SURGERY AND OTHER HIGHLY TECHNICAL AND EXPERIMENTAL
5 PROCEDURES, INCLUDING COSTS AND MORTALITY RATES.

6 (14) IN ORDER TO ENSURE THAT THE COUNCIL ADOPTS AND
7 MAINTAINS BOTH SCIENTIFICALLY CREDIBLE AND COST-EFFECTIVE
8 METHODOLOGY TO COLLECT AND DISSEMINATE DATA REFLECTING
9 PROVIDER QUALITY AND SERVICE EFFECTIVENESS, THE COUNCIL
10 SHALL, WITHIN ONE YEAR OF THE EFFECTIVE DATE OF THIS
11 PARAGRAPH, UTILIZING CURRENT COMMONWEALTH AGENCY GUIDELINES
12 AND PROCEDURES, ISSUE A REQUEST FOR INFORMATION FROM ANY
13 VENDOR THAT WISHES TO PROVIDE DATA COLLECTION OR RISK
14 ADJUSTMENT METHODOLOGY TO THE COUNCIL TO HELP MEET THE
15 REQUIREMENTS OF THIS SUBSECTION AND SECTION 6. THE COUNCIL
16 SHALL ESTABLISH AN INDEPENDENT REQUEST FOR INFORMATION REVIEW
17 COMMITTEE TO REVIEW AND RANK ALL RESPONSES AND TO MAKE A
18 FINAL RECOMMENDATION TO THE COUNCIL. THE REQUEST FOR
19 INFORMATION REVIEW COMMITTEE SHALL CONSIST OF THE FOLLOWING
20 MEMBERS APPOINTED BY THE GOVERNOR:

21 (I) ONE REPRESENTATIVE OF THE HOSPITAL AND
22 HEALTHSYSTEM ASSOCIATION OF PENNSYLVANIA.

23 (II) ONE REPRESENTATIVE OF THE PENNSYLVANIA MEDICAL
24 SOCIETY.

25 (III) ONE REPRESENTATIVE OF INSURANCE.

26 (IV) ONE REPRESENTATIVE OF LABOR.

27 (V) ONE REPRESENTATIVE OF BUSINESS.

28 (VI) TWO REPRESENTATIVES OF THE GENERAL PUBLIC.

29 (15) THE COUNCIL SHALL EXECUTE A REQUEST FOR PROPOSALS
30 WITH THIRD-PARTY VENDORS FOR THE PURPOSE OF DEMONSTRATING A

METHODOLOGY FOR THE COLLECTION, ANALYSIS AND REPORTING OF HOSPITAL-SPECIFIC COMPLICATION RATES. THE RESULTS OF THIS DEMONSTRATION SHALL BE PROVIDED TO THE CHAIRMAN AND MINORITY CHAIRMAN OF THE PUBLIC HEALTH AND WELFARE COMMITTEE OF THE SENATE AND THE CHAIRMAN AND MINORITY CHAIRMAN OF THE HEALTH AND HUMAN SERVICES COMMITTEE OF THE HOUSE OF REPRESENTATIVES. THIS METHODOLOGY MAY BE UTILIZED BY THE COUNCIL FOR PUBLIC REPORTING ON COMPARATIVE HOSPITAL COMPLICATION RATES.

SECTION 6. DATA SUBMISSION AND COLLECTION.

(A) (1) SUBMISSION OF DATA.--THE COUNCIL IS HEREBY AUTHORIZED TO COLLECT AND DATA SOURCES ARE HEREBY REQUIRED TO SUBMIT, UPON REQUEST OF THE COUNCIL, ALL DATA REQUIRED IN THIS SECTION, ACCORDING TO UNIFORM SUBMISSION FORMATS, CODING SYSTEMS AND OTHER TECHNICAL SPECIFICATIONS NECESSARY TO RENDER THE INCOMING DATA SUBSTANTIALLY VALID, CONSISTENT, COMPATIBLE AND MANAGEABLE USING ELECTRONIC DATA PROCESSING ACCORDING TO DATA SUBMISSION SCHEDULES, SUCH SCHEDULES TO AVOID, TO THE EXTENT POSSIBLE, SUBMISSION OF IDENTICAL DATA FROM MORE THAN ONE DATA SOURCE, ESTABLISHED AND PROMULGATED BY THE COUNCIL IN REGULATIONS PURSUANT TO ITS AUTHORITY UNDER SECTION 5(B). IF PAYOR DATA IS REQUESTED BY THE COUNCIL, IT SHALL, TO THE EXTENT POSSIBLE, BE OBTAINED FROM PRIMARY PAYOR SOURCES. THE COUNCIL SHALL NOT REQUIRE ANY DATA SOURCES TO CONTRACT WITH ANY SPECIFIC VENDOR FOR SUBMISSION OF ANY SPECIFIC DATA ELEMENTS TO THE COUNCIL.

(1.1) ANY VENDOR SHALL COMPLY WITH DATA SUBMISSION GUIDELINES ESTABLISHED IN THE REPORT SUBMITTED UNDER SECTION 17.2. THE COUNCIL SHALL MAINTAIN A VENDOR LIST OF AT LEAST TWO VENDORS THAT MAY BE CHOSEN BY ANY DATA SOURCE FOR SUBMISSION OF ANY SPECIFIC DATA ELEMENTS.

1 (2) EXCEPT AS PROVIDED IN THIS SECTION, THE COUNCIL MAY
2 ADOPT ANY NATIONALLY RECOGNIZED METHODOLOGY TO ADJUST DATA
3 SUBMITTED UNDER SUBSECTION (C) FOR SEVERITY OF ILLNESS. EVERY
4 THREE YEARS AFTER THE EFFECTIVE DATE OF THIS PARAGRAPH, THE
5 COUNCIL SHALL SOLICIT BIDS FROM THIRD-PARTY VENDORS TO ADJUST
6 THE DATA. THE SOLICITATION SHALL BE IN ACCORDANCE WITH 62
7 PA.C.S. (RELATING TO PROCUREMENT). EXCEPT AS PROVIDED IN
8 SUBPARAGRAPH (I), IN CARRYING OUT ITS RESPONSIBILITIES, THE
9 COUNCIL SHALL NOT REQUIRE HEALTH CARE FACILITIES TO REPORT
10 DATA ELEMENTS WHICH ARE NOT INCLUDED IN THE MANUAL DEVELOPED
11 BY THE NATIONAL UNIFORM BILLING COMMITTEE. THE FOLLOWING
12 APPLY:

13 (I) WITHIN 60 DAYS OF THE EFFECTIVE DATE OF THIS
14 PARAGRAPH, THE COUNCIL SHALL PUBLISH IN THE PENNSYLVANIA
15 BULLETIN A LIST OF DISEASES, PROCEDURES AND MEDICAL
16 CONDITIONS, NOT TO EXCEED 35, FOR WHICH DATA UNDER
17 SUBSECTIONS (C)(21) AND (D) SHALL BE REQUIRED. THE CHOSEN
18 LIST SHALL NOT REPRESENT MORE THAN 50% OF TOTAL HOSPITAL
19 DISCHARGES, BASED UPON THE PREVIOUS YEAR'S HOSPITAL
20 DISCHARGE DATA. SUBSEQUENT TO THE PUBLICATION OF THE
21 LIST, ANY DATA SUBMISSION REQUIREMENTS UNDER SUBSECTIONS
22 (C)(21) AND (D) PREVIOUSLY IN EFFECT SHALL BE NULL AND
23 VOID FOR DISEASES, PROCEDURES AND MEDICAL CONDITIONS NOT
24 FOUND ON THE LIST. ALL OTHER DATA ELEMENTS PURSUANT TO
25 SUBSECTION (C) SHALL CONTINUE TO BE REQUIRED FROM DATA
26 SOURCES. THE COUNCIL SHALL REVIEW THE LIST AND MAY ADD NO
27 MORE THAN A NET OF THREE DISEASES, PROCEDURES OR MEDICAL
28 CONDITIONS PER YEAR OVER A FIVE-YEAR PERIOD STARTING ON
29 THE EFFECTIVE DATE OF THIS SUBPARAGRAPH. THE ADJUSTED
30 LIST OF DISEASES, PROCEDURES AND MEDICAL CONDITIONS SHALL

1 AT NO TIME BE MORE THAN 50% OF TOTAL HOSPITAL DISCHARGES.

2 (II) IF THE CURRENT DATA VENDOR IS UNABLE TO
3 ACHIEVE, ON A PER-CHART BASIS, SAVINGS OF AT LEAST 40% IN
4 THE COST OF HOSPITAL COMPLIANCE WITH THE DATA ABSTRACTING
5 AND SUBMISSION REQUIREMENTS OF THIS ACT BY JUNE 30, 2004,
6 AS COMPARED TO JUNE 30, 2003, THEN THE COUNCIL SHALL
7 DISQUALIFY THE CURRENT VENDOR AND REOPEN THE BIDDING
8 PROCESS. THE INDEPENDENT AUDITOR SHALL DETERMINE THE
9 EXTENT AND VALIDITY OF THE SAVINGS. IN DETERMINING ANY
10 DEMONSTRATED COST SAVINGS, SURVEYS OF ALL HOSPITALS IN
11 THIS COMMONWEALTH SHALL BE CONDUCTED AND CONSIDERATION
12 SHALL BE GIVEN AT A MINIMUM TO:

13 (A) NEW COSTS, IN TERMS OF MAKING THE
14 METHODOLOGY OPERATIONAL, ASSOCIATED WITH LABORATORY,
15 PHARMACY AND OTHER INFORMATION SYSTEMS A HOSPITAL IS
16 REQUIRED TO PURCHASE IN ORDER TO REDUCE HOSPITAL
17 COMPLIANCE COSTS, INCLUDING THE COST OF ELECTRONIC
18 TRANSFER OF REQUIRED DATA; AND

19 (B) THE AUDITED DIRECT PERSONNEL AND RELATED
20 COSTS OF DATA ABSTRACTING AND SUBMISSION REQUIRED.

21 (III) REVIEW BY THE INDEPENDENT AUDITOR SHALL
22 COMMENCE BY MARCH 1, 2004, AND SHALL CONCLUDE WITH A
23 REPORT OF FINDINGS BY JULY 31, 2004. THE REPORT SHALL BE
24 DELIVERED TO THE COUNCIL, THE GOVERNOR, THE HEALTH AND
25 HUMAN SERVICES COMMITTEE OF THE HOUSE OF REPRESENTATIVES
26 AND THE PUBLIC HEALTH AND WELFARE COMMITTEE OF THE
27 SENATE.

28 (A.1) ABSTRACTION AND TECHNOLOGY WORK GROUP.--

29 (1) THE COUNCIL SHALL ESTABLISH A DATA ABSTRACTION AND
30 TECHNOLOGY WORK GROUP TO PRODUCE RECOMMENDATIONS FOR

1 IMPROVING AND REFINING THE DATA REQUIRED BY THE COUNCIL AND
2 REDUCING, THROUGH INNOVATIVE DIRECT DATA COLLECTION
3 TECHNIQUES, THE COST OF COLLECTING REQUIRED DATA. THE WORK
4 GROUP SHALL CONSIST OF THE FOLLOWING MEMBERS APPOINTED BY THE
5 COUNCIL:

6 (I) ONE MEMBER REPRESENTING THE OFFICE OF HEALTH
7 CARE REFORM;

8 (II) ONE MEMBER REPRESENTING THE BUSINESS COMMUNITY;

9 (III) ONE MEMBER REPRESENTING LABOR;

10 (IV) ONE MEMBER REPRESENTING CONSUMERS;

11 (V) TWO MEMBERS REPRESENTING PHYSICIANS;

12 (VI) TWO MEMBERS REPRESENTING NURSES;

13 (VII) TWO MEMBERS REPRESENTING HOSPITALS;

14 (VIII) ONE MEMBER REPRESENTING HEALTH UNDERWRITERS;

15 AND

16 (IX) ONE MEMBER REPRESENTING COMMERCIAL INSURANCE
17 CARRIERS.

18 (2) THE WORK GROUP, WITH APPROVAL OF THE COUNCIL, MAY
19 HIRE AN INDEPENDENT AUDITOR TO DETERMINE THE VALUE OF VARIOUS
20 DATA SETS. THE WORK GROUP SHALL HAVE NO MORE THAN ONE YEAR TO
21 STUDY CURRENT DATA REQUIREMENTS AND METHODS OF COLLECTING AND
22 TRANSFERRING DATA AND TO MAKE RECOMMENDATIONS FOR CHANGES TO
23 PRODUCE A 50% OVERALL REDUCTION IN THE COST OF COLLECTING AND
24 REPORTING REQUIRED DATA TO THE COUNCIL WHILE MAINTAINING THE
25 SCIENTIFIC CREDIBILITY OF THE COUNCIL'S ANALYSIS AND
26 REPORTING. THE WORK GROUP RECOMMENDATIONS SHALL BE PRESENTED
27 TO THE COUNCIL FOR A VOTE.

28 (B) PENNSYLVANIA UNIFORM CLAIMS AND BILLING FORM.--THE
29 COUNCIL SHALL ADOPT, WITHIN 180 DAYS OF THE COMMENCEMENT OF ITS
30 OPERATIONS PURSUANT TO SECTION 4(I), A PENNSYLVANIA UNIFORM

1 CLAIMS AND BILLING FORM FORMAT. THE COUNCIL SHALL FURNISH SAID
2 CLAIMS AND BILLING FORM FORMAT TO ALL DATA SOURCES, AND SAID
3 CLAIMS AND BILLING FORM SHALL BE UTILIZED AND MAINTAINED BY ALL
4 DATA SOURCES FOR ALL SERVICES COVERED BY THIS ACT. THE
5 PENNSYLVANIA UNIFORM CLAIMS AND BILLING FORM SHALL CONSIST OF
6 THE UNIFORM HOSPITAL BILLING FORM UB-82/HCFA-1450, AND THE HCFA-
7 1500, OR THEIR SUCCESSORS, AS DEVELOPED BY THE NATIONAL UNIFORM
8 BILLING COMMITTEE, WITH ADDITIONAL FIELDS AS NECESSARY TO
9 PROVIDE ALL OF THE DATA SET FORTH IN SUBSECTIONS (C) AND (D).

10 (C) DATA ELEMENTS.--FOR EACH COVERED SERVICE PERFORMED IN
11 PENNSYLVANIA, THE COUNCIL SHALL BE REQUIRED TO COLLECT THE
12 FOLLOWING DATA ELEMENTS:

13 (1) UNIFORM PATIENT IDENTIFIER, CONTINUOUS ACROSS
14 MULTIPLE EPISODES AND PROVIDERS;

15 (2) PATIENT DATE OF BIRTH;

16 (3) PATIENT SEX;

17 (3.1) PATIENT RACE, CONSISTENT WITH THE METHOD OF
18 COLLECTION OF RACE/ETHNICITY DATA BY THE UNITED STATES BUREAU
19 OF THE CENSUS AND THE UNITED STATES STANDARD CERTIFICATES OF
20 LIVE BIRTH AND DEATH;

21 (4) PATIENT ZIP CODE NUMBER;

22 (5) DATE OF ADMISSION;

23 (6) DATE OF DISCHARGE;

24 (7) PRINCIPAL AND SECONDARY DIAGNOSES BY STANDARD CODE,
25 INCLUDING EXTERNAL CAUSE OF INJURY, COMPLICATION, INFECTION
26 AND CHILDBIRTH;

27 (8) PRINCIPAL PROCEDURE BY COUNCIL-SPECIFIED STANDARD
28 CODE AND DATE;

29 (9) UP TO THREE SECONDARY PROCEDURES BY COUNCIL-
30 SPECIFIED STANDARD CODES AND DATES;

(10) UNIFORM HEALTH CARE FACILITY IDENTIFIER, CONTINUOUS
ACROSS EPISODES, PATIENTS AND PROVIDERS;

(11) UNIFORM IDENTIFIER OF ADMITTING PHYSICIAN, BY
UNIQUE PHYSICIAN IDENTIFICATION NUMBER ESTABLISHED BY THE
COUNCIL, CONTINUOUS ACROSS EPISODES, PATIENTS AND PROVIDERS;

(12) UNIFORM IDENTIFIER OF CONSULTING PHYSICIANS, BY
UNIQUE PHYSICIAN IDENTIFICATION NUMBER ESTABLISHED BY THE
COUNCIL, CONTINUOUS ACROSS EPISODES, PATIENTS AND PROVIDERS;

(13) TOTAL CHARGES OF HEALTH CARE FACILITY, SEGREGATED
INTO MAJOR CATEGORIES, INCLUDING, BUT NOT LIMITED TO, ROOM
AND BOARD, RADIOLOGY, LABORATORY, OPERATING ROOM, DRUGS,
MEDICAL SUPPLIES AND OTHER GOODS AND SERVICES ACCORDING TO
GUIDELINES SPECIFIED BY THE COUNCIL;

(14) ACTUAL PAYMENTS TO HEALTH CARE FACILITY,
SEGREGATED, IF AVAILABLE, ACCORDING TO THE CATEGORIES
SPECIFIED IN PARAGRAPH (13);

(15) CHARGES OF EACH PHYSICIAN OR PROFESSIONAL RENDERING
SERVICE RELATING TO AN INCIDENT OF HOSPITALIZATION OR
TREATMENT IN AN AMBULATORY SERVICE FACILITY;

(16) ACTUAL PAYMENTS TO EACH PHYSICIAN OR PROFESSIONAL
RENDERING SERVICE PURSUANT TO PARAGRAPH (15);

(17) UNIFORM IDENTIFIER OF PRIMARY PAYOR;

(18) ZIP CODE NUMBER OF FACILITY WHERE HEALTH CARE
SERVICE IS RENDERED;

(19) UNIFORM IDENTIFIER FOR PAYOR GROUP CONTRACT NUMBER;

(20) PATIENT DISCHARGE STATUS; AND

(21) PROVIDER SERVICE EFFECTIVENESS AND PROVIDER QUALITY
PURSUANT TO SECTION 5(D)(4) AND SUBSECTION (D).

(D) PROVIDER QUALITY AND PROVIDER SERVICE EFFECTIVENESS DATA
ELEMENTS.--IN CARRYING OUT ITS DUTY TO COLLECT DATA ON PROVIDER

1 QUALITY AND PROVIDER SERVICE EFFECTIVENESS UNDER SECTION 5(D)(4)
2 AND SUBSECTION (C)(21), THE COUNCIL SHALL DEFINE A METHODOLOGY
3 TO MEASURE PROVIDER SERVICE EFFECTIVENESS WHICH MAY INCLUDE
4 ADDITIONAL DATA ELEMENTS TO BE SPECIFIED BY THE COUNCIL
5 SUFFICIENT TO CARRY OUT ITS RESPONSIBILITIES UNDER SECTION
6 5(D)(4). THE COUNCIL MAY ADOPT A NATIONALLY RECOGNIZED
7 METHODOLOGY OF QUANTIFYING AND COLLECTING DATA ON PROVIDER
8 QUALITY AND PROVIDER SERVICE EFFECTIVENESS UNTIL SUCH TIME AS
9 THE COUNCIL HAS THE CAPABILITY OF DEVELOPING ITS OWN METHODOLOGY
10 AND STANDARD DATA ELEMENTS. THE COUNCIL SHALL INCLUDE IN THE
11 PENNSYLVANIA UNIFORM CLAIMS AND BILLING FORM A FIELD CONSISTING
12 OF THE DATA ELEMENTS REQUIRED PURSUANT TO SUBSECTION (C)(21) TO
13 PROVIDE INFORMATION ON EACH PROVISION OF COVERED SERVICES
14 SUFFICIENT TO PERMIT ANALYSIS OF PROVIDER QUALITY AND PROVIDER
15 SERVICE EFFECTIVENESS WITHIN 180 DAYS OF COMMENCEMENT OF ITS
16 OPERATIONS PURSUANT TO SECTION 4. IN CARRYING OUT ITS
17 RESPONSIBILITIES, THE COUNCIL SHALL NOT REQUIRE HEALTH CARE
18 INSURERS TO REPORT ON DATA ELEMENTS THAT ARE NOT REPORTED TO
19 NATIONALLY RECOGNIZED ACCREDITING ORGANIZATIONS, TO THE
20 DEPARTMENT OF HEALTH OR TO THE INSURANCE DEPARTMENT IN QUARTERLY
21 OR ANNUAL REPORTS. THE COUNCIL SHALL NOT REQUIRE REPORTING BY
22 HEALTH CARE INSURERS IN DIFFERENT FORMATS THAN ARE REQUIRED FOR
23 REPORTING TO NATIONALLY RECOGNIZED ACCREDITING ORGANIZATIONS OR
24 ON QUARTERLY OR ANNUAL REPORTS SUBMITTED TO THE DEPARTMENT OF
25 HEALTH OR TO THE INSURANCE DEPARTMENT. THE COUNCIL MAY ADOPT THE
26 QUALITY FINDINGS AS REPORTED TO NATIONALLY RECOGNIZED
27 ACCREDITING ORGANIZATIONS. ADDITIONAL QUALITY DATA ELEMENTS MUST
28 BE DEFINED AND RELEASED FOR PUBLIC COMMENT PRIOR TO THE
29 PROMULGATION OF REGULATIONS UNDER SECTION 5(B). THE PUBLIC
30 COMMENT PERIOD SHALL BE NO LESS THAN 30 DAYS FROM THE RELEASE OF

1 THESE ELEMENTS.

2 (E) RESERVE FIELD UTILIZATION AND ADDITION OR DELETION OF
3 DATA ELEMENTS.--THE COUNCIL SHALL INCLUDE IN THE PENNSYLVANIA
4 UNIFORM CLAIMS AND BILLING FORM A RESERVE FIELD. THE COUNCIL MAY
5 UTILIZE THE RESERVE FIELD BY ADDING OTHER DATA ELEMENTS BEYOND
6 THOSE REQUIRED TO CARRY OUT ITS RESPONSIBILITIES UNDER SECTION
7 5(D)(3) AND (4) AND SUBSECTIONS (C) AND (D), OR THE COUNCIL MAY
8 DELETE DATA ELEMENTS FROM THE PENNSYLVANIA UNIFORM CLAIMS AND
9 BILLING FORM ONLY BY A MAJORITY VOTE OF THE COUNCIL AND ONLY
10 PURSUANT TO THE FOLLOWING PROCEDURE:

11 (1) THE COUNCIL SHALL OBTAIN A COST-BENEFIT ANALYSIS OF
12 THE PROPOSED ADDITION OR DELETION WHICH SHALL INCLUDE THE
13 COST TO DATA SOURCES OF ANY PROPOSED ADDITIONS.

14 (2) THE COUNCIL SHALL PUBLISH NOTICE OF THE PROPOSED
15 ADDITION OR DELETION, ALONG WITH A COPY OR SUMMARY OF THE
16 COST-BENEFIT ANALYSIS, IN THE PENNSYLVANIA BULLETIN, AND SUCH
17 NOTICE SHALL INCLUDE PROVISION FOR A 60-DAY COMMENT PERIOD.

18 (3) THE COUNCIL MAY HOLD ADDITIONAL HEARINGS OR REQUEST
19 SUCH OTHER REPORTS AS IT DEEMS NECESSARY AND SHALL CONSIDER
20 THE COMMENTS RECEIVED DURING THE 60-DAY COMMENT PERIOD AND
21 ANY ADDITIONAL INFORMATION GAINED THROUGH SUCH HEARINGS OR
22 OTHER REPORTS IN MAKING A FINAL DETERMINATION ON THE PROPOSED
23 ADDITION OR DELETION.

24 (F) OTHER DATA REQUIRED TO BE SUBMITTED.--PROVIDERS ARE
25 HEREBY REQUIRED TO SUBMIT AND THE COUNCIL IS HEREBY AUTHORIZED
26 TO COLLECT, IN ACCORDANCE WITH SUBMISSION DATES AND SCHEDULES
27 ESTABLISHED BY THE COUNCIL, THE FOLLOWING ADDITIONAL DATA,
28 PROVIDED SUCH DATA IS NOT AVAILABLE TO THE COUNCIL FROM PUBLIC
29 RECORDS:

30 (1) AUDITED ANNUAL FINANCIAL REPORTS OF ALL HOSPITALS

1 AND AMBULATORY SERVICE FACILITIES PROVIDING COVERED SERVICES
2 AS DEFINED IN SECTION 3.

3 (2) THE MEDICARE COST REPORT (OMB FORM 2552 OR
4 EQUIVALENT FEDERAL FORM), OR THE AG-12 FORM FOR MEDICAL
5 ASSISTANCE OR SUCCESSOR FORMS, WHETHER COMPLETED OR PARTIALLY
6 COMPLETED, AND INCLUDING THE SETTLED MEDICARE COST REPORT AND
7 THE CERTIFIED AG-12 FORM.

8 (3) ADDITIONAL DATA, INCLUDING, BUT NOT LIMITED TO, DATA
9 WHICH CAN BE USED TO PROVIDE AT LEAST THE FOLLOWING
10 INFORMATION:

11 (I) THE INCIDENCE OF MEDICAL AND SURGICAL PROCEDURES
12 IN THE POPULATION FOR INDIVIDUAL PROVIDERS;

13 (II) PHYSICIANS WHO PROVIDE COVERED SERVICES AND
14 ACCEPT MEDICAL ASSISTANCE PATIENTS;

15 (III) PHYSICIANS WHO PROVIDE COVERED SERVICES AND
16 ACCEPT MEDICARE ASSIGNMENT AS FULL PAYMENT;

17 (V) MORTALITY RATES FOR SPECIFIED DIAGNOSES AND
18 TREATMENTS, GROUPED BY SEVERITY, FOR INDIVIDUAL
19 PROVIDERS;

20 (VI) RATES OF INFECTION FOR SPECIFIED DIAGNOSES AND
21 TREATMENTS, GROUPED BY SEVERITY, FOR INDIVIDUAL
22 PROVIDERS;

23 (VII) MORBIDITY RATES FOR SPECIFIED DIAGNOSES AND
24 TREATMENTS, GROUPED BY SEVERITY, FOR INDIVIDUAL
25 PROVIDERS;

26 (VIII) READMISSION RATES FOR SPECIFIED DIAGNOSES AND
27 TREATMENTS, GROUPED BY SEVERITY, FOR INDIVIDUAL
28 PROVIDERS; AND

29 (IX) RATE OF INCIDENCE OF POSTDISCHARGE PROFESSIONAL
30 CARE FOR SELECTED DIAGNOSES AND PROCEDURES, GROUPED BY

1 SEVERITY, FOR INDIVIDUAL PROVIDERS.

2 (4) ANY OTHER DATA THE COUNCIL REQUIRES TO CARRY OUT ITS
3 RESPONSIBILITIES PURSUANT TO SECTION 5(D).

4 (F.1) REVIEW AND CORRECTION OF DATA.--THE COUNCIL SHALL
5 PROVIDE A REASONABLE PERIOD FOR DATA SOURCES TO REVIEW AND
6 CORRECT THE DATA SUBMITTED UNDER SECTION 6 WHICH THE COUNCIL
7 INTENDS TO PREPARE AND ISSUE IN REPORTS TO THE GENERAL ASSEMBLY,
8 TO THE GENERAL PUBLIC OR IN SPECIAL STUDIES AND REPORTS UNDER
9 SECTION 11. WHEN CORRECTIONS ARE PROVIDED, THE COUNCIL SHALL
10 CORRECT THE APPROPRIATE DATA IN ITS DATA FILES AND SUBSEQUENT
11 REPORTS.

12 (G) ALLOWANCE FOR CLARIFICATION OR DISSENTS.--THE COUNCIL
13 SHALL MAINTAIN A FILE OF WRITTEN STATEMENTS SUBMITTED BY DATA
14 SOURCES WHO WISH TO PROVIDE AN EXPLANATION OF DATA THAT THEY
15 FEEL MIGHT BE MISLEADING OR MISINTERPRETED. THE COUNCIL SHALL
16 PROVIDE ACCESS TO SUCH FILE TO ANY PERSON AND SHALL, WHERE
17 PRACTICAL, IN ITS REPORTS AND DATA FILES INDICATE THE
18 AVAILABILITY OF SUCH STATEMENTS. WHEN THE COUNCIL AGREES WITH
19 SUCH STATEMENTS, IT SHALL CORRECT THE APPROPRIATE DATA AND
20 COMMENTS IN ITS DATA FILES AND SUBSEQUENT REPORTS.

21 (G.1) ALLOWANCE FOR CORRECTION.--THE COUNCIL SHALL VERIFY
22 THE PATIENT SAFETY INDICATOR DATA SUBMITTED BY HOSPITALS
23 PURSUANT TO SUBSECTION (C)(7) WITHIN 60 DAYS OF RECEIPT. THE
24 COUNCIL MAY ALLOW HOSPITALS TO MAKE CHANGES TO THE DATA
25 SUBMITTED DURING THE VERIFICATION PERIOD. AFTER THE VERIFICATION
26 PERIOD, BUT WITHIN 45 DAYS OF RECEIPT OF THE ADJUSTED HOSPITAL
27 DATA, THE COUNCIL SHALL RISK ADJUST THE INFORMATION AND PROVIDE
28 REPORTS TO THE PATIENT SAFETY COMMITTEE OF THE RELEVANT
29 HOSPITAL.

30 (H) AVAILABILITY OF DATA.--NOTHING IN THIS ACT SHALL

1 PROHIBIT A PURCHASER FROM OBTAINING FROM ITS HEALTH CARE
2 INSURER, NOR RELIEVE SAID HEALTH CARE INSURER FROM THE
3 OBLIGATION OF PROVIDING SAID PURCHASER, ON TERMS CONSISTENT WITH
4 PAST PRACTICES, DATA PREVIOUSLY PROVIDED OR ADDITIONAL DATA NOT
5 CURRENTLY PROVIDED TO SAID PURCHASER BY SAID HEALTH CARE INSURER
6 PURSUANT TO ANY EXISTING OR FUTURE ARRANGEMENT, AGREEMENT OR
7 UNDERSTANDING.

8 SECTION 4. SECTIONS 7, 8 AND 9 OF THE ACT ARE REENACTED TO
9 READ:

10 SECTION 7. DATA DISSEMINATION AND PUBLICATION.

11 (A) PUBLIC REPORTS.--SUBJECT TO THE RESTRICTIONS ON ACCESS
12 TO COUNCIL DATA SET FORTH IN SECTION 10 AND UTILIZING THE DATA
13 COLLECTED UNDER SECTION 6 AS WELL AS OTHER DATA, RECORDS AND
14 MATTERS OF RECORD AVAILABLE TO IT, THE COUNCIL SHALL PREPARE AND
15 ISSUE REPORTS TO THE GENERAL ASSEMBLY AND TO THE GENERAL PUBLIC
16 ACCORDING TO THE FOLLOWING PROVISIONS:

17 (1) THE COUNCIL SHALL, FOR EVERY PROVIDER OF BOTH
18 INPATIENT AND OUTPATIENT SERVICES WITHIN THIS COMMONWEALTH
19 AND WITHIN APPROPRIATE REGIONS AND SUBREGIONS, PREPARE AND
20 ISSUE REPORTS ON PROVIDER QUALITY AND SERVICE EFFECTIVENESS
21 ON DISEASES OR PROCEDURES THAT, WHEN RANKED BY VOLUME, COST,
22 PAYMENT AND HIGH VARIATION IN OUTCOME, REPRESENT THE BEST
23 OPPORTUNITY TO IMPROVE OVERALL PROVIDER QUALITY, IMPROVE
24 PATIENT SAFETY AND PROVIDE OPPORTUNITIES FOR COST REDUCTION.
25 THESE REPORTS SHALL PROVIDE COMPARATIVE INFORMATION ON THE
26 FOLLOWING:

27 (I) DIFFERENCES IN MORTALITY RATES; DIFFERENCES IN
28 LENGTH OF STAY; DIFFERENCES IN COMPLICATION RATES;
29 DIFFERENCES IN READMISSION RATES; DIFFERENCES IN
30 INFECTION RATES; AND OTHER COMPARATIVE OUTCOME MEASURES

1 THE COUNCIL MAY DEVELOP THAT WILL ALLOW PURCHASERS,
2 PROVIDERS AND CONSUMERS TO MAKE PURCHASING AND QUALITY
3 IMPROVEMENT DECISIONS BASED UPON QUALITY PATIENT CARE AND
4 TO RESTRAIN COSTS.

5 (II) THE INCIDENCE RATE OF SELECTED MEDICAL OR
6 SURGICAL PROCEDURES, THE QUALITY AND SERVICE
7 EFFECTIVENESS AND THE PAYMENTS RECEIVED FOR THOSE
8 PROVIDERS, IDENTIFIED BY THE NAME AND TYPE OR SPECIALTY,
9 FOR WHICH THESE ELEMENTS VARY SIGNIFICANTLY FROM THE
10 NORMS FOR ALL PROVIDERS.

11 (2) IN PREPARING ITS REPORTS UNDER PARAGRAPH (1), THE
12 COUNCIL SHALL ENSURE THAT FACTORS WHICH HAVE THE EFFECT OF
13 EITHER REDUCING PROVIDER REVENUE OR INCREASING PROVIDER COSTS
14 AND OTHER FACTORS BEYOND A PROVIDER'S CONTROL WHICH REDUCE
15 PROVIDER COMPETITIVENESS IN THE MARKETPLACE ARE EXPLAINED IN
16 THE REPORTS. THE COUNCIL SHALL ALSO ENSURE THAT ANY
17 CLARIFICATIONS AND DISSENTS SUBMITTED BY INDIVIDUAL PROVIDERS
18 UNDER SECTION 6(G) ARE NOTED IN ANY REPORTS THAT INCLUDE
19 RELEASE OF DATA ON THAT INDIVIDUAL PROVIDER.

20 (B) RAW DATA REPORTS AND COMPUTER ACCESS TO COUNCIL DATA.--
21 THE COUNCIL SHALL PROVIDE SPECIAL REPORTS DERIVED FROM RAW DATA
22 AND A MEANS FOR COMPUTER-TO-COMPUTER ACCESS TO ITS RAW DATA TO
23 ANY PURCHASER, PURSUANT TO SECTION 10(F). THE COUNCIL SHALL
24 PROVIDE SUCH REPORTS AND COMPUTER-TO-COMPUTER ACCESS, AT ITS
25 DISCRETION, TO OTHER PARTIES, PURSUANT TO SECTION 10(G). THE
26 COUNCIL SHALL PROVIDE THESE SPECIAL REPORTS AND COMPUTER-TO-
27 COMPUTER ACCESS IN AS TIMELY A FASHION AS THE COUNCIL'S
28 RESPONSIBILITIES TO PUBLISH THE PUBLIC REPORTS REQUIRED IN THIS
29 SECTION WILL ALLOW. ANY SUCH PROVISION OF SPECIAL REPORTS OR
30 COMPUTER-TO-COMPUTER ACCESS BY THE COUNCIL SHALL BE MADE ONLY

1 SUBJECT TO THE RESTRICTIONS ON ACCESS TO RAW DATA SET FORTH IN
2 SECTION 10(B) AND ONLY AFTER PAYMENT FOR COSTS OF PREPARATION OR
3 DUPLICATION PURSUANT TO SECTION 10(F) OR (G).

4 SECTION 8. HEALTH CARE FOR THE MEDICALLY INDIGENT.

5 (A) DECLARATION OF POLICY.--THE GENERAL ASSEMBLY FINDS THAT
6 EVERY PERSON IN THIS COMMONWEALTH SHOULD RECEIVE TIMELY AND
7 APPROPRIATE HEALTH CARE SERVICES FROM ANY PROVIDER OPERATING IN
8 THIS COMMONWEALTH; THAT, AS A CONTINUING CONDITION OF LICENSURE,
9 EACH PROVIDER SHOULD OFFER AND PROVIDE MEDICALLY NECESSARY,
10 LIFESAVING AND EMERGENCY HEALTH CARE SERVICES TO EVERY PERSON IN
11 THIS COMMONWEALTH, REGARDLESS OF FINANCIAL STATUS OR ABILITY TO
12 PAY; AND THAT HEALTH CARE FACILITIES MAY TRANSFER PATIENTS ONLY
13 IN INSTANCES WHERE THE FACILITY LACKS THE STAFF OR FACILITIES TO
14 PROPERLY RENDER DEFINITIVE TREATMENT.

15 (B) STUDIES ON INDIGENT CARE.--TO REDUCE THE UNDUE BURDEN ON
16 THE SEVERAL PROVIDERS THAT DISPROPORTIONATELY TREAT MEDICALLY
17 INDIGENT PEOPLE ON AN UNCOMPENSATED BASIS, TO CONTAIN THE LONG-
18 TERM COSTS GENERATED BY UNTREATED OR DELAYED TREATMENT OF
19 ILLNESS AND DISEASE AND TO DETERMINE THE MOST APPROPRIATE MEANS
20 OF TREATING AND FINANCING THE TREATMENT OF MEDICALLY INDIGENT
21 PERSONS, THE COUNCIL, AT THE REQUEST OF THE GOVERNOR OR THE
22 GENERAL ASSEMBLY, MAY UNDERTAKE STUDIES AND UTILIZE ITS CURRENT
23 DATA BASE TO:

24 (1) STUDY AND ANALYZE THE MEDICALLY INDIGENT POPULATION,
25 THE MAGNITUDE OF UNCOMPENSATED CARE FOR THE MEDICALLY
26 INDIGENT, THE DEGREE OF ACCESS TO AND THE RESULT OF ANY LACK
27 OF ACCESS BY THE MEDICALLY INDIGENT TO APPROPRIATE CARE, THE
28 TYPES OF PROVIDERS AND THE SETTINGS IN WHICH THEY PROVIDE
29 INDIGENT CARE AND THE COST OF THE PROVISION OF THAT CARE
30 PURSUANT TO SUBSECTION (C).

(2) DETERMINE, FROM STUDIES UNDERTAKEN UNDER PARAGRAPH (1), A DEFINITION OF THE MEDICALLY INDIGENT POPULATION AND THE MOST APPROPRIATE METHOD FOR THE DELIVERY OF TIMELY AND APPROPRIATE HEALTH CARE SERVICES TO THE MEDICALLY INDIGENT.

(C) STUDIES.--THE COUNCIL SHALL CONDUCT STUDIES PURSUANT TO SUBSECTION (B)(1) AND THEREAFTER REPORT TO THE GOVERNOR AND THE GENERAL ASSEMBLY THE RESULTS OF THE STUDIES AND ITS RECOMMENDATIONS. THE COUNCIL MAY CONTRACT WITH AN INDEPENDENT VENDOR TO CONDUCT THE STUDY IN ACCORDANCE WITH THE PROVISIONS FOR SELECTING VENDORS IN SECTION 16. THE STUDY SHALL INCLUDE, BUT NOT BE LIMITED TO, THE FOLLOWING:

(1) THE NUMBER AND CHARACTERISTICS OF THE MEDICALLY INDIGENT POPULATION, INCLUDING SUCH FACTORS AS INCOME, EMPLOYMENT STATUS, HEALTH STATUS, PATTERNS OF HEALTH CARE UTILIZATION, TYPE OF HEALTH CARE NEEDED AND UTILIZED, ELIGIBILITY FOR HEALTH CARE INSURANCE, DISTRIBUTION OF THIS POPULATION ON A GEOGRAPHIC BASIS AND BY AGE, SEX AND RACIAL OR LINGUISTIC CHARACTERISTICS, AND THE CHANGES IN THESE CHARACTERISTICS, INCLUDING THE FOLLOWING:

(I) THE NEEDS AND PROBLEMS OF INDIGENT PERSONS IN URBAN AREAS;

(II) THE NEEDS AND PROBLEMS OF INDIGENT PERSONS IN RURAL AREAS;

(III) THE NEEDS AND PROBLEMS OF INDIGENT PERSONS WHO ARE MEMBERS OF RACIAL OR LINGUISTIC MINORITIES;

(IV) THE NEEDS AND PROBLEMS OF INDIGENT PERSONS IN AREAS OF HIGH UNEMPLOYMENT; AND

(V) THE NEEDS AND PROBLEMS OF THE UNDERINSURED;

(2) THE DEGREE OF AND ANY CHANGE IN ACCESS OF THIS POPULATION TO SOURCES OF HEALTH CARE, INCLUDING HOSPITALS,

1 PHYSICIANS AND OTHER PROVIDERS;

2 (3) THE DISTRIBUTION AND MEANS OF FINANCING INDIGENT
3 CARE BETWEEN AND AMONG PROVIDERS, INSURERS, GOVERNMENT,
4 PURCHASERS AND CONSUMERS, AND THE EFFECT OF THAT DISTRIBUTION
5 ON EACH;

6 (4) THE MAJOR TYPES OF CARE RENDERED TO THE INDIGENT,
7 THE SETTING IN WHICH EACH TYPE OF CARE IS RENDERED AND THE
8 NEED FOR ADDITIONAL CARE OF EACH TYPE BY THE INDIGENT;

9 (5) THE LIKELY IMPACT OF CHANGES IN THE HEALTH DELIVERY
10 SYSTEM, INCLUDING MANAGED CARE ENTITIES, AND THE EFFECTS OF
11 COST CONTAINMENT IN THE COMMONWEALTH ON THE ACCESS TO,
12 AVAILABILITY OF AND FINANCING OF NEEDED CARE FOR THE
13 INDIGENT, INCLUDING THE IMPACT ON PROVIDERS WHICH PROVIDE A
14 DISPROPORTIONATE AMOUNT OF CARE TO THE INDIGENT;

15 (6) THE DISTRIBUTION OF DELIVERED CARE AND ACTUAL COST
16 TO RENDER SUCH CARE BY PROVIDER, REGION AND SUBREGION;

17 (7) THE PROVISION OF CARE TO THE INDIGENT THROUGH
18 IMPROVEMENTS IN THE PRIMARY HEALTH CARE SYSTEM, INCLUDING THE
19 MANAGEMENT OF NEEDED HOSPITAL CARE BY PRIMARY CARE PROVIDERS;

20 (8) INNOVATIVE MEANS TO FINANCE AND DELIVER CARE TO THE
21 MEDICALLY INDIGENT; AND

22 (9) REDUCTION IN THE DEPENDENCE OF INDIGENT PERSONS ON
23 HOSPITAL SERVICES THROUGH IMPROVEMENTS IN PREVENTIVE HEALTH
24 MEASURES.

25 SECTION 9. MANDATED HEALTH BENEFITS.

26 IN RELATION TO CURRENT LAW OR PROPOSED LEGISLATION, THE
27 COUNCIL SHALL, UPON THE REQUEST OF THE APPROPRIATE COMMITTEE
28 CHAIRMAN IN THE SENATE AND IN THE HOUSE OF REPRESENTATIVES OR
29 UPON THE REQUEST OF THE SECRETARY OF HEALTH, PROVIDE INFORMATION
30 ON THE PROPOSED MANDATED HEALTH BENEFIT PURSUANT TO THE

1 FOLLOWING:

2 (1) THE GENERAL ASSEMBLY HEREBY DECLARES THAT PROPOSALS
3 FOR MANDATED HEALTH BENEFITS OR MANDATED HEALTH INSURANCE
4 COVERAGE SHOULD BE ACCOMPANIED BY ADEQUATE, INDEPENDENTLY
5 CERTIFIED DOCUMENTATION DEFINING THE SOCIAL AND FINANCIAL
6 IMPACT AND MEDICAL EFFICACY OF THE PROPOSAL. TO THAT END THE
7 COUNCIL, UPON RECEIPT OF SUCH REQUESTS, IS HEREBY AUTHORIZED
8 TO CONDUCT A PRELIMINARY REVIEW OF THE MATERIAL SUBMITTED BY
9 BOTH PROPONENTS AND OPPONENTS CONCERNING THE PROPOSED
10 MANDATED BENEFIT. IF, AFTER THIS PRELIMINARY REVIEW, THE
11 COUNCIL IS SATISFIED THAT BOTH PROPONENTS AND OPPONENTS HAVE
12 SUBMITTED SUFFICIENT DOCUMENTATION NECESSARY FOR A REVIEW
13 PURSUANT TO PARAGRAPHS (3) AND (4), THE COUNCIL IS DIRECTED
14 TO CONTRACT WITH INDIVIDUALS, PURSUANT TO THE SELECTION
15 PROCEDURES FOR VENDORS SET FORTH IN SECTION 16, WHO WILL
16 CONSTITUTE A MANDATED BENEFITS REVIEW PANEL TO REVIEW
17 MANDATED BENEFITS PROPOSALS AND PROVIDE INDEPENDENTLY
18 CERTIFIED DOCUMENTATION, AS PROVIDED FOR IN THIS SECTION.

19 (2) THE PANEL SHALL CONSIST OF SENIOR RESEARCHERS, EACH
20 OF WHOM SHALL BE A RECOGNIZED EXPERT:

21 (I) ONE IN HEALTH RESEARCH;

22 (II) ONE IN BIOSTATISTICS;

23 (III) ONE IN ECONOMIC RESEARCH;

24 (IV) ONE, A PHYSICIAN, IN THE APPROPRIATE SPECIALTY
25 WITH CURRENT KNOWLEDGE OF THE SUBJECT BEING PROPOSED AS A
26 MANDATED BENEFIT; AND

27 (V) ONE WITH EXPERIENCE IN INSURANCE OR ACTUARIAL
28 RESEARCH.

29 (3) THE MANDATED BENEFITS REVIEW PANEL SHALL HAVE THE
30 FOLLOWING DUTIES AND RESPONSIBILITIES:

1 (I) TO REVIEW DOCUMENTATION SUBMITTED BY PERSONS
2 PROPOSING OR OPPOSING MANDATED BENEFITS WITHIN 90 DAYS OF
3 SUBMISSION OF SAID DOCUMENTATION TO THE PANEL.

4 (II) TO REPORT TO THE COUNCIL, PURSUANT TO ITS
5 REVIEW IN SUBPARAGRAPH (I), THE FOLLOWING:

6 (A) WHETHER OR NOT THE DOCUMENTATION IS COMPLETE
7 AS DEFINED IN PARAGRAPH (4).

8 (B) WHETHER OR NOT THE RESEARCH CITED IN THE
9 DOCUMENTATION MEETS PROFESSIONAL STANDARDS.

10 (C) WHETHER OR NOT ALL RELEVANT RESEARCH
11 RESPECTING THE PROPOSED MANDATED BENEFIT HAS BEEN
12 CITED IN THE DOCUMENTATION.

13 (D) WHETHER OR NOT THE CONCLUSIONS AND
14 INTERPRETATIONS IN THE DOCUMENTATION ARE CONSISTENT
15 WITH THE DATA SUBMITTED.

16 (4) TO PROVIDE THE MANDATED BENEFITS REVIEW PANEL WITH
17 SUFFICIENT INFORMATION TO CARRY OUT ITS DUTIES AND
18 RESPONSIBILITIES PURSUANT TO PARAGRAPH (3), PERSONS PROPOSING
19 OR OPPOSING LEGISLATION MANDATING BENEFITS COVERAGE SHOULD
20 SUBMIT DOCUMENTATION TO THE COUNCIL, PURSUANT TO THE
21 PROCEDURE ESTABLISHED IN PARAGRAPH (5), WHICH DEMONSTRATES
22 THE FOLLOWING:

23 (I) THE EXTENT TO WHICH THE PROPOSED BENEFIT AND THE
24 SERVICES IT WOULD PROVIDE ARE NEEDED BY, AVAILABLE TO AND
25 UTILIZED BY THE POPULATION OF THE COMMONWEALTH.

26 (II) THE EXTENT TO WHICH INSURANCE COVERAGE FOR THE
27 PROPOSED BENEFIT ALREADY EXISTS, OR IF NO SUCH COVERAGE
28 EXISTS, THE EXTENT TO WHICH THIS LACK OF COVERAGE RESULTS
29 IN INADEQUATE HEALTH CARE OR FINANCIAL HARDSHIP FOR THE
30 POPULATION OF THE COMMONWEALTH.

1 (III) THE DEMAND FOR THE PROPOSED BENEFIT FROM THE
2 PUBLIC AND THE SOURCE AND EXTENT OF OPPOSITION TO
3 MANDATING THE BENEFIT.

4 (IV) ALL RELEVANT FINDINGS BEARING ON THE SOCIAL
5 IMPACT OF THE LACK OF THE PROPOSED BENEFIT.

6 (V) WHERE THE PROPOSED BENEFIT WOULD MANDATE
7 COVERAGE OF A PARTICULAR THERAPY, THE RESULTS OF AT LEAST
8 ONE PROFESSIONALLY ACCEPTED, CONTROLLED TRIAL COMPARING
9 THE MEDICAL CONSEQUENCES OF THE PROPOSED THERAPY,
10 ALTERNATIVE THERAPIES AND NO THERAPY.

11 (VI) WHERE THE PROPOSED BENEFIT WOULD MANDATE
12 COVERAGE OF AN ADDITIONAL CLASS OF PRACTITIONERS, THE
13 RESULTS OF AT LEAST ONE PROFESSIONALLY ACCEPTED,
14 CONTROLLED TRIAL COMPARING THE MEDICAL RESULTS ACHIEVED
15 BY THE ADDITIONAL CLASS OF PRACTITIONERS AND THOSE
16 PRACTITIONERS ALREADY COVERED BY BENEFITS.

17 (VII) THE RESULTS OF ANY OTHER RELEVANT RESEARCH.

18 (VIII) EVIDENCE OF THE FINANCIAL IMPACT OF THE
19 PROPOSED LEGISLATION, INCLUDING AT LEAST:

20 (A) THE EXTENT TO WHICH THE PROPOSED BENEFIT
21 WOULD INCREASE OR DECREASE COST FOR TREATMENT OR
22 SERVICE.

23 (B) THE EXTENT TO WHICH SIMILAR MANDATED
24 BENEFITS IN OTHER STATES HAVE AFFECTED CHARGES, COSTS
25 AND PAYMENTS FOR SERVICES.

26 (C) THE EXTENT TO WHICH THE PROPOSED BENEFIT
27 WOULD INCREASE THE APPROPRIATE USE OF THE TREATMENT
28 OR SERVICE.

29 (D) THE IMPACT OF THE PROPOSED BENEFIT ON
30 ADMINISTRATIVE EXPENSES OF HEALTH CARE INSURERS.

1 (E) THE IMPACT OF THE PROPOSED BENEFITS ON
2 BENEFITS COSTS OF PURCHASERS.

3 (F) THE IMPACT OF THE PROPOSED BENEFITS ON THE
4 TOTAL COST OF HEALTH CARE WITHIN THE COMMONWEALTH.

5 (5) THE PROCEDURE FOR REVIEW OF DOCUMENTATION IS AS
6 FOLLOWS:

7 (I) ANY PERSON WISHING TO SUBMIT INFORMATION ON
8 PROPOSED LEGISLATION MANDATING INSURANCE BENEFITS FOR
9 REVIEW BY THE PANEL SHOULD SUBMIT THE DOCUMENTATION
10 SPECIFIED IN PARAGRAPH (4) TO THE COUNCIL.

11 (II) THE COUNCIL SHALL, WITHIN 30 DAYS OF RECEIPT OF
12 THE DOCUMENTATION:

13 (A) PUBLISH IN THE PENNSYLVANIA BULLETIN NOTICE
14 OF RECEIPT OF THE DOCUMENTATION, A DESCRIPTION OF THE
15 PROPOSED LEGISLATION, PROVISION FOR A PERIOD OF 60
16 DAYS FOR PUBLIC COMMENT AND THE TIME AND PLACE AT
17 WHICH ANY PERSON MAY EXAMINE THE DOCUMENTATION.

18 (B) SUBMIT COPIES OF THE DOCUMENTATION TO THE
19 SECRETARY OF HEALTH AND THE INSURANCE COMMISSIONER,
20 WHO SHALL REVIEW AND SUBMIT COMMENTS TO THE COUNCIL
21 ON THE PROPOSED LEGISLATION WITHIN 30 DAYS.

22 (C) SUBMIT COPIES OF THE DOCUMENTATION TO THE
23 PANEL, WHICH SHALL REVIEW THE DOCUMENTATION AND ISSUE
24 THEIR FINDINGS, PURSUANT TO PARAGRAPH (3), WITHIN 90
25 DAYS.

26 (III) UPON RECEIPT OF THE COMMENTS OF THE SECRETARY
27 OF HEALTH AND THE INSURANCE COMMISSIONER AND OF THE
28 FINDINGS OF THE PANEL, PURSUANT TO SUBPARAGRAPH (II), BUT
29 NO LATER THAN 120 DAYS FOLLOWING THE PUBLICATION REQUIRED
30 IN SUBPARAGRAPH (II), THE COUNCIL SHALL SUBMIT SAID

1 COMMENTS AND FINDINGS, TOGETHER WITH ITS RECOMMENDATIONS
2 RESPECTING THE PROPOSED LEGISLATION, TO THE GOVERNOR, THE
3 PRESIDENT PRO TEMPORE OF THE SENATE, THE SPEAKER OF THE
4 HOUSE OF REPRESENTATIVES, THE SECRETARY OF HEALTH, THE
5 INSURANCE COMMISSIONER AND THE PERSON WHO SUBMITTED THE
6 INFORMATION PURSUANT TO SUBPARAGRAPH (I).

7 SECTION 5. SECTION 10 OF THE ACT IS REENACTED AND AMENDED TO
8 READ:

9 SECTION 10. ACCESS TO COUNCIL DATA.

10 (A) PUBLIC ACCESS.--THE INFORMATION AND DATA RECEIVED BY THE
11 COUNCIL SHALL BE UTILIZED BY THE COUNCIL FOR THE BENEFIT OF THE
12 PUBLIC AND PUBLIC OFFICIALS. SUBJECT TO THE SPECIFIC LIMITATIONS
13 SET FORTH IN THIS SECTION, THE COUNCIL SHALL MAKE DETERMINATIONS
14 ON REQUESTS FOR INFORMATION IN FAVOR OF ACCESS.

15 (A.1) OUTREACH PROGRAMS.--THE COUNCIL SHALL DEVELOP AND
16 IMPLEMENT OUTREACH PROGRAMS DESIGNED TO MAKE ITS INFORMATION
17 UNDERSTANDABLE AND USABLE TO PURCHASERS, PROVIDERS, OTHER
18 COMMONWEALTH AGENCIES AND THE GENERAL PUBLIC. THE PROGRAMS SHALL
19 INCLUDE EFFORTS TO EDUCATE THROUGH PAMPHLETS, BOOKLETS, SEMINARS
20 AND OTHER APPROPRIATE MEASURES AND TO FACILITATE MAKING MORE
21 INFORMED HEALTH CARE CHOICES.

22 (B) LIMITATIONS ON ACCESS.--UNLESS SPECIFICALLY PROVIDED FOR
23 IN THIS ACT, NEITHER THE COUNCIL NOR ANY CONTRACTING SYSTEM
24 VENDOR SHALL RELEASE AND NO DATA SOURCE, PERSON, MEMBER OF THE
25 PUBLIC OR OTHER USER OF ANY DATA OF THE COUNCIL SHALL GAIN
26 ACCESS TO:

27 (1) ANY RAW DATA OF THE COUNCIL THAT DOES NOT
28 SIMULTANEOUSLY DISCLOSE PAYMENT, AS WELL AS PROVIDER QUALITY
29 AND PROVIDER SERVICE EFFECTIVENESS PURSUANT TO SECTIONS
30 5(D)(4) AND 6(D) OR 7(A)(1)(III).

1 (2) ANY RAW DATA OF THE COUNCIL WHICH COULD REASONABLY
2 BE EXPECTED TO REVEAL THE IDENTITY OF AN INDIVIDUAL PATIENT.

3 (3) ANY RAW DATA OF THE COUNCIL WHICH COULD REASONABLY
4 BE EXPECTED TO REVEAL THE IDENTITY OF ANY PURCHASER, AS
5 DEFINED IN SECTION 3, OTHER THAN A PURCHASER REQUESTING DATA
6 ON ITS OWN GROUP OR AN ENTITY ENTITLED TO SAID PURCHASER'S
7 DATA PURSUANT TO SUBSECTION (F).

8 (4) ANY RAW DATA OF THE COUNCIL RELATING TO ACTUAL
9 PAYMENTS TO ANY IDENTIFIED PROVIDER MADE BY ANY PURCHASER,
10 EXCEPT THAT THIS PROVISION SHALL NOT APPLY TO ACCESS BY A
11 PURCHASER REQUESTING DATA ON THE GROUP FOR WHICH IT PURCHASES
12 OR OTHERWISE PROVIDES COVERED SERVICES OR TO ACCESS TO THAT
13 SAME DATA BY AN ENTITY ENTITLED TO THE PURCHASER'S DATA
14 PURSUANT TO SUBSECTION (F).

15 (5) ANY RAW DATA DISCLOSING DISCOUNTS OR DIFFERENTIALS
16 BETWEEN PAYMENTS ACCEPTED BY PROVIDERS FOR SERVICES AND THEIR
17 BILLED CHARGES OBTAINED BY IDENTIFIED PAYORS FROM IDENTIFIED
18 PROVIDERS UNLESS THE DATA IS RELEASED IN A STATEWIDE,
19 AGGREGATE FORMAT THAT DOES NOT IDENTIFY ANY INDIVIDUAL PAYOR
20 OR CLASS OF PAYORS AND THE COUNCIL ASSURES THAT THE RELEASE
21 OF SUCH INFORMATION IS NOT PREJUDICIAL OR INEQUITABLE TO ANY
22 INDIVIDUAL PAYOR OR PROVIDER OR GROUP THEREOF. PAYOR DATA
23 SHALL BE RELEASED TO INDIVIDUAL PROVIDERS FOR PURPOSES OF
24 VERIFICATION AND VALIDATION PRIOR TO INCLUSION IN A PUBLIC
25 REPORT. AN INDIVIDUAL PROVIDER SHALL VERIFY AND VALIDATE THE
26 PAYOR DATA WITHIN 30 DAYS OF ITS RELEASE TO THAT SPECIFIC
27 INDIVIDUAL PROVIDER.

28 (C) UNAUTHORIZED USE OF DATA.--ANY PERSON WHO KNOWINGLY
29 RELEASES COUNCIL DATA VIOLATING THE PATIENT CONFIDENTIALITY,
30 ACTUAL PAYMENTS, DISCOUNT DATA OR RAW DATA SAFEGUARDS SET FORTH

1 IN THIS SECTION TO AN UNAUTHORIZED PERSON COMMITS A MISDEMEANOR
2 OF THE FIRST DEGREE AND SHALL, UPON CONVICTION, BE SENTENCED TO
3 PAY A FINE OF \$10,000 OR TO IMPRISONMENT FOR NOT MORE THAN FIVE
4 YEARS, OR BOTH. AN UNAUTHORIZED PERSON WHO KNOWINGLY RECEIVES OR
5 POSSESSES SUCH DATA COMMITS A MISDEMEANOR OF THE FIRST DEGREE.

6 (D) UNAUTHORIZED ACCESS TO DATA.--SHOULD ANY PERSON
7 INADVERTENTLY OR BY COUNCIL ERROR GAIN ACCESS TO DATA THAT
8 VIOLATES THE SAFEGUARDS SET FORTH IN THIS SECTION, THE DATA MUST
9 IMMEDIATELY BE RETURNED, WITHOUT DUPLICATION, TO THE COUNCIL
10 WITH PROPER NOTIFICATION.

11 (E) PUBLIC ACCESS TO RECORDS.--ALL PUBLIC REPORTS PREPARED
12 BY THE COUNCIL SHALL BE PUBLIC RECORDS AND SHALL BE AVAILABLE TO
13 THE PUBLIC FOR A REASONABLE FEE, AND COPIES SHALL BE PROVIDED,
14 UPON REQUEST OF THE CHAIR, TO THE PUBLIC HEALTH AND WELFARE
15 COMMITTEE OF THE SENATE AND THE HEALTH AND WELFARE COMMITTEE OF
16 THE HOUSE OF REPRESENTATIVES.

17 (F) ACCESS TO RAW COUNCIL DATA BY PURCHASERS.--PURSUANT TO
18 SECTIONS 5(D)(5) AND 7(B) AND SUBJECT TO THE LIMITATIONS ON
19 ACCESS SET FORTH IN SUBSECTION (B), THE COUNCIL SHALL PROVIDE
20 ACCESS TO ITS RAW DATA TO PURCHASERS IN ACCORDANCE WITH THE
21 FOLLOWING PROCEDURE:

22 (1) SPECIAL REPORTS DERIVED FROM RAW DATA OF THE COUNCIL
23 SHALL BE PROVIDED BY THE COUNCIL TO ANY PURCHASER REQUESTING
24 SUCH REPORTS.

25 (2) A MEANS TO ENABLE COMPUTER-TO-COMPUTER ACCESS BY ANY
26 PURCHASER TO RAW DATA OF THE COUNCIL AS DEFINED IN SECTION 3
27 SHALL BE DEVELOPED, ADOPTED AND IMPLEMENTED BY THE COUNCIL,
28 AND THE COUNCIL SHALL PROVIDE SUCH ACCESS TO ITS RAW DATA TO
29 ANY PURCHASER UPON REQUEST.

30 (3) IN THE EVENT THAT ANY EMPLOYER OBTAINS FROM THE

1 COUNCIL, PURSUANT TO PARAGRAPH (1) OR (2), DATA PERTAINING TO
2 ITS EMPLOYEES AND THEIR DEPENDENTS FOR WHOM SAID EMPLOYER
3 PURCHASES OR OTHERWISE PROVIDES COVERED SERVICES AS DEFINED
4 IN SECTION 3 AND WHO ARE REPRESENTED BY A CERTIFIED
5 COLLECTIVE BARGAINING REPRESENTATIVE, SAID COLLECTIVE
6 BARGAINING REPRESENTATIVE SHALL BE ENTITLED TO THAT SAME
7 DATA, AFTER PAYMENT OF FEES AS SPECIFIED IN PARAGRAPH (4).
8 LIKEWISE, SHOULD A CERTIFIED COLLECTIVE BARGAINING
9 REPRESENTATIVE OBTAIN FROM THE COUNCIL, PURSUANT TO PARAGRAPH
10 (1) OR (2), DATA PERTAINING TO ITS MEMBERS AND THEIR
11 DEPENDENTS WHO ARE EMPLOYED BY AND FOR WHOM COVERED SERVICES
12 ARE PURCHASED OR OTHERWISE PROVIDED BY ANY EMPLOYER, SAID
13 EMPLOYER SHALL BE ENTITLED TO THAT SAME DATA, AFTER PAYMENT
14 OF FEES AS SPECIFIED IN PARAGRAPH (4).

15 (4) IN PROVIDING FOR ACCESS TO ITS RAW DATA, THE COUNCIL
16 SHALL CHARGE THE PURCHASERS WHICH ORIGINALLY OBTAINED SUCH
17 ACCESS A FEE SUFFICIENT TO COVER ITS COSTS TO PREPARE AND
18 PROVIDE SPECIAL REPORTS REQUESTED PURSUANT TO PARAGRAPH (1)
19 OR TO PROVIDE COMPUTER-TO-COMPUTER ACCESS TO ITS RAW DATA
20 REQUESTED PURSUANT TO PARAGRAPH (2). SHOULD A SECOND OR
21 SUBSEQUENT PARTY OR PARTIES REQUEST THIS SAME INFORMATION
22 PURSUANT TO PARAGRAPH (3), THE COUNCIL SHALL CHARGE SAID
23 PARTY A REASONABLE FEE.

24 (G) ACCESS TO RAW COUNCIL DATA BY OTHER PARTIES.--SUBJECT TO
25 THE LIMITATIONS ON ACCESS TO RAW COUNCIL DATA SET FORTH IN
26 SUBSECTION (B), THE COUNCIL MAY, AT ITS DISCRETION, PROVIDE
27 SPECIAL REPORTS DERIVED FROM ITS RAW DATA OR COMPUTER-TO-
28 COMPUTER ACCESS TO PARTIES OTHER THAN PURCHASERS. THE COUNCIL
29 SHALL PUBLISH REGULATIONS THAT SET FORTH THE CRITERIA AND THE
30 PROCEDURE IT SHALL USE IN MAKING DETERMINATIONS ON SUCH ACCESS,

1 PURSUANT TO THE POWERS VESTED IN THE COUNCIL IN SECTION 4. IN
2 PROVIDING SUCH ACCESS, THE COUNCIL SHALL CHARGE THE PARTY
3 REQUESTING THE ACCESS A REASONABLE FEE.

4 SECTION 6. SECTIONS 11, 12, 13, 14, 15, 16 AND 17.1 OF THE
5 ACT ARE REENACTED TO READ:

6 SECTION 11. SPECIAL STUDIES AND REPORTS.

7 (A) SPECIAL STUDIES.--ANY COMMONWEALTH AGENCY MAY PUBLISH OR
8 CONTRACT FOR PUBLICATION OF SPECIAL STUDIES. ANY SPECIAL STUDY
9 SO PUBLISHED SHALL BECOME A PUBLIC DOCUMENT.

10 (B) SPECIAL REPORTS.--

11 (1) ANY COMMONWEALTH AGENCY MAY STUDY AND ISSUE A REPORT
12 ON THE SPECIAL MEDICAL NEEDS, DEMOGRAPHIC CHARACTERISTICS,
13 ACCESS OR LACK THEREOF TO HEALTH CARE SERVICES AND NEED FOR
14 FINANCING OF HEALTH CARE SERVICES OF:

15 (I) SENIOR CITIZENS, PARTICULARLY LOW-INCOME SENIOR
16 CITIZENS, SENIOR CITIZENS WHO ARE MEMBERS OF MINORITY
17 GROUPS AND SENIOR CITIZENS RESIDING IN LOW-INCOME URBAN
18 OR RURAL AREAS.

19 (II) LOW-INCOME URBAN OR RURAL AREAS.

20 (III) MINORITY COMMUNITIES.

21 (IV) WOMEN.

22 (V) CHILDREN

23 (VI) UNEMPLOYED WORKERS.

24 (VII) VETERANS.

25 THE REPORTS SHALL INCLUDE INFORMATION ON THE CURRENT
26 AVAILABILITY OF SERVICES TO THESE TARGETED PARTS OF THE
27 POPULATION, AND WHETHER ACCESS TO SUCH SERVICES HAS INCREASED
28 OR DECREASED OVER THE PAST TEN YEARS, AND SPECIFIC
29 RECOMMENDATIONS FOR THE IMPROVEMENT OF THEIR PRIMARY CARE AND
30 HEALTH DELIVERY SYSTEMS, INCLUDING DISEASE PREVENTION AND

1 COMPREHENSIVE HEALTH CARE SERVICES. THE DEPARTMENT MAY ALSO
2 STUDY AND REPORT ON THE EFFECTS OF USING PREPAID, CAPITATED
3 OR HMO HEALTH DELIVERY SYSTEMS AS WAYS TO PROMOTE THE
4 DELIVERY OF PRIMARY HEALTH CARE SERVICES TO THE UNDERSERVED
5 SEGMENTS OF THE POPULATION ENUMERATED ABOVE.

6 (2) THE DEPARTMENT MAY STUDY AND REPORT ON THE SHORT-
7 TERM AND LONG-TERM FISCAL AND PROGRAMMATIC IMPACT ON THE
8 HEALTH CARE CONSUMER OF CHANGES IN OWNERSHIP OF HOSPITALS
9 FROM NONPROFIT TO PROFIT, WHETHER THROUGH PURCHASE, MERGER OR
10 THE LIKE. THE DEPARTMENT MAY ALSO STUDY AND REPORT ON FACTORS
11 WHICH HAVE THE EFFECT OF EITHER REDUCING PROVIDER REVENUE OR
12 INCREASING PROVIDER COST, AND OTHER FACTORS BEYOND A
13 PROVIDER'S CONTROL WHICH REDUCE PROVIDER COMPETITIVENESS IN
14 THE MARKETPLACE, ARE EXPLAINED IN THE REPORTS.

15 SECTION 12. ENFORCEMENT; PENALTY.

16 (A) COMPLIANCE ENFORCEMENT.--THE COUNCIL SHALL HAVE STANDING
17 TO BRING AN ACTION IN LAW OR IN EQUITY THROUGH PRIVATE COUNSEL
18 IN ANY COURT OF COMMON PLEAS TO ENFORCE COMPLIANCE WITH ANY
19 PROVISION OF THIS ACT, EXCEPT SECTION 11, OR ANY REQUIREMENT OR
20 APPROPRIATE REQUEST OF THE COUNCIL MADE PURSUANT TO THIS ACT. IN
21 ADDITION, THE ATTORNEY GENERAL IS AUTHORIZED AND SHALL BRING ANY
22 SUCH ENFORCEMENT ACTION IN AID OF THE COUNCIL IN ANY COURT OF
23 COMMON PLEAS AT THE REQUEST OF THE COUNCIL IN THE NAME OF THE
24 COMMONWEALTH.

25 (B) PENALTY.--

26 (1) ANY PERSON WHO FAILS TO SUPPLY DATA PURSUANT TO
27 SECTION 6 MAY BE ASSESSED A CIVIL PENALTY NOT TO EXCEED
28 \$1,000 FOR EACH DAY THE DATA IS NOT SUBMITTED.

29 (2) ANY PERSON WHO KNOWINGLY SUBMITS INACCURATE DATA
30 UNDER SECTION 6 COMMITS A MISDEMEANOR OF THE THIRD DEGREE AND

SHALL, UPON CONVICTION, BE SENTENCED TO PAY A FINE OF \$1,000
OR TO IMPRISONMENT FOR NOT MORE THAN ONE YEAR, OR BOTH.

SECTION 13. RESEARCH AND DEMONSTRATION PROJECTS.

THE COUNCIL SHALL ACTIVELY ENCOURAGE RESEARCH AND
DEMONSTRATIONS TO DESIGN AND TEST IMPROVED METHODS OF ASSESSING
PROVIDER QUALITY, PROVIDER SERVICE EFFECTIVENESS AND EFFICIENCY.
TO THAT END, PROVIDED THAT NO DATA SUBMISSION REQUIREMENTS IN A
MANDATED DEMONSTRATION MAY EXCEED THE CURRENT RESERVE FIELD ON
THE PENNSYLVANIA UNIFORM CLAIMS AND BILLING FORM, THE COUNCIL
MAY:

(1) AUTHORIZE CONTRACTORS ENGAGED IN HEALTH SERVICES
RESEARCH SELECTED BY THE COUNCIL, PURSUANT TO THE PROVISIONS
OF SECTION 16, TO HAVE ACCESS TO THE COUNCIL'S RAW DATA
FILES, PROVIDING SUCH ENTITIES ASSUME ANY CONTRACTUAL
OBLIGATIONS IMPOSED BY THE COUNCIL TO ASSURE PATIENT IDENTITY
CONFIDENTIALITY.

(2) PLACE DATA SOURCES PARTICIPATING IN RESEARCH AND
DEMONSTRATIONS ON DIFFERENT DATA SUBMISSION REQUIREMENTS FROM
OTHER DATA SOURCES IN THIS COMMONWEALTH.

(3) REQUIRE DATA SOURCE PARTICIPATION IN RESEARCH AND
DEMONSTRATION PROJECTS WHEN THIS IS THE ONLY TESTING METHOD
THE COUNCIL DETERMINES IS PROMISING.

SECTION 14. GRIEVANCES AND GRIEVANCE PROCEDURES.

(A) PROCEDURES AND REQUIREMENTS.--PURSUANT TO ITS POWERS TO
PUBLISH REGULATIONS UNDER SECTION 5(B) AND WITH THE REQUIREMENTS
OF THIS SECTION, THE COUNCIL IS HEREBY AUTHORIZED AND DIRECTED
TO ESTABLISH PROCEDURES AND REQUIREMENTS FOR THE FILING, HEARING
AND ADJUDICATION OF GRIEVANCES AGAINST THE COUNCIL OF ANY DATA
SOURCE. SUCH PROCEDURES AND REQUIREMENTS SHALL BE PUBLISHED IN
THE PENNSYLVANIA BULLETIN PURSUANT TO LAW.

(B) CLAIMS; HEARINGS.--GRIEVANCE CLAIMS OF ANY DATA SOURCE SHALL BE SUBMITTED TO THE COUNCIL OR TO A THIRD PARTY DESIGNATED BY THE COUNCIL, AND THE COUNCIL OR THE DESIGNATED THIRD PARTY SHALL CONVENE A HEARING, IF REQUESTED, AND ADJUDICATE THE GRIEVANCE.

SECTION 15. ANTITRUST PROVISIONS.

PERSONS OR ENTITIES REQUIRED TO SUBMIT DATA OR INFORMATION UNDER THIS ACT OR RECEIVING DATA OR INFORMATION FROM THE COUNCIL IN ACCORDANCE WITH THIS ACT ARE DECLARED TO BE ACTING PURSUANT TO STATE REQUIREMENTS EMBODIED IN THIS ACT AND SHALL BE EXEMPT FROM ANTITRUST CLAIMS OR ACTIONS GROUNDED UPON SUBMISSION OR RECEIPT OF SUCH DATA OR INFORMATION.

SECTION 16. CONTRACTS WITH VENDORS.

ANY CONTRACT WITH ANY VENDOR OTHER THAN A SOLE SOURCE VENDOR FOR PURCHASE OF SERVICES OR FOR PURCHASE OR LEASE OF SUPPLIES AND EQUIPMENT RELATED TO THE COUNCIL'S POWERS AND DUTIES SHALL BE LET ONLY AFTER A PUBLIC BIDDING PROCESS AND ONLY IN ACCORDANCE WITH THE FOLLOWING PROVISIONS, AND NO CONTRACT SHALL BE LET BY THE COUNCIL THAT DOES NOT CONFORM TO THESE PROVISIONS:

(1) THE COUNCIL SHALL PREPARE SPECIFICATIONS FULLY DESCRIBING THE SERVICES TO BE RENDERED OR EQUIPMENT OR SUPPLIES TO BE PROVIDED BY A VENDOR AND SHALL MAKE THESE SPECIFICATIONS AVAILABLE FOR INSPECTION BY ANY PERSON AT THE COUNCIL'S OFFICES DURING NORMAL WORKING HOURS AND AT SUCH OTHER PLACES AND SUCH OTHER TIMES AS THE COUNCIL DEEMS ADVISABLE.

(2) THE COUNCIL SHALL PUBLISH NOTICE OF INVITATIONS TO BID IN THE PENNSYLVANIA BULLETIN. THE COUNCIL SHALL ALSO PUBLISH SUCH NOTICE IN AT LEAST FOUR NEWSPAPERS IN GENERAL CIRCULATION IN THE COMMONWEALTH ON AT LEAST THREE OCCASIONS

1 AT INTERVALS OF NOT LESS THAN THREE DAYS. SAID NOTICE SHALL
2 INCLUDE AT LEAST THE FOLLOWING:

3 (I) THE DEADLINE FOR SUBMISSION OF BIDS BY
4 PROSPECTIVE VENDORS, WHICH SHALL BE NO SOONER THAN 30
5 DAYS FOLLOWING THE LATEST PUBLICATION OF THE NOTICE AS
6 PRESCRIBED IN THIS PARAGRAPH.

7 (II) THE LOCATIONS, DATES AND TIMES DURING WHICH
8 PROSPECTIVE VENDORS CAN EXAMINE THE SPECIFICATIONS
9 REQUIRED IN PARAGRAPH (1).

10 (III) THE DATE, TIME AND PLACE OF THE MEETING OR
11 MEETINGS OF THE COUNCIL AT WHICH BIDS WILL BE OPENED AND
12 ACCEPTED.

13 (IV) A STATEMENT TO THE EFFECT THAT ANY PERSON IS
14 ELIGIBLE TO BID.

15 (3) BIDS SHALL BE ACCEPTED AS FOLLOWS:

16 (I) NO COUNCIL MEMBER WHO IS AFFILIATED IN ANY WAY
17 WITH ANY BIDDER SHALL VOTE ON THE AWARDING OF ANY
18 CONTRACT FOR WHICH SAID BIDDER HAS SUBMITTED A BID, AND
19 ANY COUNCIL MEMBER WHO HAS AN AFFILIATION WITH A BIDDER
20 SHALL STATE THE NATURE OF THE AFFILIATION PRIOR TO ANY
21 VOTE OF THE COUNCIL.

22 (II) BIDS SHALL BE OPENED AND REVIEWED BY THE
23 APPROPRIATE COUNCIL COMMITTEE, WHICH SHALL MAKE
24 RECOMMENDATIONS TO THE COUNCIL ON APPROVAL. BIDS SHALL BE
25 ACCEPTED AND SUCH ACCEPTANCE SHALL BE ANNOUNCED ONLY AT A
26 PUBLIC MEETING OF THE COUNCIL AS DEFINED IN SECTION 4(E),
27 AND NO BIDS SHALL BE ACCEPTED AT AN EXECUTIVE SESSION OF
28 THE COUNCIL.

29 (III) THE COUNCIL MAY REQUIRE THAT A CERTIFIED
30 CHECK, IN AN AMOUNT DETERMINED BY THE COUNCIL, ACCOMPANY

1 EVERY BID, AND, WHEN SO REQUIRED, NO BID SHALL BE
2 ACCEPTED UNLESS SO ACCOMPANIED.

3 (4) IN ORDER TO PREVENT ANY PARTY FROM DELIBERATELY
4 UNDERBIDDING CONTRACTS IN ORDER TO GAIN OR PREVENT ACCESS TO
5 COUNCIL DATA, THE COUNCIL MAY AWARD ANY CONTRACT AT ITS
6 DISCRETION, REGARDLESS OF THE AMOUNT OF THE BID, PURSUANT TO
7 THE FOLLOWING:

8 (I) ANY BID ACCEPTED MUST REASONABLY REFLECT THE
9 ACTUAL COST OF SERVICES PROVIDED.

10 (II) ANY VENDOR SO SELECTED BY THE COUNCIL SHALL BE
11 FOUND BY THE COUNCIL TO BE OF SUCH CHARACTER AND SUCH
12 INTEGRITY AS TO ASSURE, TO THE MAXIMUM EXTENT POSSIBLE,
13 ADHERENCE TO ALL THE PROVISIONS OF THIS ACT IN THE
14 PROVISION OF CONTRACTED SERVICES.

15 (III) THE COUNCIL MAY REQUIRE THE SELECTED VENDOR TO
16 FURNISH, WITHIN 20 DAYS AFTER THE CONTRACT HAS BEEN
17 AWARDED, A BOND WITH SUITABLE AND REASONABLE REQUIREMENTS
18 GUARANTEEING THE SERVICES TO BE PERFORMED WITH SUFFICIENT
19 SURETY IN AN AMOUNT DETERMINED BY THE COUNCIL, AND UPON
20 FAILURE TO FURNISH SUCH BOND WITHIN THE TIME SPECIFIED,
21 THE PREVIOUS AWARD SHALL BE VOID.

22 (5) THE COUNCIL SHALL MAKE EFFORTS TO ASSURE THAT ITS
23 VENDORS HAVE ESTABLISHED AFFIRMATIVE ACTION PLANS TO ASSURE
24 EQUAL OPPORTUNITY POLICIES FOR HIRING AND PROMOTING
25 EMPLOYEES.

26 SECTION 17.1. REPORTING.

27 THE COUNCIL SHALL PROVIDE AN ANNUAL REPORT OF ITS FINANCIAL
28 EXPENDITURES TO THE APPROPRIATIONS COMMITTEE OF THE SENATE AND
29 THE APPROPRIATIONS COMMITTEE OF THE HOUSE OF REPRESENTATIVES.

30 SECTION 7. THE ACT IS AMENDED BY ADDING SECTIONS TO READ:

1 SECTION 17.2. HEALTH CARE COST CONTAINMENT COUNCIL ACT REVIEW
2 COMMITTEE.

3 (A) ESTABLISHMENT.--THERE IS HEREBY ESTABLISHED AN
4 INDEPENDENT COMMITTEE TO BE KNOWN AS THE HEALTH CARE COST
5 CONTAINMENT COUNCIL ACT REVIEW COMMITTEE.

6 (B) COMPOSITION.--THE COMMITTEE SHALL CONSIST OF THE
7 FOLLOWING VOTING MEMBERS COMPOSED OF AND APPOINTED AS FOLLOWS:

8 (1) ONE MEMBER APPOINTED BY THE GOVERNOR.

9 (2) FOUR MEMBERS APPOINTED BY THE GENERAL ASSEMBLY, ONE
10 OF WHOM SHALL BE APPOINTED BY EACH OF THE FOLLOWING:

11 (I) ONE BY THE PRESIDENT PRO TEMPORE OF THE SENATE;

12 (II) ONE BY THE MINORITY LEADER OF THE SENATE;

13 (III) ONE BY THE MAJORITY LEADER OF THE HOUSE OF
14 REPRESENTATIVES; AND

15 (IV) ONE BY THE MINORITY LEADER OF THE HOUSE OF
16 REPRESENTATIVES.

17 (3) TWO REPRESENTATIVES OF THE BUSINESS COMMUNITY, AT
18 LEAST ONE OF WHOM REPRESENTS SMALL BUSINESS, AND NEITHER OF
19 WHOM IS PRIMARILY INVOLVED IN THE PROVISION OF HEALTH CARE OR
20 HEALTH INSURANCE, ONE OF WHOM SHALL BE APPOINTED BY THE
21 PRESIDENT PRO TEMPORE OF THE SENATE AND ONE OF WHOM SHALL BE
22 APPOINTED BY THE SPEAKER OF THE HOUSE OF REPRESENTATIVES FROM
23 A LIST OF FOUR QUALIFIED PERSONS RECOMMENDED BY THE
24 PENNSYLVANIA CHAMBER OF BUSINESS AND INDUSTRY.

25 (4) TWO REPRESENTATIVES OF ORGANIZED LABOR, ONE OF WHOM
26 SHALL BE APPOINTED BY THE PRESIDENT PRO TEMPORE OF THE SENATE
27 AND ONE OF WHOM SHALL BE APPOINTED BY THE SPEAKER OF THE
28 HOUSE OF REPRESENTATIVES FROM A LIST OF FOUR QUALIFIED
29 PERSONS RECOMMENDED BY THE PENNSYLVANIA AFL-CIO.

30 (5) ONE REPRESENTATIVE OF CONSUMERS WHO IS NOT PRIMARILY

1 INVOLVED IN THE PROVISION OF HEALTH CARE OR HEALTH CARE
2 INSURANCE, APPOINTED BY THE GOVERNOR FROM A LIST OF THREE
3 QUALIFIED PERSONS RECOMMENDED JOINTLY BY THE PRESIDENT PRO
4 TEMPORE OF THE SENATE AND THE SPEAKER OF THE HOUSE OF
5 REPRESENTATIVES.

6 (6) ONE REPRESENTATIVE OF HOSPITALS, APPOINTED BY THE
7 GOVERNOR FROM A LIST OF THREE QUALIFIED HOSPITAL
8 REPRESENTATIVES RECOMMENDED BY THE HOSPITAL AND HEALTH SYSTEM
9 ASSOCIATION OF PENNSYLVANIA.

10 (7) ONE REPRESENTATIVE OF PHYSICIANS, APPOINTED BY THE
11 GOVERNOR FROM A LIST OF THREE QUALIFIED PHYSICIAN
12 REPRESENTATIVES RECOMMENDED JOINTLY BY THE PENNSYLVANIA
13 MEDICAL SOCIETY AND THE PENNSYLVANIA OSTEOPATHIC MEDICAL
14 SOCIETY.

15 (8) ONE REPRESENTATIVE OF NURSES, APPOINTED BY THE
16 GOVERNOR FROM A LIST OF THREE QUALIFIED REPRESENTATIVES
17 RECOMMENDED BY THE PENNSYLVANIA STATE NURSES ASSOCIATION.

18 (9) ONE REPRESENTATIVE OF THE BLUE CROSS AND BLUE SHIELD
19 PLANS IN PENNSYLVANIA, APPOINTED BY THE GOVERNOR FROM A LIST
20 OF THREE QUALIFIED PERSONS RECOMMENDED JOINTLY BY THE BLUE
21 CROSS AND BLUE SHIELD PLANS OF PENNSYLVANIA.

22 (10) ONE REPRESENTATIVE OF COMMERCIAL INSURANCE
23 CARRIERS, APPOINTED BY THE GOVERNOR FROM A LIST OF THREE
24 QUALIFIED PERSONS RECOMMENDED BY THE INSURANCE FEDERATION OF
25 PENNSYLVANIA, INC.

26 (C) CHAIRPERSON.--THE APPOINTMENT MADE BY THE GOVERNOR UNDER
27 SUBSECTION (B)(1) SHALL SERVE AS CHAIRMAN OF THE COMMITTEE.

28 (D) QUORUM.--ELEVEN MEMBERS SHALL CONSTITUTE A QUORUM FOR
29 THE TRANSACTION OF ANY BUSINESS, AND THE ACT BY THE MAJORITY OF
30 THE MEMBERS PRESENT AT ANY MEETING IN WHICH THERE IS A QUORUM

1 SHALL BE DEEMED TO BE THE ACT OF THE COMMITTEE.

2 (E) MEETINGS.--

3 (1) ALL MEETINGS OF THE COMMITTEE SHALL BE ADVERTISED
4 AND CONDUCTED PURSUANT TO 65 PA.C.S. CH. 7 (RELATING TO OPEN
5 MEETINGS).

6 (2) ALL ACTION TAKEN BY THE COMMITTEE SHALL BE TAKEN IN
7 OPEN PUBLIC SESSION, AND ACTION OF THE COMMITTEE SHALL NOT BE
8 TAKEN EXCEPT UPON THE AFFIRMATIVE VOTE OF A MAJORITY OF THE
9 MEMBERS OF THE COMMITTEE PRESENT DURING MEETINGS AT WHICH A
10 QUORUM IS PRESENT.

11 (F) COMPENSATION AND EXPENSES.--THE MEMBERS OF THE COMMITTEE
12 SHALL NOT RECEIVE A SALARY OR PER DIEM ALLOWANCE FOR SERVING AS
13 MEMBERS OF THE COMMITTEE BUT SHALL BE REIMBURSED FOR ACTUAL AND
14 NECESSARY EXPENSES INCURRED IN THE PERFORMANCE OF THEIR DUTIES.
15 EXPENSES MAY INCLUDE REIMBURSEMENT OF TRAVEL AND LIVING EXPENSES
16 WHILE ENGAGED IN COMMITTEE BUSINESS.

17 (G) COMMENCEMENT OF COMMITTEE.--

18 (1) WITHIN 15 DAYS AFTER THE EFFECTIVE DATE OF THIS
19 SECTION, EACH ORGANIZATION OR INDIVIDUAL REQUIRED TO SUBMIT A
20 LIST OF RECOMMENDED PERSONS TO THE GOVERNOR, THE PRESIDENT
21 PRO TEMPORE OF THE SENATE OR THE SPEAKER OF THE HOUSE OF
22 REPRESENTATIVES UNDER SUBSECTION (B) SHALL SUBMIT THE LIST.

23 (2) WITHIN 30 DAYS OF THE EFFECTIVE DATE OF THIS
24 SECTION, THE GOVERNOR, THE PRESIDENT PRO TEMPORE OF THE
25 SENATE AND THE SPEAKER OF THE HOUSE OF REPRESENTATIVES SHALL
26 MAKE THE APPOINTMENTS CALLED FOR IN SUBSECTION (B), AND THE
27 COMMITTEE SHALL BEGIN OPERATIONS IMMEDIATELY FOLLOWING THE
28 APPOINTMENTS.

29 (H) RESPONSIBILITIES OF THE COMMITTEE.--THE COMMITTEE SHALL
30 HAVE THE FOLLOWING POWERS AND DUTIES:

1 (1) TO STUDY, REVIEW AND RECOMMEND CHANGES TO THIS ACT.

2 (2) TO ACCEPT AND REVIEW SUGGESTED CHANGES TO THIS ACT
3 SUBMITTED BY MEMBERS OF THE COMMITTEE.

4 (3) TO APPROVE, BY A MAJORITY VOTE OF THE MEMBERS OF THE
5 COMMITTEE, A REPORT RECOMMENDING STATUTORY CHANGES TO THIS
6 ACT. THE REPORT SHALL INCLUDE, AT A MINIMUM, THE FOLLOWING:

7 (I) THE ESTABLISHMENT OF AN INTERNET DATABASE FOR
8 THE GENERAL PUBLIC SHOWING MEDICARE REIMBURSEMENT RATES
9 FOR COMMON COVERED SERVICES AND TREATMENT.

10 (II) IN CONSULTATION WITH EXPERTS IN THE FIELDS OF
11 QUALITY DATA AND OUTCOME MEASURES, THE DEFINITION AND
12 IMPLEMENTATION OF:

13 (A) A METHODOLOGY BY PROVIDER TYPE FOR THE
14 COUNCIL TO RISK ADJUST QUALITY DATA.

15 (B) A METHODOLOGY FOR THE COUNCIL TO COLLECT AND
16 DISSEMINATE DATA REFLECTING PROVIDER QUALITY AND
17 PROVIDER SERVICE EFFECTIVENESS.

18 (4) TO SUBMIT THE REPORT APPROVED UNDER PARAGRAPH (3) TO
19 THE PRESIDENT PRO TEMPORE OF THE SENATE AND THE SPEAKER OF
20 THE HOUSE OF REPRESENTATIVES BY APRIL 30, 2009.

21 (I) COMMITTEE SUPPORT.--THE COUNCIL SHALL OFFER STAFF AND
22 ADMINISTRATIVE SUPPORT FROM THE COUNCIL OR ITS WORK GROUPS
23 NECESSARY FOR THE COMMITTEE TO CARRY OUT ITS DUTIES UNDER THIS
24 SECTION.

25 SECTION 17.3. ABATEMENT UNDER HEALTH CARE PROVIDER RETENTION
26 PROGRAM.

27 (A) PROGRAM.--THE INSURANCE DEPARTMENT SHALL CONTINUE THE
28 HEALTH CARE PROVIDER RETENTION PROGRAM, ORIGINALLY ESTABLISHED
29 IN SECTION 1102 OF THE ACT OF MARCH 20, 2002 (P.L.154, NO.13),
30 KNOWN AS THE MEDICAL CARE AVAILABILITY AND REDUCTION OF ERROR

1 (MCARE) ACT, FOR ALL HEALTH CARE PROVIDERS AS SET FORTH IN
2 CHAPTER 11 OF THE MEDICAL CARE AVAILABILITY AND REDUCTION OF
3 ERROR (MCARE) ACT. THIS SECTION SHALL APPLY TO CALENDAR YEARS
4 2008 AND 2009.

5 (B) ABATEMENT.--NOTWITHSTANDING SECTION 1104(B)(2) OF THE
6 MEDICAL CARE AVAILABILITY AND REDUCTION OF ERROR (MCARE) ACT,
7 BIRTH CENTERS SHALL BE ELIGIBLE FOR ABATEMENT UNDER SUBSECTION
8 (A).

9 (C) DEFINITIONS.--AS USED IN THIS SECTION, THE FOLLOWING
10 WORDS AND PHRASES SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS
11 SUBSECTION:

12 "BIRTH CENTER." AS DEFINED IN SECTION 103 OF THE ACT OF
13 MARCH 20, 2002 (P.L.154, NO.13), KNOWN AS THE MEDICAL CARE
14 AVAILABILITY AND REDUCTION OF ERROR (MCARE) ACT.

15 "HEALTH CARE PROVIDER." AS DEFINED IN SECTION 103 OF THE ACT
16 OF MARCH 20, 2002 (P.L.154, NO.13), KNOWN AS THE MEDICAL CARE
17 AVAILABILITY AND REDUCTION OF ERROR (MCARE) ACT.

18 SECTION 8. SECTION 18 OF THE ACT IS REENACTED TO READ:
19 SECTION 18. SEVERABILITY.

20 THE PROVISIONS OF THIS ACT ARE SEVERABLE. IF ANY PROVISION OF
21 THIS ACT OR ITS APPLICATION TO ANY PERSON OR CIRCUMSTANCE IS
22 HELD INVALID, THE INVALIDITY SHALL NOT AFFECT OTHER PROVISIONS
23 OR APPLICATIONS OF THIS ACT WHICH CAN BE GIVEN EFFECT WITHOUT
24 THE INVALID PROVISION OR APPLICATION.

25 SECTION 9. SECTION 19 OF THE ACT IS REENACTED AND AMENDED TO
26 READ:
27 SECTION 19. SUNSET.

28 THIS ACT SHALL EXPIRE JUNE 30, [2008] 2013, UNLESS REENACTED
29 PRIOR TO THAT DATE. BY SEPTEMBER 1, [2007] 2012, A WRITTEN
30 REPORT BY THE LEGISLATIVE BUDGET AND FINANCE COMMITTEE

1 EVALUATING THE MANAGEMENT, VISIBILITY, AWARENESS AND PERFORMANCE
2 OF THE COUNCIL SHALL BE PROVIDED TO THE PUBLIC HEALTH AND
3 WELFARE COMMITTEE OF THE SENATE AND THE HEALTH AND HUMAN
4 SERVICES COMMITTEE OF THE HOUSE OF REPRESENTATIVES. THE REPORT
5 SHALL INCLUDE A REVIEW OF THE COUNCIL'S PROCEDURES AND POLICIES,
6 THE AVAILABILITY AND QUALITY OF DATA FOR COMPLETING REPORTS [TO
7 HOSPITALS AND OUTSIDE VENDOR PURCHASERS, THE ABILITY OF THE
8 COUNCIL TO BECOME SELF-SUFFICIENT BY SELLING DATA TO OUTSIDE
9 PURCHASERS], WHETHER THERE IS A MORE COST-EFFICIENT WAY OF
10 ACCOMPLISHING THE OBJECTIVES OF THE COUNCIL AND THE NEED FOR
11 REAUTHORIZATION OF THE COUNCIL.

12 SECTION 10. SECTION 20 OF THE ACT IS REENACTED TO READ:

13 SECTION 20. EFFECTIVE DATE.

14 THIS ACT SHALL TAKE EFFECT IMMEDIATELY.

15 SECTION 11. IN ACCORDANCE WITH SECTION 12 OF THIS ACT, THE
16 FOLLOWING APPLY TO THE PERIOD FROM JUNE 29, 2008, TO THE
17 EFFECTIVE DATE OF THIS SECTION:

18 (1) THERE IS NO LAPSE IN MEMBERSHIP ON THE HEALTH CARE
19 COST CONTAINMENT COUNCIL.

20 (2) ELEVEN MEMBERS CONSTITUTE A QUORUM.

21 (3) ANY ACTION TAKEN BY THE COUNCIL IS VALIDATED.

22 (4) THERE SHALL BE NO LAPSE IN THE EMPLOYMENT
23 RELATIONSHIP FOR EMPLOYEES OF THE COUNCIL. THIS PARAGRAPH
24 INCLUDES SALARY, SENIORITY, BENEFITS AND RETIREMENT
25 ELIGIBILITY OF THE EMPLOYEES.

26 SECTION 12. THIS ACT SHALL APPLY AS FOLLOWS:

27 (1) EXCEPT AS SET FORTH IN PARAGRAPH (2), THIS ACT SHALL
28 APPLY RETROACTIVELY TO JUNE 29, 2008.

29 (2) THE REENACTMENT OF SECTION 6 OF THE ACT SHALL APPLY
30 RETROACTIVELY UNDER PARAGRAPH (1), BUT THE AMENDMENT OF

1 SECTION 6 OF THE ACT SHALL APPLY FROM THE EFFECTIVE DATE OF
2 THE AMENDMENT UNDER SECTION 14(1) OF THIS ACT.

3 SECTION ~~5~~ 13. REPEALS ARE AS FOLLOWS: <—

4 (1) THE GENERAL ASSEMBLY DECLARES THAT THE REPEAL UNDER
5 PARAGRAPH (2) IS NECESSARY TO EFFECTUATE THE ADDITION OF
6 SECTION 17.3 OF THE ACT.

7 (2) SECTION 1115 OF THE ACT OF MARCH 20, 2002 (P.L.154,
8 NO.13), KNOWN AS THE MEDICAL CARE AVAILABILITY AND REDUCTION
9 OF ERROR (MCARE) ACT, IS REPEALED.

10 SECTION ~~6~~ 14. THIS ACT SHALL TAKE EFFECT AS FOLLOWS: <—

11 (1) THE AMENDMENT OF SECTION 6 OF THE ACT SHALL TAKE
12 EFFECT JANUARY 1, 2010.

13 (2) THE REMAINDER OF THIS ACT SHALL TAKE EFFECT
14 IMMEDIATELY.