

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1372 Session of 2008

INTRODUCED BY FONTANA, TARTAGLIONE, LAVALLE, MUSTO, C. WILLIAMS, STOUT, M. WHITE, PIPPY, KASUNIC, BOSCOLA, BROWNE, O'PAKE, RHOADES, COSTA, WOZNIAK, WASHINGTON, STACK, FERLO, REGOLA AND A. WILLIAMS, APRIL 14, 2008

AS AMENDED ON THIRD CONSIDERATION, JUNE 27, 2008

AN ACT

1 Amending the act of July 8, 1986 (P.L.408, No.89), entitled, as
2 reenacted, "An act providing for the creation of the Health
3 Care Cost Containment Council, for its powers and duties, for
4 health care cost containment through the collection and
5 dissemination of data, for public accountability of health
6 care costs and for health care for the indigent; and making
7 an appropriation," DEFINING "COMMITTEE"; further providing <—
8 for the Health Care Cost Containment Council and its powers
9 and duties, for data submission and collection AND for access <—
10 to council data; PROVIDING FOR THE ESTABLISHMENT OF A HEALTH <—
11 CARE COST CONTAINMENT COUNCIL ACT REVIEW COMMITTEE and for
12 sunset of act; PROVIDING FOR ABATEMENT UNDER HEALTH CARE <—
13 PROVIDER RETENTION PROGRAM; AND MAKING A RELATED REPEAL.

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

16 ~~Section 1. Sections 4(f), 5(c) and (d), 6(a)(1) and (d), 10 <—~~
17 ~~(b)(5) and 19 of the act of July 8, 1986 (P.L.408, No.89), known~~
18 ~~as the Health Care Cost Containment Act, reenacted and amended~~
19 ~~July 17, 2003 (P.L.31, No.14), are amended to read:~~

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

1 AN ACT

2 PROVIDING FOR THE CREATION OF THE HEALTH CARE COST CONTAINMENT
3 COUNCIL, FOR ITS POWERS AND DUTIES, FOR HEALTH CARE COST
4 CONTAINMENT THROUGH THE COLLECTION AND DISSEMINATION OF DATA,
5 FOR PUBLIC ACCOUNTABILITY OF HEALTH CARE COSTS AND FOR HEALTH
6 CARE FOR THE INDIGENT; PROVIDING FOR HEALTH CARE PROVIDER
7 RETENTION; AND MAKING AN APPROPRIATION.

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

10 SECTION 3. DEFINITIONS.

11 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS ACT SHALL
12 HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
13 CONTEXT CLEARLY INDICATES OTHERWISE:

14 * * *

15 "COMMITTEE." THE HEALTH CARE COST CONTAINMENT COUNCIL ACT
16 REVIEW COMMITTEE.

17 * * *

18 SECTION 2. SECTIONS 4(F), 5(C) AND (D), 6(A) AND (D) AND
19 10(B)(5) OF THE ACT ARE AMENDED TO READ:

20 Section 4. Health Care Cost Containment Council.

21 * * *

22 (f) Bylaws.--The council shall adopt bylaws, not
23 inconsistent with this act, and may appoint such committees or
24 elect such officers subordinate to those provided for in
25 subsection (c) as it deems advisable. The council shall provide
26 for the approval and participation of additional delegates
27 appointed under subsection (b)(7) and (8) so that each
28 organization represented by delegates under those paragraphs
29 shall not have more than one vote on any committee to which they
30 are appointed. The council shall also appoint a technical

1 advisory group which shall, on an ad hoc basis, respond to
2 issues presented to it by the council or committees of the
3 council and shall make recommendations to the council. The
4 technical advisory group shall include physicians, researchers,
5 biostatisticians, one representative of the Hospital and
6 Healthsystem Association of Pennsylvania and one representative
7 of the Pennsylvania Medical Society. The Hospital and
8 Healthsystem Association of Pennsylvania and the Pennsylvania
9 Medical Society representatives shall not be subject to
10 executive committee approval. In appointing other physicians,
11 researchers and biostatisticians to the technical advisory
12 group, the council shall consult with and take nominations from
13 the representatives of the Hospital Association of Pennsylvania,
14 the Pennsylvania Medical Society, the Pennsylvania Osteopathic
15 Medical Society or other like organizations. At its discretion
16 and in accordance with this section, nominations shall be
17 approved by the executive committee of the council. If the
18 subject matter of any project exceeds the expertise of the
19 technical advisory group, physicians in appropriate specialties
20 who possess current knowledge of the issue under study may be
21 consulted. The technical advisory group shall also review the
22 availability and reliability of severity of illness measurements
23 as they relate to small hospitals and psychiatric,
24 rehabilitation and children's hospitals and shall make
25 recommendations to the council based upon this review. Meetings
26 of the technical advisory group shall be open to the general
27 public.

28 * * *

29 Section 5. Powers and duties of the council.

30 * * *

1 (c) Audit powers.--The council shall have the right to
2 independently audit all information required to be submitted by
3 data sources as needed to corroborate the accuracy of the
4 submitted data, pursuant to the following:

5 (1) Audits of information submitted by providers or
6 health care insurers shall be performed on a sample and
7 issue-specific basis, as needed by the council, and shall be
8 coordinated, to the extent practicable, with audits performed
9 by the Commonwealth. All health care insurers and providers
10 are hereby required to make those books, records of accounts
11 and any other data needed by the auditors available to the
12 council at a convenient location within 30 days of a written
13 notification by the council.

14 (2) Audits of information submitted by purchasers shall
15 be performed on a sample basis, unless there exists
16 reasonable cause to audit specific purchasers, but in no case
17 shall the council have the power to audit financial
18 statements of purchasers.

19 (3) All audits performed by the council shall be
20 performed at the expense of the council.

21 (4) The results of audits of providers or health care
22 insurers shall be provided to the audited providers and
23 health care insurers on a timely basis, not to exceed 30 days
24 beyond presentation of audit findings to the council.

25 (d) General duties and functions.--The council is hereby
26 authorized to and shall perform the following duties and
27 functions:

28 (1) Develop a computerized system for the collection,
29 analysis and dissemination of data. The council may contract
30 with a vendor who will provide such data processing services.

1 The council shall assure that the system will be capable of
2 processing all data required to be collected under this act.
3 Any vendor selected by the council shall be selected in
4 accordance with the provisions of section 16, and said vendor
5 shall relinquish any and all proprietary rights or claims to
6 the data base created as a result of implementation of the
7 data processing system.

8 (2) Establish a Pennsylvania Uniform Claims and Billing
9 Form for all data sources and all providers which shall be
10 utilized and maintained by all data sources and all providers
11 for all services covered under this act.

12 (3) Collect and disseminate data, as specified in
13 section 6, and other information from data sources to which
14 the council is entitled, prepared according to formats, time
15 frames and confidentiality provisions as specified in
16 sections 6 and 10, and by the council.

17 (4) Adopt ~~and~~ implement a methodology to collect and <—
18 disseminate data reflecting provider quality and provider
19 service effectiveness pursuant to section 6] ~~methodologies~~ <—
20 ~~for risk adjusting provider quality data.~~

21 (5) Subject to the restrictions on access to raw data
22 set forth in section 10, issue special reports and make
23 available raw data as defined in section 3 to any purchaser
24 requesting it. Sale by any recipient or exchange or
25 publication by a recipient, other than a purchaser, of raw
26 council data to other parties without the express written
27 consent of, and under terms approved by, the council shall be
28 unauthorized use of data pursuant to section 10(c).

29 (6) On an annual basis, publish in the Pennsylvania
30 Bulletin a list of all the raw data reports it has prepared

1 under section 10(f) and a description of the data obtained
2 through each computer-to-computer access it has provided
3 under section 10(f) and of the names of the parties to whom
4 the council provided the reports or the computer-to-computer
5 access during the previous month.

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

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

10 (10) Make annual reports to the General Assembly on the
11 rate of increase in the cost of health care in the
12 Commonwealth and the effectiveness of the council in carrying
13 out the legislative intent of this act. In addition, the
14 council may make recommendations on the need for further
15 health care cost containment legislation. The council shall
16 also make annual reports to the General Assembly on the
17 quality and effectiveness of health care and access to health
18 care for all citizens of the Commonwealth.

19 (12) Conduct studies and publish reports thereon
20 analyzing the effects that noninpatient, alternative health
21 care delivery systems have on health care costs. These
22 systems shall include, but not be limited to: HMO's; PPO's;
23 primary health care facilities; home health care; attendant
24 care; ambulatory service facilities; freestanding emergency
25 centers; birthing centers; and hospice care. These reports
26 shall be submitted to the General Assembly and shall be made
27 available to the public.

28 (13) Conduct studies and make reports concerning the
29 utilization of experimental and nonexperimental transplant
30 surgery and other highly technical and experimental

1 procedures, including costs and mortality rates.

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

17 (i) One representative of the Hospital and
18 Healthsystem Association of Pennsylvania.

19 (ii) One representative of the Pennsylvania Medical
20 Society.

21 (iii) One representative of insurance.

22 (iv) One representative of labor.

23 (v) One representative of business.

24 (vi) Two representatives of the general public.

25 (15) The council shall execute a request for proposals
26 with third-party vendors for the purpose of demonstrating a
27 methodology for the collection, analysis and reporting of
28 hospital-specific complication rates. The results of this
29 demonstration shall be provided to the chairman and minority
30 chairman of the Public Health and Welfare Committee of the

1 Senate and the chairman and minority chairman of the Health
2 and Human Services Committee of the House of Representatives.
3 This methodology may be utilized by the council for public
4 reporting on comparative hospital complication rates.

5 Section 6. Data submission and collection.

6 (a) (1) Submission of data.--The council is hereby
7 authorized to collect and data sources are hereby required to
8 submit, upon request of the council, all data required in
9 this section, according to uniform submission formats, coding
10 systems and other technical specifications necessary to
11 render the incoming data substantially valid, consistent,
12 compatible and manageable using electronic data processing
13 according to data submission schedules, such schedules to
14 avoid, to the extent possible, submission of identical data
15 from more than one data source, established and promulgated
16 by the council in regulations pursuant to its authority under
17 section 5(b). If payor data is requested by the council, it
18 shall, to the extent possible, be obtained from primary payor
19 sources. The council shall not require any data sources to
20 contract with any specific vendor for submission of any
21 specific data elements to the council.

22 (1.1) ANY VENDOR SHALL COMPLY WITH DATA SUBMISSION ←
23 GUIDELINES ESTABLISHED IN THE REPORT SUBMITTED UNDER SECTION
24 17.2. THE COUNCIL SHALL MAINTAIN A VENDOR LIST OF AT LEAST
25 TWO VENDORS THAT MAY BE CHOSEN BY ANY DATA SOURCE FOR
26 SUBMISSION OF ANY SPECIFIC DATA ELEMENTS.

27 (2) EXCEPT AS PROVIDED IN THIS SECTION, THE COUNCIL MAY
28 ADOPT ANY NATIONALLY RECOGNIZED METHODOLOGY TO ADJUST DATA
29 SUBMITTED UNDER SUBSECTION (C) FOR SEVERITY OF ILLNESS. EVERY
30 THREE YEARS AFTER THE EFFECTIVE DATE OF THIS PARAGRAPH, THE

1 COUNCIL SHALL SOLICIT BIDS FROM THIRD-PARTY VENDORS TO ADJUST
2 THE DATA. THE SOLICITATION SHALL BE IN ACCORDANCE WITH 62
3 PA.C.S. (RELATING TO PROCUREMENT). EXCEPT AS PROVIDED IN
4 SUBPARAGRAPH (I), IN CARRYING OUT ITS RESPONSIBILITIES, THE
5 COUNCIL SHALL NOT REQUIRE HEALTH CARE FACILITIES TO REPORT
6 DATA ELEMENTS WHICH ARE NOT INCLUDED IN THE MANUAL DEVELOPED
7 BY THE NATIONAL UNIFORM BILLING COMMITTEE. THE FOLLOWING
8 APPLY:

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

28 (II) IF THE CURRENT DATA VENDOR IS UNABLE TO
29 ACHIEVE, ON A PER-CHART BASIS, SAVINGS OF AT LEAST 40% IN
30 THE COST OF HOSPITAL COMPLIANCE WITH THE DATA ABSTRACTING

1 AND SUBMISSION REQUIREMENTS OF THIS ACT BY JUNE 30, 2004,
2 AS COMPARED TO JUNE 30, 2003, THEN THE COUNCIL SHALL
3 DISQUALIFY THE CURRENT VENDOR AND REOPEN THE BIDDING
4 PROCESS. THE INDEPENDENT AUDITOR SHALL DETERMINE THE
5 EXTENT AND VALIDITY OF THE SAVINGS. IN DETERMINING ANY
6 DEMONSTRATED COST SAVINGS, SURVEYS OF ALL HOSPITALS IN
7 THIS COMMONWEALTH SHALL BE CONDUCTED AND CONSIDERATION
8 SHALL BE GIVEN AT A MINIMUM TO:

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

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

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

24 * * *

25 (d) Provider quality ~~and~~ provider service effectiveness <—
26 data elements~~}.--~~In carrying out its duty to collect data on <—
27 provider quality ~~and~~ provider service effectiveness~~}~~ under <—
28 section 5(d)(4) ~~and~~ subsection (c)(21)~~},~~ the council shall <—
29 define a methodology to measure ~~provider service effectiveness}~~ <—
30 ~~quality,~~ which may include additional data elements to be

1 specified by the council sufficient to carry out its
2 responsibilities under section 5(d)(4). †The council may adopt a ←
3 nationally recognized methodology of quantifying and collecting
4 data on provider quality and provider service effectiveness
5 until such time as the council has the capability of developing
6 its own methodology and standard data elements. The council
7 shall include in the Pennsylvania Uniform Claims and Billing
8 Form a field consisting of the data elements required pursuant
9 to subsection (c)(21) to provide information on each provision
10 of covered services sufficient to permit analysis of provider
11 quality and provider service effectiveness within 180 days of
12 commencement of its operations pursuant to section 4. In
13 carrying out its responsibilities, the council shall not require
14 health care insurers to report on data elements that are not
15 reported to nationally recognized accrediting organizations, to
16 the Department of Health or to the Insurance Department in
17 quarterly or annual reports. The council shall not require
18 reporting by health care insurers in different formats than are
19 required for reporting to nationally recognized accrediting
20 organizations or on quarterly or annual reports submitted to the
21 Department of Health or to the Insurance Department. The council
22 may adopt the quality findings as reported to nationally
23 recognized accrediting organizations.† Additional quality data ←
24 elements must be defined and released for public comment prior
25 to the promulgation of regulations pursuant to section 5(b). THE ←
26 PUBLIC COMMENT PERIOD SHALL BE NO LESS THAN 30 DAYS FROM THE
27 RELEASE OF THESE ELEMENTS.

28 * * *

29 Section 10. Access to council data.

30 * * *

1 (b) Limitations on access.--Unless specifically provided for
2 in this act, neither the council nor any contracting system
3 vendor shall release and no data source, person, member of the
4 public or other user of any data of the council shall gain
5 access to:

6 * * *

7 (5) Any raw data disclosing discounts or differentials
8 between payments accepted by providers for services and their
9 billed charges obtained by identified payors from identified
10 providers unless the data is released in a Statewide,
11 aggregate format that does not identify any individual payor
12 or class of payors and the council assures that the release
13 of such information is not prejudicial or inequitable to any
14 individual payor or provider or group thereof. Payor data
15 shall be released to individual providers for purposes of
16 verification and validation prior to inclusion in a public
17 report. AN INDIVIDUAL PROVIDER SHALL VERIFY AND VALIDATE THE <—
18 PAYOR DATA WITHIN 30 DAYS OF ITS RELEASE TO THAT SPECIFIC
19 INDIVIDUAL PROVIDER.

20 * * *

21 SECTION 3. THE ACT IS AMENDED BY ADDING SECTIONS TO READ: <—
22 SECTION 17.2. HEALTH CARE COST CONTAINMENT COUNCIL ACT REVIEW
23 COMMITTEE.

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

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

29 (1) ONE MEMBER APPOINTED BY THE GOVERNOR.

30 (2) FOUR MEMBERS APPOINTED BY THE GENERAL ASSEMBLY, ONE

1 OF WHOM SHALL BE APPOINTED BY EACH OF THE FOLLOWING:

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

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

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

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

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

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

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

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

1 (7) ONE REPRESENTATIVE OF PHYSICIANS, APPOINTED BY THE
2 GOVERNOR FROM A LIST OF THREE QUALIFIED PHYSICIAN
3 REPRESENTATIVES RECOMMENDED JOINTLY BY THE PENNSYLVANIA
4 MEDICAL SOCIETY AND THE PENNSYLVANIA OSTEOPATHIC MEDICAL
5 SOCIETY.

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

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

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

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

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

23 (E) MEETINGS.--

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

27 (2) ALL ACTION TAKEN BY THE COMMITTEE SHALL BE TAKEN IN
28 OPEN PUBLIC SESSION, AND ACTION OF THE COMMITTEE SHALL NOT BE
29 TAKEN EXCEPT UPON THE AFFIRMATIVE VOTE OF A MAJORITY OF THE
30 MEMBERS OF THE COMMITTEE PRESENT DURING MEETINGS AT WHICH A

1 QUORUM IS PRESENT.

2 (F) COMPENSATION AND EXPENSES.--THE MEMBERS OF THE COMMITTEE
3 SHALL NOT RECEIVE A SALARY OR PER DIEM ALLOWANCE FOR SERVING AS
4 MEMBERS OF THE COMMITTEE BUT SHALL BE REIMBURSED FOR ACTUAL AND
5 NECESSARY EXPENSES INCURRED IN THE PERFORMANCE OF THEIR DUTIES.
6 EXPENSES MAY INCLUDE REIMBURSEMENT OF TRAVEL AND LIVING EXPENSES
7 WHILE ENGAGED IN COMMITTEE BUSINESS.

8 (G) COMMENCEMENT OF COMMITTEE.--

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

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

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

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

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

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

28 (I) THE ESTABLISHMENT OF AN INTERNET DATABASE FOR
29 THE GENERAL PUBLIC SHOWING MEDICARE REIMBURSEMENT RATES
30 FOR COMMON COVERED SERVICES AND TREATMENT.

1 (II) IN CONSULTATION WITH EXPERTS IN THE FIELDS OF
2 QUALITY DATA AND OUTCOME MEASURES, THE DEFINITION AND
3 IMPLEMENTATION OF:

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

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

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

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

16 SECTION 17.3. ABATEMENT UNDER HEALTH CARE PROVIDER RETENTION
17 PROGRAM.

18 (A) PROGRAM.--THE INSURANCE DEPARTMENT SHALL CONTINUE THE
19 HEALTH CARE PROVIDER RETENTION PROGRAM, ORIGINALLY ESTABLISHED
20 IN SECTION 1102 OF THE ACT OF MARCH 20, 2002 (P.L.154, NO.13),
21 KNOWN AS THE MEDICAL CARE AVAILABILITY AND REDUCTION OF ERROR
22 (MCARE) ACT, FOR ALL HEALTH CARE PROVIDERS AS SET FORTH IN
23 CHAPTER 11. THIS SECTION SHALL APPLY TO CALENDAR YEARS 2008 AND
24 2009.

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

29 (C) DEFINITIONS.--AS USED IN THIS SECTION, THE FOLLOWING
30 WORDS AND PHRASES SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS

1 SUBSECTION:

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

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

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

9 Section 19. Sunset.

10 This act shall expire [June 30, 2008] June 30, 2013, unless
11 reenacted prior to that date. By September 1, [2007] 2012, a
12 written report by the Legislative Budget and Finance Committee
13 evaluating the management, visibility, awareness and performance
14 of the council shall be provided to the Public Health and
15 Welfare Committee of the Senate and the Health and Human
16 Services Committee of the House of Representatives. The report
17 shall include a review of the council's procedures and policies,
18 the availability and quality of data for completing reports [to
19 hospitals and outside vendor purchasers, the ability of the
20 council to become self-sufficient by selling data to outside
21 purchasers], whether there is a more cost-efficient way of
22 accomplishing the objectives of the council and the need for
23 reauthorization of the council.

24 SECTION 5. REPEALS ARE AS FOLLOWS: ←

25 (1) THE GENERAL ASSEMBLY DECLARES THAT THE REPEAL UNDER
26 PARAGRAPH (2) IS NECESSARY TO EFFECTUATE THE ADDITION OF
27 SECTION 17.3 OF THE ACT.

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

1 Section 2 6. This act shall take effect as follows: <—
2 (1) The amendment of ~~sections 5(d)(4) and~~ SECTION 6 of <—
3 the act shall take effect ~~October 1, 2009~~ JANUARY 1, 2010. <—
4 (2) The remainder of this act shall take effect
5 immediately.