
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1907 Session of
2013

INTRODUCED BY SAYLOR, BOBACK, COHEN, SCHLEGEL CULVER, DAVIDSON,
DONATUCCI, EMRICK, ENGLISH, GINGRICH, JAMES, KAUFFMAN,
MILLARD, R. MILLER, MULLERY, O'NEILL, PAINTER, PICKETT, ROCK,
SCAVELLO, SWANGER, THOMAS, TOEPEL, WATSON AND STEPHENS,
DECEMBER 11, 2013

REFERRED TO COMMITTEE ON AGING AND OLDER ADULT SERVICES,
DECEMBER 11, 2013

AN ACT

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

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

6 Section 1. Short title.

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

9 Section 2. Definitions.

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

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

1 Section 3. Patient notice of observation services.

2 (a) Duty.--Within 90 days of the effective date of this
3 section, a hospital shall provide oral and written notice to a
4 patient of the patient's outpatient status, the billing
5 implications of the outpatient status and the impact of the
6 outpatient status on the patient's Medicare, Medicaid and
7 private insurance coverage for the current hospital services,
8 including medications and other pharmaceutical supplies and
9 coverage for a subsequent discharge to a skilled nursing
10 facility or home-based and community-based care if all of the
11 following apply:

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

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

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

19 (b) Contents.--The notice under subsection (a) shall include
20 disclosure of the cost and ramification of the patient's status
21 under subsection (a) and the patient's rights of appeal in
22 regard to outpatient status.

23 (c) Signature.--The written notice must be signed by the
24 patient or the patient's legal representative to acknowledge
25 receipt.

26 Section 4. Training.

27 A hospital shall provide training to each staff person that
28 communicates outpatient status, billing implication of the
29 outpatient status and the impact of the outpatient status on the
30 patient's eligibility for Medicare so that a staff person can

1 adequately respond to inquiries regarding the communication made
2 by a patient and the patient's family.

3 Section 5. Expiration.

4 (a) Notice.--If the Federal Government amends 42 CFR
5 409.30(a)(1) (relating to basic requirements) to eliminate or
6 modify the Medicare three-day qualifying hospital stay
7 requirement in a manner that makes the notification required
8 under section 3 unnecessary, the Secretary of Health shall
9 submit notice of the amendment for publication in the
10 Pennsylvania Bulletin.

11 (b) Time.--This act shall expire upon publication of the
12 notice under subsection (a).

13 Section 40. Effective date.

14 This act shall take effect July 1, 2014, or immediately,
15 whichever is later.