

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, STEPHENS, FRANKEL, MILNE, M. K. KELLER, CALTAGIRONE, GRELL, QUINN, LUCAS, D. MILLER, R. BROWN, HARKINS AND V. BROWN, DECEMBER 11, 2013

AS AMENDED ON SECOND CONSIDERATION, HOUSE OF REPRESENTATIVES, APRIL 7, 2014

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~~ A HOSPITAL SHALL <--
11 PROVIDE NOTICE TO A PATIENT OR PATIENT'S DESIGNEE OF THE
12 PATIENT'S OUTPATIENT STATUS, AND INFORMATION THAT PROVIDES A
13 GENERAL DESCRIPTION OF OUTPATIENT OBSERVATION STATUS, if all of
14 the following apply:

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

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

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

22 ~~(b) Contents. The notice under subsection (a) shall include~~ <--
23 ~~disclosure of the cost and ramification of the patient's status~~
24 ~~under subsection (a) and the patient's rights of appeal in~~
25 ~~regard to outpatient status.~~

26 ~~(c) Signature. The written notice must be signed by the~~
27 ~~patient or the patient's legal representative to acknowledge~~
28 ~~receipt. The written notice must also be signed by the staff~~
29 ~~person who communicates the patient's status.~~

30 Section 4. Training.

1 ~~A hospital shall provide training to each staff person that~~
2 ~~communicates outpatient status, billing implication of the~~
3 ~~outpatient status and the impact of the outpatient status on the~~
4 ~~patient's eligibility for Medicare so that a staff person can~~
5 ~~adequately respond to inquiries regarding the communication made~~
6 ~~by a patient and the patient's family.~~

7 (B) CONTENTS.--A PATIENT NOTICE REQUIRED UNDER SUBSECTION <--

8 (A) SHALL INCLUDE A STATEMENT THAT:

9 (1) OUTPATIENT OBSERVATION STATUS MAY IMPACT COVERAGE
10 DETERMINATIONS MADE BY THE FEDERAL MEDICARE PROGRAM OR THE
11 PATIENT'S INSURANCE COMPANY FOR HOSPITAL AND POSTHOSPITAL
12 PAYMENTS;

13 (2) FINAL DECISIONS RELATED TO OUTPATIENT OBSERVATION
14 STATUS CAN BE MADE AFTER A PATIENT IS NO LONGER A PATIENT AT
15 THE HOSPITAL AND AFTER A PATIENT HAS RECEIVED HOSPITAL
16 SERVICES OR OTHER SERVICES; AND

17 (3) A PATIENT SHOULD CONTACT MEDICARE, MEDICAID OR ANY
18 OTHER INSURANCE PROVIDER IF THE PATIENT HAS SPECIFIC
19 QUESTIONS ABOUT THE COVERAGE.

20 (C) INFORMATION.--A HOSPITAL SHALL PROVIDE INFORMATION TO A
21 PATIENT CONCERNING OBSERVATION STATUS AS FOLLOWS:

22 (1) BY WRITTEN NOTICE; AND

23 (2) BY ORAL NOTICE, WHICH MUST INCLUDE A SUMMARY OF THE
24 NOTICE PROVIDED UNDER PARAGRAPH (1) OR, AT THE REQUEST OF THE
25 PATIENT, THE NOTICE PROVIDED UNDER PARAGRAPH (1).

26 SECTION 4. CHANGE IN STATUS.

27 IF, DURING OR AFTER A PATIENT RECEIVES A HOSPITAL SERVICE, A
28 PATIENT'S INPATIENT STAY IS LATER RECATEGORIZED, A HOSPITAL
29 SHALL NOT BE RESPONSIBLE FOR A COVERAGE IMPLICATION OR NOTICE
30 REQUIREMENT UNDER THIS ACT.

1 Section 5. Expiration.

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

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

11 Section 40. Effective date.

12 This act shall take effect ~~July 1, 2014, or immediately,~~ <--
13 ~~whichever is later~~ IN 180 DAYS. <--