
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1298 Session of
2014

INTRODUCED BY MENSCH, ALLOWAY, WOZNIAK, STACK, PILEGGI,
VULAKOVICH, BREWSTER, WILEY, TOMLINSON, SOLOBAY AND FARNESE,
MARCH 26, 2014

REFERRED TO PUBLIC HEALTH AND WELFARE, MARCH 26, 2014

AN ACT

1 Requiring hospitals to provide certain notice of patient
2 outpatient status; providing for training; imposing duties on
3 the Department of Health; and providing for expiration.

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 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 "Department." The Department of Health of the Commonwealth.

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

18 Section 3. Consumer notification.

1 (a) General rule.--A hospital shall provide oral and written
2 notice to a patient of the patient's outpatient status, the
3 billing implications of the outpatient status and the impact of
4 the outpatient status on the patient's Medicare, Medicaid or
5 private insurance coverage for the current hospital services,
6 including medications and other pharmaceutical supplies, as well
7 as coverage for any subsequent discharge to a skilled nursing
8 facility or home and community-based care if:

9 (1) The patient receives on-site services from the
10 hospital for more than 23 consecutive hours.

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

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

16 (b) Signature required.--The written notice shall be signed
17 by the patient or the patient's legal representative to
18 acknowledge receipt.

19 Section 4. Training.

20 A hospital shall provide training to staff persons who
21 communicate outpatient status, billing implication of the
22 outpatient status and the impact of the outpatient status on a
23 patient's eligibility for Medicare so that the staff persons can
24 adequately respond to patients and their families' inquiries
25 regarding the communications.

26 Section 5. Duty of department.

27 Within 30 days from the effective date of this section, the
28 department shall convene a meeting with consumers, advocacy
29 organizations and other interested stakeholders to solicit input
30 on the consumer notification required under section 3(a).

1 Section 6. Duty of hospitals.

2 Within 60 days from the completion of the meeting under
3 section 5 or 90 days from the effective date of this section,
4 whichever is sooner, hospitals shall utilize the input received
5 under section 5 and provide consumer notification as required
6 under section 3. The notice shall include, at a minimum,
7 disclosure of the costs and ramifications of their status as
8 outlined in section 3(a) and the patient's rights of appeal
9 relating to the patient's outpatient status.

10 Section 7. Notice in Pennsylvanian Bulletin.

11 Within ten days of action taken by the Federal Government to
12 amend 42 CFR § 409.30(a)(1) to either eliminate or modify the
13 Medicare three-day qualifying hospital stay requirement in a
14 manner that makes the notification in this act unnecessary, the
15 department shall publish a notice in the Pennsylvania Bulletin
16 that reports the action.

17 Section 8. Expiration.

18 This act shall expire on the date the notice in section 7 is
19 published.

20 Section 9. Effective date.

21 This act shall take effect on July 1, 2014, or immediately,
22 whichever is later.