

114TH CONGRESS  
1ST SESSION

# H. R. 876

To amend title XVIII of the Social Security Act to require hospitals to provide certain notifications to individuals classified by such hospitals under observation status rather than admitted as inpatients of such hospitals.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 11, 2015

Mr. DOGGETT (for himself and Mr. YOUNG of Indiana) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To amend title XVIII of the Social Security Act to require hospitals to provide certain notifications to individuals classified by such hospitals under observation status rather than admitted as inpatients of such hospitals.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Notice of Observation  
5 Treatment and Implication for Care Eligibility Act” or the  
6 “NOTICE Act”.

1 **SEC. 2. MEDICARE REQUIREMENT FOR HOSPITAL NOTIFI-**  
2 **CATIONS OF OBSERVATION STATUS.**

3 (a) IN GENERAL.—Section 1866(a)(1) of the Social  
4 Security Act (42 U.S.C. 1395cc(a)(1)) is amended—

5 (1) in subparagraph (V), by striking at the end  
6 “and”;

7 (2) in the first subparagraph (W), by striking  
8 at the end the period and inserting a comma;

9 (3) in the second subparagraph (W)—

10 (A) by redesignating such subparagraph as  
11 subparagraph (X); and

12 (B) by striking at the end the period and  
13 inserting “, and”; and

14 (4) by inserting after such subparagraph (X)  
15 the following new subparagraph:

16 “(Y) in the case of a hospital, to provide to  
17 each individual who is entitled to benefits under part  
18 A and who the hospital classifies for more than 24  
19 hours as an outpatient under observation status or  
20 any other similar status, as the Secretary determines  
21 appropriate (or to a person acting on the individual’s  
22 behalf), not later than 36 hours after the time of  
23 such classification of such individual under such sta-  
24 tus (or, if sooner, upon discharge), an adequate oral  
25 and written notification (as defined by the Secretary  
26 pursuant to rulemaking and containing such lan-

1 guage as the Secretary prescribes consistent with  
2 this paragraph) which—

3 “(i) explains the status of the individual as  
4 an outpatient under such observation status or  
5 any other such similar status and not as an in-  
6 patient of the hospital;

7 “(ii) explains the reason for the classifica-  
8 tion of such individual under such status;

9 “(iii) explains the implications of such sta-  
10 tus as an outpatient on—

11 “(I) eligibility for coverage of items  
12 and services under this title, including such  
13 items and services furnished by the hos-  
14 pital with respect to such individual while  
15 under such status and for items and serv-  
16 ices under this title for a subsequent dis-  
17 charge to a skilled nursing facility or other  
18 facility; and

19 “(II) cost-sharing requirements under  
20 this title, including with respect to items  
21 and services furnished by the hospital to  
22 such individual while under such status  
23 and with respect to items and services  
24 under this title for a subsequent discharge

1 to a skilled nursing facility or other facil-  
2 ity;

3 “(iv) includes the name and title of the  
4 staff of the hospital who provided the oral noti-  
5 fication and the date and time of such oral noti-  
6 fication;

7 “(v) includes such additional information  
8 as the Secretary deems appropriate; and

9 “(vi) in the case of the written notifica-  
10 tion—

11 “(I) is signed—

12 “(aa) by such individual or a per-  
13 son acting on such individual’s behalf  
14 to acknowledge receipt of such notifi-  
15 cation; or

16 “(bb) if such individual or person  
17 refuses to provide the signature, by  
18 the staff of the hospital who presented  
19 the written notification, who shall in-  
20 clude his or her name and title, a cer-  
21 tification that the notification was  
22 presented, and the date and time the  
23 notification was presented;

1                   “(II) is written and formatted using  
2                   language that is clear and easily under-  
3                   standable to Medicare beneficiaries; and

4                   “(III) is made available in different  
5                   languages, as specified by the Secretary.”.

6           (b) **EFFECTIVE DATE.**—The amendments made by  
7 subsection (a) shall apply with respect to items and serv-  
8 ices furnished on or after the date that is six months after  
9 the date of the enactment of this Act.

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