

FIRST REGULAR SESSION

# SENATE BILL NO. 298

98TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR KRAUS.

Read 1st time January 22, 2015, and ordered printed.

ADRIANE D. CROUSE, Secretary.

1573S.011

## AN ACT

To amend chapter 197, RSMo, by adding thereto one new section relating to notification by a hospital of outpatient status, with an emergency clause.

*Be it enacted by the General Assembly of the State of Missouri, as follows:*

Section A. Chapter 197, RSMo, is amended by adding thereto one new section, to be known as section 197.750, to read as follows:

**197.750. 1. This section shall be known and may be cited as the "Hospital Observation Status Consumer Notification Act".**

**2. As used in this section, "hospital emergency room" means an entity within a hospital which is organizationally distinct from other outpatient facilities and whose primary function is to provide emergency accident and emergency medical and surgical care.**

**3. (1) A hospital shall provide oral and written notice to a patient of the patient's outpatient status, the billing implications of the outpatient status, and the impact of the outpatient status on the patient's Medicare, MO HealthNet, and private insurance coverage for the current hospital services, including medications and other pharmaceutical supplies and coverage for a subsequent discharge to a skilled nursing facility or home- and community-based care. A hospital shall provide notice to a patient or a patient's designee of the patient's outpatient status, and information that provides a general description of outpatient observation status, if all of the following apply:**

**(a) The patient receives onsite services from the hospital for more than twenty-three consecutive hours;**

**(b) The onsite services received by the patient include a hospital bed and meals that have been provided in an area of the hospital other than the hospital emergency room; and**

22           (c) The patient has not been formally admitted as an inpatient  
23 to the hospital.

24           (2) The notice under subdivision (1) of this subsection shall  
25 include disclosure of the cost and ramification of the patient's status  
26 under subdivision (1) of this subsection and the patient's right of  
27 appeal in regard to outpatient status.

28           (3) The written notice shall be signed and dated by the patient  
29 or the patient's legal representative to acknowledge receipt, and shall  
30 also be signed and dated by the staff person who communicates the  
31 patient's status.

32           4. (1) A hospital shall provide training to each staff person that  
33 communicates outpatient status, billing implication of the outpatient  
34 status, and the impact of outpatient status on the patient's eligibility  
35 for Medicare so that a staff person is able to adequately respond to  
36 inquiries regarding the communication made by a patient and the  
37 patient's family.

38           (2) A patient notice required under subdivision (1) of subsection  
39 3 of this section shall include the following:

40           "OUTPATIENT OBSERVATION STATUS MAY IMPACT COVERAGE  
41 DETERMINATIONS MADE BY THE FEDERAL MEDICARE PROGRAM  
42 OR THE PATIENT'S INSURANCE COMPANY FOR HOSPITAL OR POST  
43 HOSPITAL PAYMENTS.

44           FINAL DECISIONS RELATED TO OUTPATIENT OBSERVATION  
45 STATUS MAY BE MADE AFTER A PATIENT IS NO LONGER A PATIENT  
46 AT THE HOSPITAL AND AFTER A PATIENT HAS RECEIVED  
47 HOSPITAL SERVICES OR OTHER SERVICES.

48           A PATIENT SHOULD CONTACT MEDICARE, MO HEALTHNET,  
49 OR ANY OTHER INSURANCE PROVIDER IF THE PATIENT HAS  
50 SPECIFIC QUESTIONS ABOUT THE COVERAGE."

51           (3) A hospital shall provide information to a patient concerning  
52 outpatient status as follows:

53           (a) By written notice; and

54           (b) By oral notice, which shall include a summary of the notice  
55 provided under paragraph (a) of this subdivision or, at the request of  
56 the patient, the actual notice provided under paragraph (a) of this  
57 subdivision.

58           5. If, during or after a patient receives a hospital service, a

59 patient's inpatient stay is later recategorized, a hospital shall not be  
60 responsible for a coverage implication or notice requirement under this  
61 section.

62       **6. (1) If the federal government amends 42 CFR 409.30(a)(1),**  
63 **relating to basic requirements, to eliminate or modify the Medicare**  
64 **three-day qualifying hospital stay requirement in a manner that makes**  
65 **the notification required under subsection 3 of this section**  
66 **unnecessary, the department of social services shall submit notice of**  
67 **the amendment for publication in the Missouri Register.**

68       **(2) This section shall expire upon publication of the notice under**  
69 **subdivision (1) of this subsection.**

Section B. Because immediate action is necessary to ensure the health  
2 and safety of the citizens of this state, this act is deemed necessary for the  
3 immediate preservation of the public health, welfare, peace, and safety, and is  
4 hereby declared to be an emergency act within the meaning of the constitution,  
5 and this act shall be in full force and effect upon its passage and approval.

✓

Bill

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