

FIRST REGULAR SESSION

HOUSE BILL NO. 599

98TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE MCGAUGH.

1305L.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To amend chapter 197, RSMo, by adding thereto one new section relating to the hospital observation status consumer notification act, 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;

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

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

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

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

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

26 4. (1) A hospital shall provide training to each staff person that communicates
27 outpatient status, billing implication of the outpatient status, and the impact of outpatient
28 status on the patient's eligibility for Medicare so that a staff person is able to adequately
29 respond to inquiries regarding the communication made by a patient and the patient's
30 family.

31 (2) A patient notice required under subdivision (1) of this subsection shall include
32 the following:

33 "OUTPATIENT OBSERVATION STATUS MAY IMPACT COVERAGE
34 DETERMINATIONS MADE BY THE FEDERAL MEDICARE PROGRAM OR THE
35 PATIENT'S INSURANCE COMPANY FOR HOSPITAL OR POST HOSPITAL
36 PAYMENTS.

37 FINAL DECISIONS RELATED TO OUTPATIENT OBSERVATION STATUS
38 MAY BE MADE AFTER A PATIENT IS NO LONGER A PATIENT AT THE
39 HOSPITAL AND AFTER A PATIENT HAS RECEIVED HOSPITAL SERVICES OR
40 OTHER SERVICES.

41 A PATIENT SHOULD CONTACT MEDICARE, MO HEALTHNET, OR ANY
42 OTHER INSURANCE PROVIDER IF THE PATIENT HAS SPECIFIC QUESTIONS
43 ABOUT THE COVERAGE.".

44 (3) A hospital shall provide information to a patient concerning observation status
45 as follows:

46 (a) By written notice; and

47 (b) By oral notice, which shall include a summary of the notice provided under
48 paragraph (a) of this subdivision or, at the request of the patient, the actual notice
49 provided under paragraph (a) of this subdivision.

50 5. If, during or after a patient receives a hospital service, a patient's inpatient stay
51 is later recategorized, a hospital shall not be responsible for a coverage implication or
52 notice requirement under this section.

53 **6. (1) If the federal government amends 42 CFR 409.30(a)(1), relating to basic**
54 **requirements, to eliminate or modify the Medicare three-day qualifying hospital stay**
55 **requirement in a manner that makes the notification required under subsection 3 of this**
56 **section unnecessary, the department of social services shall submit notice of the**
57 **amendment for publication in the Missouri Register.**

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

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

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