

HOUSE BILL 373

J3

EMERGENCY BILL

3lr1065
CF SB 151

By: ~~Delegates Haddaway–Ricchio and Eckardt~~, **Eckardt, and Bromwell**

Introduced and read first time: January 25, 2013

Assigned to: Health and Government Operations

Committee Report: Favorable with amendments

House action: Adopted

Read second time: February 27, 2013

CHAPTER _____

1 AN ACT concerning

2 **Hospitals – Outpatient Services – Off-Site Facility – Rate Regulation**

3 FOR the purpose of altering the hospital outpatient services for which the Maryland
4 Medical Assistance Program must pay according to certain rates, under certain
5 circumstances; altering the date by which a hospital must notify the Health
6 Services Cost Review Commission that the hospital would like certain services
7 to be subject to certain provisions of law; altering the hospital outpatient
8 services for which a hospital may elect to be subject to certain provisions of law;
9 requiring the University of Maryland Medical System to track utilization of
10 certain services and submit certain reports to certain legislative committees;
11 making certain clarifying and stylistic changes; making a certain technical
12 change; making this Act an emergency measure; and generally relating to rates
13 for hospital outpatient services at an off-site facility.

14 BY repealing and reenacting, with amendments,
15 Article – Health – General
16 Section 15–105(d)
17 Annotated Code of Maryland
18 (2009 Replacement Volume and 2012 Supplement)

19 BY repealing and reenacting, with amendments,
20 Chapter 670 of the Acts of the General Assembly of 1999
21 Section 2

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
2 MARYLAND, That the Laws of Maryland read as follows:

3 **Article – Health – General**

4 15–105.

5 (d) (1) The Department shall adopt regulations for the reimbursement of
6 specialty outpatient treatment and diagnostic services rendered to Program recipients
7 at a freestanding clinic owned and operated by a hospital that is under a capitation
8 agreement approved by the Health Services Cost Review Commission.

9 (2) (i) Except as provided in subparagraph (ii) of this paragraph,
10 the reimbursement rate under paragraph (1) of this subsection shall be set according
11 to Medicare standards and principles for retrospective cost reimbursement as
12 described in 42 C.F.R. Part 413 or on the basis of charges, whichever is less.

13 (ii) The reimbursement rate for [a] hospital [that has
14 transferred] outpatient oncology, diagnostic, AND rehabilitative[, and digestive
15 disease] services **THAT THE HOSPITAL TRANSFERRED** to an off–site facility prior to
16 January 1, 1999, shall be set according to the rates approved by the Health Services
17 Cost Review Commission if:

18 1. The transfer of services was due to zoning restrictions
19 at the hospital campus;

20 2. The off–site facility is surveyed as part of the hospital
21 for purposes of accreditation by the Joint Commission [on Accreditation of Healthcare
22 Organizations]; and

23 3. The hospital notifies the Health Services Cost Review
24 Commission in writing by [July 1, 1999] **JUNE 1, 2013**, that the hospital would like
25 the services provided at the off–site facility **TO BE** subject to Title 19, Subtitle 2 of this
26 article.

27 **Chapter 670 of the Acts of 1999**

28 SECTION 2. AND BE IT FURTHER ENACTED, That, notwithstanding any
29 provision of § 19–201 of the Health – General Article, a hospital that has transferred
30 outpatient oncology, diagnostic, AND rehabilitative[, and digestive disease] services to
31 an off–site facility prior to January 1, 1999, may elect to have these outpatient
32 services **BE** subject to Title 19, Subtitle 2 of the Health – General Article if:

33 (a) the transfer was due to zoning restrictions at the hospital campus;

1 (b) the off-site facility is surveyed as part of the hospital for purposes of
2 accreditation by the Joint Commission [on the Accreditation of Healthcare
3 Organizations]; and

4 (c) the hospital notifies the Health Services Cost Review Commission in
5 writing by [July 1, 1999] **JUNE 1, 2013**, that the hospital would like the services
6 provided at the off-site facility **TO BE** subject to Title 19, Subtitle 2 of the Health –
7 General Article.

8 SECTION 2. AND BE IT FURTHER ENACTED, That the University of
9 Maryland Medical System:

10 (a) shall track utilization, including payer mix, of outpatient digestive
11 disease services provided at on-site and off-site facilities within the Shore Health
12 System before and after the sale or transfer of an off-site facility at which digestive
13 disease services are provided; and

14 (b) on or before January 1, 2014, and on or before January 1, 2015, shall
15 submit a report, in accordance with § 2-1246 of the State Government Article, to the
16 Senate Finance Committee and House Health and Government Operations Committee
17 on the changes in utilization, including payer mix, of outpatient digestive disease
18 services provided at on-site and off-site facilities within the Shore Health System
19 before and after the sale or transfer of the off-site facility.

20 SECTION 3. AND BE IT FURTHER ENACTED, That this Act is an emergency
21 measure, is necessary for the immediate preservation of the public health or safety,
22 has been passed by a yea and nay vote supported by three-fifths of all the members
23 elected to each of the two Houses of the General Assembly, and shall take effect from
24 the date it is enacted.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.