

# SENATE BILL 803

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9lr2687  
CF 9lr2387

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By: **Senators Kelley, Benson, Elfreth, Feldman, Hayes, Klausmeier, and Kramer**  
Introduced and read first time: February 4, 2019  
Assigned to: Finance

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## A BILL ENTITLED

1 AN ACT concerning

2 **Health Facilities – Hospitals – Disclosure of Outpatient Facility Fees**  
3 **(Facility Fee Right-to-Know Act)**

4 FOR the purpose of requiring certain hospitals to provide each patient with written notice  
5 that includes certain information related to outpatient facility fees that are charged  
6 for services provided at the hospital; requiring that certain notices be provided to  
7 certain patients in certain manners and at certain times; requiring that a certain  
8 notice be in plain language and in a certain form; requiring certain patients to  
9 acknowledge in writing that a certain notice was provided at a certain time before  
10 professional medical services are provided on the date of the appointment;  
11 prohibiting a hospital from charging, billing, or attempting to collect a certain fee  
12 unless the patient was given certain notice; prohibiting a certain charge from  
13 qualifying as uncompensated care or bad debt under certain circumstances; defining  
14 certain terms; and generally relating to hospitals and the disclosure of outpatient  
15 facility fees.

16 BY adding to  
17 Article – Health – General  
18 Section 19–349.2  
19 Annotated Code of Maryland  
20 (2015 Replacement Volume and 2018 Supplement)

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

23 **Article – Health – General**

24 **19–349.2.**

25 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.  
[Brackets] indicate matter deleted from existing law.



1 INDICATED.

2 (2) "ELECTRONICALLY" MEANS A SECURE DIGITAL OR ELECTRONIC  
3 TRANSMISSION IN COMPLIANCE WITH FEDERAL AND STATE LAW, INCLUDING BY:

4 (I) PATIENT INTERNET PORTAL;

5 (II) ENCRYPTED ELECTRONIC MAIL; OR

6 (III) TEXT MESSAGE WITH A LINK TO AN ENCRYPTED NOTICE.

7 (3) "OUTPATIENT FACILITY FEE" MEANS A RATE APPROVED BY THE  
8 COMMISSION CHARGED BY A HOSPITAL FOR OUTPATIENT SERVICES PROVIDED IN A  
9 BUILDING ON THE CAMPUS OF A HOSPITAL IN WHICH HOSPITAL SERVICES ARE  
10 PROVIDED THAT IS SEPARATE AND DISTINCT FROM A FEE FOR PROFESSIONAL  
11 SERVICES.

12 (4) "PATIENT" MEANS:

13 (I) AN ADULT;

14 (II) A PERSON AUTHORIZED TO CONSENT TO HEALTH CARE FOR  
15 AN ADULT CONSISTENT WITH THE AUTHORITY GRANTED, INCLUDING A GUARDIAN,  
16 SURROGATE, OR PERSON WITH A MEDICAL POWER OF ATTORNEY;

17 (III) A MINOR, IF THE MINOR SEEKS TREATMENT TO WHICH THE  
18 MINOR HAS THE RIGHT TO CONSENT AND HAS CONSENTED UNDER TITLE 20,  
19 SUBTITLE 1 OF THIS ARTICLE;

20 (IV) A PARENT, GUARDIAN, CUSTODIAN, OR REPRESENTATIVE  
21 OF THE MINOR; OR

22 (V) A PERSON AUTHORIZED TO CONSENT TO HEALTH CARE FOR  
23 THE MINOR CONSISTENT WITH THE AUTHORITY GRANTED.

24 (B) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, IF A HOSPITAL  
25 CHARGES AN OUTPATIENT FACILITY FEE, THE HOSPITAL SHALL PROVIDE THE  
26 PATIENT WITH A WRITTEN NOTICE THAT INCLUDES THE FOLLOWING INFORMATION:

27 (I) THAT THE PATIENT'S APPOINTMENT WILL TAKE PLACE AT  
28 THE HOSPITAL;

29 (II) THAT THE HOSPITAL WILL CHARGE AN OUTPATIENT

1 FACILITY FEE THAT IS SEPARATE FROM THE PROFESSIONAL FEE CHARGED BY THE  
2 PROVIDER BECAUSE THE APPOINTMENT IS AT THE HOSPITAL;

3 (III) THAT THE SAME PROFESSIONAL MEDICAL SERVICES COULD  
4 BE OBTAINED FROM THE PROVIDER AT A LOCATION THAT IS NOT AT THE HOSPITAL;

5 (IV) THAT RECEIVING THE PROFESSIONAL MEDICAL SERVICES  
6 AT THE HOSPITAL MAY RESULT IN GREATER FINANCIAL LIABILITY THAN RECEIVING  
7 THE PROFESSIONAL MEDICAL SERVICES AT A LOCATION NOT AT THE HOSPITAL; AND

8 (V) THE AMOUNT OF THE OUTPATIENT FACILITY FEE, IF  
9 KNOWN, OTHERWISE THE RANGE OF OUTPATIENT FACILITY FEES THE HOSPITAL  
10 MAY CHARGE FOR THE APPOINTMENT.

11 (2) THE NOTICE REQUIRED UNDER PARAGRAPH (1) OF THIS  
12 SUBSECTION SHALL BE IN PLAIN LANGUAGE THAT MAY BE REASONABLY  
13 UNDERSTOOD BY A PATIENT WHO DOES NOT POSSESS SPECIAL KNOWLEDGE  
14 REGARDING MEDICAL BILLING OR HOSPITAL FACILITY FEE CHARGES.

15 (C) (1) FOR AN APPOINTMENT MADE IN PERSON OR BY TELEPHONE:

16 (I) ORAL NOTICE SHALL BE GIVEN AT THE TIME THE  
17 APPOINTMENT IS MADE; AND

18 (II) EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS  
19 SUBSECTION, WRITTEN NOTICE SHALL BE SENT TO THE PATIENT ELECTRONICALLY  
20 AT THE TIME THE APPOINTMENT IS MADE.

21 (2) FOR AN APPOINTMENT MADE ELECTRONICALLY OR USING A  
22 WEBSITE:

23 (I) WRITTEN NOTICE SHALL BE PROVIDED AT THE TIME THE  
24 APPOINTMENT IS MADE; AND

25 (II) WRITTEN NOTICE SHALL BE SENT TO THE PATIENT  
26 ELECTRONICALLY AT THE TIME THE APPOINTMENT IS MADE.

27 (3) IF THE PATIENT REFUSES ELECTRONIC COMMUNICATION UNDER  
28 PARAGRAPH (1)(II) OF THIS SUBSECTION, WRITTEN NOTICE SHALL BE SENT TO THE  
29 PATIENT BY FIRST-CLASS MAIL AT THE TIME THE APPOINTMENT IS MADE.

30 (D) BEFORE PROFESSIONAL MEDICAL SERVICES ARE PROVIDED ON THE  
31 DATE OF THE APPOINTMENT, THE PATIENT SHALL ACKNOWLEDGE IN WRITING THAT

1 THE NOTICE REQUIRED UNDER THIS SECTION WAS PROVIDED AT THE TIME THE  
2 APPOINTMENT WAS MADE.

3 (E) (1) A HOSPITAL MAY NOT CHARGE, BILL, OR ATTEMPT TO COLLECT  
4 AN OUTPATIENT FACILITY FEE UNLESS THE PATIENT WAS GIVEN A NOTICE IN  
5 ACCORDANCE WITH THIS SECTION.

6 (2) AN OUTPATIENT FACILITY FEE CHARGE MAY NOT QUALIFY AS  
7 UNCOMPENSATED CARE OR BAD DEBT UNLESS THE PATIENT WAS GIVEN A NOTICE  
8 IN COMPLIANCE WITH THIS SECTION.

9 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
10 October 1, 2019.