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By: **Senator Klausmeier**

Introduced and read first time: February 6, 2003

Assigned to: Rules

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A BILL ENTITLED

1 AN ACT concerning

2 **Health - Ambulatory Surgical Facilities - Definition and Regulation**

3 FOR the purpose of altering the definition of an ambulatory surgical facility;  
4 requiring the Office of Health Care Quality to adopt certain regulations  
5 providing for the oversight of certain care provided by an ambulatory surgical  
6 facility; requiring the Office of Health Care Quality to submit a certain report to  
7 certain entities each year regarding certain care and services; and generally  
8 relating to the definition of and the regulation of ambulatory surgical facilities.

9 BY repealing and reenacting, without amendments,  
10 Article - Health - General  
11 Section 19-313(a)  
12 Annotated Code of Maryland  
13 (2000 Replacement Volume and 2002 Supplement)

14 BY repealing and reenacting, with amendments,  
15 Article - Health - General  
16 Section 19-3B-01(c) and 19-3B-03  
17 Annotated Code of Maryland  
18 (2000 Replacement Volume and 2002 Supplement)

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

21 **Article - Health - General**

22 19-3B-01.

23 (a) In this subtitle the following words have the meanings indicated.

24 (c) (1) "Ambulatory surgical facility" means any center, service, office  
25 facility, or other entity that:

1 (i) Operates primarily for the purpose of providing surgical  
2 services to patients requiring a period of postoperative observation [but not requiring  
3 overnight hospitalization] NOT EXCEEDING 23 HOURS; and

4 (ii) Seeks reimbursement from payors as an ambulatory surgery  
5 center.

6 (2) "Ambulatory surgical facility" does not include:

7 (i) The office of one or more health care practitioners seeking only  
8 professional reimbursement for the provisions of medical services, unless:

9 1. The office operates under contract or other agreement  
10 with a payor as an ambulatory surgical facility regardless of whether it is paid a  
11 technical or facility fee; or

12 2. The office is designated to receive ambulatory surgical  
13 referrals in accordance with utilization review or other policies adopted by a payor;

14 (ii) Any facility or service owned or operated by a hospital and  
15 regulated under Subtitle 2 of this title;

16 (iii) The office of a health care practitioner with not more than one  
17 operating room if:

18 1. The office does not receive a technical or facility fee; and

19 2. The operating room is used exclusively by the health care  
20 practitioner for patients of the health care practitioner;

21 (iv) The office of a group of health care practitioners with not more  
22 than one operating room if:

23 1. The office does not receive a technical or facility fee; and

24 2. The operating room is used exclusively by members of the  
25 group practice for patients of the group practice; or

26 (v) An office owned or operated by one or more dentists licensed  
27 under the Health Occupations Article.

28 19-3B-03.

29 (a) [After] EXCEPT AS PROVIDED IN SUBSECTION (E) OF THIS SECTION,  
30 AFTER consultation with representatives of payors, health care practitioners, and  
31 ambulatory care facilities, the Secretary shall by regulation establish:

32 (1) Procedures to implement the provisions of this subtitle; and

33 (2) Standards to ensure quality of care and patient safety that shall  
34 include:

- 1 (i) Procedures for credentialing and peer review;
- 2 (ii) Qualifications of health care practitioners and support  
3 personnel;
- 4 (iii) Procedures to be followed in the event of an emergency,  
5 including a requirement that in the event of an emergency the patient be transported  
6 to the nearest appropriate emergency care facility;
- 7 (iv) Procedures for quality control of any biomedical equipment;
- 8 (v) Procedures for postoperative recovery;
- 9 (vi) Procedures for discharge; and
- 10 (vii) Any other procedures that the Secretary considers necessary for  
11 quality of care and patient safety.
- 12 (b) If appropriate certification by Medicare is available, obtaining the  
13 certification shall be a condition of licensure for:
- 14 (1) An ambulatory surgical facility; and
- 15 (2) A kidney dialysis center.
- 16 (c) Each freestanding ambulatory care facility shall provide assurances  
17 satisfactory to the Secretary that the freestanding ambulatory care facility does not  
18 discriminate against patients, including discrimination based on ability to pay for  
19 nonelective procedures.
- 20 (d) (1) A freestanding ambulatory care facility accredited by an organization  
21 approved by the Secretary shall be deemed to meet State licensing requirements.
- 22 (2) (i) The freestanding ambulatory care facility shall submit the  
23 report of the accreditation organization to the Secretary within 30 days of its receipt.
- 24 (ii) All reports submitted under this paragraph shall be available  
25 for public inspection.
- 26 (3) The Secretary may:
- 27 (i) Inspect a freestanding ambulatory care facility for the purpose  
28 of a complaint investigation;
- 29 (ii) Inspect a freestanding ambulatory care facility to follow up on a  
30 serious problem identified in an accreditation report; and
- 31 (iii) Annually conduct a survey to validate the findings of  
32 accreditation reports.

1           (4)       The Secretary may delegate to the Kidney Disease Commission the  
2 Secretary's authority under paragraph (3) of this subsection to inspect kidney dialysis  
3 centers.

4       (E)       THE OFFICE OF HEALTH CARE QUALITY SHALL ADOPT REGULATIONS  
5 PROVIDING FOR THE OVERSIGHT OF 23-HOUR RECOVERY CARE IN AMBULATORY  
6 SURGICAL FACILITIES.

7       SECTION 2. AND BE IT FURTHER ENACTED, That the Office of Health Care  
8 Quality within the Department of Health and Mental Hygiene shall submit a report  
9 to the House Health and Government Operations Committee and the Senate Finance  
10 Committee each year, in accordance with § 2-1246 of the State Government Article,  
11 regarding the number of facilities providing 23-hour recovery care and the types of  
12 services being provided by ambulatory surgical facilities.

13       SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
14 October 1, 2003.