

Department of Legislative Services
Maryland General Assembly
2013 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 195

(Senator Kelley, *et al.*)

Finance

Health and Government Operations

Hospitals - Notice to Patients - Outpatient Status and Billing Implications

This bill requires a hospital to, under specified circumstances, 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 eligibility for Medicare rehabilitation services. Specifically, a hospital must provide such notice if (1) the patient receives on-site services (including a hospital bed and meals provided in an area of the hospital other than the emergency room) from the hospital for more than 23 consecutive hours and (2) the patient is classified as an outpatient at the hospital for observation rather than as an admitted inpatient.

The Department of Health and Mental Hygiene (DHMH) must, in consultation with hospitals in the State, adopt by regulation standardized elements to be included in the written notice required by the bill.

Fiscal Summary

State Effect: None. The change is procedural in nature and does not directly affect governmental finances.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law/Background: In general, a hospital must, on a patient's request made before or during treatment, provide to the patient a written estimate of the total charges

for nonemergency hospital services, procedures, and supplies that reasonably are expected to be provided and billed to the patient by the hospital. A hospital is also required to, within 30 days after discharge of an individual from the hospital, give the individual a summary financial statement. An individual is authorized to request an itemized statement of the account within one year of receipt of the summary statement.

According to DHMH, a patient's status as either inpatient or outpatient can impact a patient's out-of-pocket health care costs significantly. In general, out-of-pocket obligations are considerably higher for outpatient services.

Additional Information

Prior Introductions: None.

Cross File: HB 1062 (Delegate Cullison, *et al.*) – Health and Government Operations.

Information Source(s): Department of Health and Mental Hygiene, Department of Legislative Services

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