(House Bill 327)

AN ACT concerning

Health – Ambulatory Surgical Facility – Definition Definitions

FOR the purpose of altering the <u>definition</u> <u>definitions</u> of <u>an ambulatory surgical facility</u> <u>"ambulatory surgical facility" and "surgical services"</u> under provisions of law governing freestanding ambulatory care facilities in the State to conform with federal Centers for Medicare and Medicaid Services regulations; and generally relating to ambulatory surgical facilities.

BY repealing and reenacting, without amendments, Article – Health – General Section 19–3B–01(a) Annotated Code of Maryland (2009 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, with amendments, Article – Health – General Section 19–3B–01(b) <u>and (l)</u> Annotated Code of Maryland (2009 Replacement Volume and 2014 Supplement)

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

Article – Health – General

19–3B–01.

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

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

(i) Operates primarily <u>EXCLUSIVELY</u> for the purpose of providing surgical services to patients requiring a period of postoperative observation but not requiring [overnight] hospitalization <u>AND</u> IN WHICH THE EXPECTED DURATION OF SERVICES WOULD <u>NOT</u> EXCEED 24 HOURS FOLLOWING ADMISSION; and

(ii) Seeks reimbursement from payors as an ambulatory surgery

center.

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

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

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

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

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

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

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

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

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

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

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

(v) $\;$ An office owned or operated by one or more dentists licensed under the Health Occupations Article.

(1) "Surgical services" [means any invasive procedure whether therapeutic or diagnostic involving the use of:

(1) Any cutting instrument;

(2) <u>Microscopic, endoscopic, arthroscopic, or laparoscopic equipment; or</u>

(3) <u>A laser for the removal or repair of an organ or other tissue</u>] HAS THE MEANING <u>DEVELOPED BY THE AMERICAN COLLEGE OF SURGEONS AND</u> INCORPORATED IN THE CENTERS FOR MEDICARE AND MEDICAID SERVICES STATE OPERATIONS MANUAL – GUIDANCE FOR SURVEYORS: AMBULATORY SURGICAL CENTERS. SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2015.

Approved by the Governor, May 12, 2015.