

HOUSE No. 3728

The Commonwealth of Massachusetts

PRESENTED BY:

Joseph D. McKenna

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to disproportionate share and geographically isolated hospitals.

PETITION OF:

NAME:

Joseph D. McKenna

DISTRICT/ADDRESS:

18th Worcester

HOUSE No. 3728

By Mr. McKenna of Webster, a petition (subject to Joint Rule 12) of Joseph D. McKenna relative to the classification and tiering of disproportionate share and geographically isolated hospitals. Financial Services.

The Commonwealth of Massachusetts

**In the One Hundred and Ninetieth General Court
(2017-2018)**

An Act relative to disproportionate share and geographically isolated hospitals.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1.

2 Section 13F of chapter 118E, as appearing in the 2010 Official Edition, is hereby
3 amended by striking subsection (a) in its entirety and inserting in place thereof the following new
4 section: "(a) For disproportionate share hospitals, the executive office shall establish rates that
5 equal the financial requirements of providing care to recipients of medical assistance, and
6 further, the executive office shall classify as disproportionate share any geographically isolated
7 hospital that provides inpatient and outpatient mental health services."

8 SECTION 2.

9 Chapter 176J, as appearing in the 2010 Official Edition, is amended in section 11 by
10 striking subsection (e) in its entirety and adding in place thereof the following new section: "(e)
11 In determining network adequacy under this section the commissioner of insurance may take into
12 consideration factors such as the location of providers participating in the plan and employers or

13 members that enroll in the plan, the range of services provided by providers in the plan and plan
14 benefits that recognize and provide for extraordinary medical needs of members that may not be
15 adequately dealt with by the providers within the plan network; and further, when calculating the
16 tiering methodology for tiered network plans, the commissioner shall classify in the best tier any
17 non-profit geographically isolated hospitals with a relative price as calculated by the center for
18 health information and analysis of not greater than 1.1, and further, shall require any such
19 hospital be an accepted provider in limited network products sold to members or employees who
20 live or work in said hospital's primary and secondary service area."