

SENATE No. 2313

The Commonwealth of Massachusetts

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In the Year Two Thousand Fourteen
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SENATE, Wednesday, July 30, 2014

The committee on Health Care Financing, to whom was referred the petition (accompanied by bill, Senate, No. 542) of Richard T. Moore and Anne M. Gobi for legislation to define the use of observational services,- reports the accompanying bill (Senate, No. 2313).

For the committee,
James T. Welch

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An Act relative to observation services.

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. Chapter 111 of the General Laws, as appearing in the 2012 Official
2 Edition, is hereby amended by inserting the following new section:-

3 Section 51K: The department of public health shall promulgate regulations establishing
4 notice standards for patients regarding observation and inpatient services. Said regulations shall:

5 a) Require that the notice be provided to patients at the time of admittance for either
6 observation services or inpatient services;

7 b) Include an explanation of the possible financial liability related to any subsequent
8 treatment after discharge or transfer for the patient with the classification of either observation
9 services or inpatient services; and

10 c) Require that the notice include an explanation that services may be re-classified
11 retroactively by the division of medical assistance, a carrier or their contractors and shall include
12 the possible financial liability for the patient following such a re-classification.

13 SECTION 2. Notwithstanding the provisions of section 245 of chapter 224 of the acts of
14 2012, the executive office of health and human services shall seek from the secretary of the
15 United States Department of Health and Human Services a statewide waiver from the Medicare
16 requirement set forth in 42 U.S.C. §1395x(i) that an admission to a skilled nursing facility be
17 preceded by a 3-day inpatient hospital stay. The secretary shall report within 90 days to the
18 clerks of the house and senate, the joint committee on health care financing and the house and
19 senate committees on ways and means on the status of the waiver sought under this section.