

2024 -- S 2721

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LC004257
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2024

A N A C T

RELATING TO HEALTH AND SAFETY -- NATIONAL PROVIDER IDENTIFIER OFF-
CAMPUS LOCATIONS

Introduced By: Senators Miller, DiMario, Lauria, DiPalma, Valverde, and Ujifusa

Date Introduced: March 05, 2024

Referred To: Senate Health & Human Services

It is enacted by the General Assembly as follows:

1 SECTION 1. Legislative findings.

2 The general assembly hereby finds and declares that:

3 (1) Health care spending accounts for over seventeen percent (17%) of the United States
4 economy;

5 (2) Health care costs in Rhode Island continue to increase, and spending on health care is
6 growing faster than the economy as a whole;

7 (3) More accountability for and transparency in health care system costs is needed in order
8 that consumers can make better health care decisions and policymakers can find ways to address
9 rising health care costs;

10 (4) According to the Rhode Island office of the health insurance commissioner (OHIC), as
11 the result of rising premium and cost-sharing, an estimated thirty-one cents (\$0.31) of every
12 additional dollar earned by Rhode Island families between 2017 and 2019 went to health care;

13 (5) Hospitals and other organization health care providers have expanded to create a
14 number of off-campus or separate physical locations for delivering health care ("off-campus
15 locations"), which include freestanding emergency departments.

16 (6) When consumers seek nonemergency care for common conditions at freestanding
17 emergency departments, delivery of that level of care in that setting can increase costs in the overall
18 health care system;

1 (7) Rhode Islanders deserve to have information about the costs associated with seeking
2 services at off-campus locations, including freestanding emergency departments;

3 (8) In many cases, off-campus locations share the same identifier for billing purposes as
4 their affiliated hospital or organization health care provider, and because the costs associated with
5 care delivered at off-campus locations are not transparent, it may be impossible for consumers to
6 understand the basis for charges and for policymakers to evaluate the effects of these costs on
7 overall system costs;

8 (9) Under federal regulations, an organization health care provider that has separate
9 physical locations, referred to as "subparts" of the organization provider, may obtain a unique
10 identifier for each subpart, which facilitates identifying the types of health care services and the
11 location where the services are provided; and

12 (10) It is therefore the intent of the general assembly, through the passage of this act, to
13 require each off-campus location of a hospital and each subpart of an organization health care
14 provider to have a unique identification number in order that the costs associated with those
15 facilities are transparent and accountable.

16 SECTION 2. Title 23 of the General Laws entitled "HEALTH AND SAFETY" is hereby
17 amended by adding thereto the following chapter:

18 CHAPTER 17.29

19 NATIONAL PROVIDER IDENTIFIER OFF-CAMPUS LOCATIONS ACT

20 **23-17.29-1. Short Title.**

21 This chapter shall be known and may be cited as the "National Provider Identifier -- Off-
22 Campus Locations Act."

23 **23-17.29-2. Definitions.**

24 As used in this section:

25 (1) "Health care clearinghouse" has the same meaning as set forth in 45 CFR § 160.103.

26 (2) "NPI" or "national provider identifier" means the standard, unique health identifier for
27 health care providers that is issued by the national provider system in accordance with 45 CFR §
28 162.408.

29 (3) "Off-campus location" means a facility:

30 (i) Whose operations are directly or indirectly owned or controlled by, in whole or in part,
31 or affiliated with a hospital, regardless of whether the operations are under the same governing
32 body as the hospital;

33 (ii) That is located more than two hundred fifty (250) yards from the hospital's main
34 campus;

1 (iii) That provides services that are organizationally and functionally integrated with the
2 hospital; and

3 (iv) That is an outpatient facility providing preventive, diagnostic, treatment, or emergency
4 services.

5 (4) "Organization health care provider" means a provider that is not an individual and
6 includes a hospital.

7 (5) "Subpart" has the same meaning as that term used in 45 CFR § 162.410 and means a
8 component or separate physical location of an organization health care provider that may be
9 separately licensed or certified by the state.

10 **23-17.29-3. Providers to obtain unique NPI.**

11 (a) An off-campus location of a hospital shall apply for, obtain, and use on all claims for
12 reimbursement or payment for health care services provided at the off-campus location submitted
13 on or after January 1, 2025, a unique National Provider Identifier (NPI) that is separate and distinct
14 from the hospital's NPI. The off-campus location's unique NPI shall be included on any claim for
15 reimbursement or payment for health care services provided at the off-campus location, regardless
16 of whether the claim is filed or submitted by or through a central office of the hospital or a health
17 care clearinghouse.

18 (b) Each organization health care provider and each subpart that is required or eligible to
19 obtain an NPI pursuant to 45 CFR § 162.410 shall apply for, obtain, and use on all claims for
20 payment for medical care, services, or goods, a unique NPI for each site at which the organization
21 health care provider or its subparts deliver medical care, services, or goods.

22 (c) Each organization health care provider and each subpart that is required or eligible to
23 obtain an NPI pursuant to 45 CFR § 162.410 shall apply for, obtain, and use on all claims for
24 payment for medical care, services, or goods a unique NPI for each provider type under which the
25 organization health care provider or its subparts deliver medical care, services, or goods.

26 (d) An organization health care provider or subpart submitting a claim for payment for
27 medical care, services, or goods shall include on the claim the unique NPI that identifies both the
28 site where the medical care, services, or goods were provided and the provider type regardless of
29 whether the claim is filed or submitted by or through a central office of the organization health care
30 provider or a health care clearinghouse.

31 (e) For an organization health care provider that is a licensed or certified hospital
32 contracting for services, the hospital shall obtain and use a unique, separate, and distinct NPI for:

33 (1) Its main campus;

34 (2) Each off-campus location of the hospital; and

1 (3) Each provider types when the hospital delivers medical care, services, or goods at either
2 the hospital's main campus or at an off-campus location.

3 (f) A hospital submitting a claim for payment for medical care, services, or goods shall
4 include on the claim the unique NPI that identifies both the site where the medical care, services,
5 or goods were provided and the provider type, regardless of whether the claim is filed or submitted
6 by or through a central office of the hospital or a health care clearinghouse.

7 (g) Commencing January 1, 2025, an organization health care provider applying to enroll
8 as a new provider shall demonstrate that it has obtained one or more NPIs as required by this section
9 and, upon enrollment, shall use its unique NPI on every claim for payment in the manner required
10 by this section.

11 (h) Commencing January 1, 2025, an organization health care provider enrolled and
12 applying for revalidation as a provider shall demonstrate that it has obtained one or more NPIs as
13 required by this section as a condition of receiving revalidation, and upon receiving revalidation as
14 a provider, shall use its unique NPI on every claim for payment in the manner required by this
15 section.

16 SECTION 3. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

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CAMPUS LOCATIONS

1 This act would require each off-campus location of a hospital and each subpart of an
2 organization health care provider to have a unique identification number in order that the costs
3 associated with those facilities are transparent and accountable.

4 This act would take effect upon passage.

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