



General Assembly

**Substitute Bill No. 5337**

February Session, 2014



**AN ACT CONCERNING FEES CHARGED FOR SERVICES PROVIDED AT HOSPITAL-BASED FACILITIES.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2014*) As used in this section  
2 and section 2 of this act:

3 (1) "Affiliated provider" means a provider that is: (A) Employed by  
4 a hospital or health system, (B) under a professional services  
5 agreement with a hospital or health system that permits such hospital  
6 or health system to bill on behalf of such provider, or (C) a clinical  
7 faculty member of a medical school, as defined in section 33-182aa of  
8 the general statutes, that is affiliated with a hospital or health system in  
9 a manner that permits such hospital or health system to bill on behalf  
10 of such clinical faculty member;

11 (2) "Campus" means: (A) The physical area immediately adjacent to  
12 a hospital's main buildings and other areas and structures that are not  
13 strictly contiguous to the main buildings but are located within two  
14 hundred fifty yards of the main buildings, or (B) any other area that  
15 has been determined on an individual case basis by the Centers for  
16 Medicare and Medicaid Services to be part of a hospital's campus;

17 (3) "Facility fee" means any fee charged or billed by a hospital or  
18 health system for outpatient hospital services provided in a hospital-

19 based facility that is: (A) Intended to compensate the hospital or health  
20 system for the operational expenses of the hospital or health system,  
21 and (B) separate and distinct from a professional fee;

22 (4) "Health system" means: (A) A parent corporation of one or more  
23 hospitals and any entity affiliated with such parent corporation  
24 through ownership, governance, membership or other means, or (B) a  
25 hospital and any entity affiliated with such hospital through  
26 ownership, governance, membership or other means;

27 (5) "Hospital" has the same meaning as provided in section 19a-490  
28 of the general statutes;

29 (6) "Hospital-based facility" means a facility that is owned or  
30 operated, in whole or in part, by a hospital or health system where  
31 hospital or professional medical services are provided;

32 (7) "Professional fee" means any fee charged or billed by a provider  
33 for professional medical services provided in a hospital-based facility;  
34 and

35 (8) "Provider" means an individual, entity, corporation or health  
36 care provider, whether for profit or nonprofit, whose primary purpose  
37 is to provide professional medical services.

38 Sec. 2. (NEW) (*Effective October 1, 2014*) (a) If a hospital or health  
39 system charges a facility fee utilizing a current procedural terminology  
40 evaluation and management (CPT E/M) code for outpatient services  
41 provided at a hospital-based facility where a professional fee is also  
42 expected to be charged, the hospital or health system shall provide the  
43 patient with a written notice that includes the following information:

44 (1) That the hospital-based facility is part of a hospital or health  
45 system and that the hospital or health system charges a facility fee that  
46 is in addition to and separate from the professional fee charged by the  
47 provider;

48 (2) (A) The amount of the patient's potential financial liability,  
49 including any facility fee likely to be charged, and, where professional  
50 medical services are provided by an affiliated provider, any  
51 professional fee likely to be charged, or, if the exact type and extent of  
52 the professional medical services needed are not known or the terms of  
53 a patient's health insurance coverage are not known with reasonable  
54 certainty, an estimate of the patient's financial liability based on typical  
55 or average charges for visits to the hospital-based facility, including  
56 the facility fee, (B) a statement that the patient's actual financial  
57 liability will depend on the professional medical services actually  
58 provided to the patient, and (C) an explanation that the patient may  
59 incur financial liability that is greater than the patient would incur if  
60 the professional medical services were not provided by a hospital-  
61 based facility; and

62 (3) That a patient covered by a health insurance policy should  
63 contact the health insurer for additional information regarding the  
64 hospital's or health system's charges and fees, including the patient's  
65 potential financial liability, if any, for such charges and fees.

66 (b) If a hospital or health system charges a facility fee without  
67 utilizing a current procedural terminology evaluation and  
68 management (CPT E/M) code for outpatient services provided at a  
69 hospital-based facility, located outside the hospital campus, the  
70 hospital or health system shall provide the patient with a written  
71 notice that includes the following information:

72 (1) That the hospital-based facility is part of a hospital or health  
73 system and that the hospital or health system charges a facility fee that  
74 may be in addition to and separate from the professional fee charged  
75 by a provider;

76 (2) (A) A statement that the patient's actual financial liability will  
77 depend on the professional medical services actually provided to the  
78 patient, and (B) an explanation that the patient may incur financial  
79 liability that is greater than the patient would incur if the hospital-

80 based facility was not hospital-based; and

81 (3) That a patient covered by a health insurance policy should  
82 contact the health insurer for additional information regarding the  
83 hospital's or health system's charges and fees, including the patient's  
84 potential financial liability, if any, for such charges and fees.

85 (c) The written notice described in subsections (a) and (b) of this  
86 section shall be in plain language and in a form that may be reasonably  
87 understood by a patient who does not possess special knowledge  
88 regarding hospital or health system facility fee charges.

89 (d) (1) For nonemergency care, if a patient's appointment is  
90 scheduled to occur ten or more days after the appointment is made,  
91 such written notice shall be sent to the patient by first class mail,  
92 encrypted electronic mail or a secure patient Internet portal not less  
93 than three days after the appointment is made. If an appointment is  
94 scheduled to occur less than ten days after the appointment is made or  
95 if the patient arrives without an appointment, such notice shall be  
96 hand-delivered to the patient when the patient arrives at the hospital-  
97 based facility.

98 (2) For emergency care, such written notice shall be provided to the  
99 patient as soon as practicable after the patient is stabilized in  
100 accordance with the federal Emergency Medical Treatment and Active  
101 Labor Act, 42 USC 1395dd, as amended from time to time, or is  
102 determined not to have an emergency medical condition and before  
103 the patient leaves the hospital-based facility. If the patient is  
104 unconscious, under great duress or for any other reason unable to read  
105 the notice and understand and act on his or her rights, the notice shall  
106 be provided to the patient's representative as soon as practicable.

107 (e) Subsections (a) to (d), inclusive, of this section shall not apply if a  
108 patient is insured by Medicare or Medicaid or is receiving services  
109 under a workers' compensation plan established to provide medical  
110 services pursuant to chapter 568 of the general statutes.

111 (f) A hospital-based facility shall prominently display written notice  
112 in locations that are readily accessible to and visible by patients,  
113 including patient waiting areas, stating that: (1) The hospital-based  
114 facility is part of a hospital or health system, and (2) if the hospital-  
115 based facility charges a facility fee, the patient may incur a financial  
116 liability greater than the patient would incur if the hospital-based  
117 facility was not hospital-based.

118 (g) A hospital-based facility shall clearly hold itself out to the public  
119 and payers as being hospital-based, including, at a minimum, by  
120 stating the name of the hospital or health system in its signage,  
121 marketing materials, Internet web sites and stationery.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2014</i>	New section
Sec. 2	<i>October 1, 2014</i>	New section

**GL**            *Joint Favorable Subst.*

**PH**            *Joint Favorable*