



House of Representatives

General Assembly

File No. 475

February Session, 2014

Substitute House Bill No. 5535

House of Representatives, April 9, 2014

The Committee on Public Health reported through REP. JOHNSON of the 49th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING NOTICE OF A PATIENT'S OBSERVATION STATUS AND NOTICE CONCERNING THE QUALIFICATIONS OF THOSE WHO PROVIDE HEALTH CARE AND COUNSELING SERVICES.

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

1 Section 1. (NEW) (*Effective October 1, 2014*) (a) Each hospital, as
2 defined in section 19a-490 of the general statutes, shall provide oral
3 and written notice to each patient that the hospital places in
4 observation status of such placement not later than twenty-four hours
5 after such placement. Such oral and written notices shall include: (1) A
6 statement that the patient is not admitted to the hospital but is under
7 observation status; (2) a statement that observation status may affect
8 the patient's Medicare, Medicaid or private insurance coverage for (A)
9 hospital services, including medications and pharmaceutical supplies,
10 or (B) home or community-based care or care at a skilled nursing
11 facility upon the patient's discharge; and (3) a recommendation that
12 the patient contact his or her health insurance provider or the Office of
13 the Healthcare Advocate to better understand the implications of
14 placement in observation status.

15 (b) The written notice described in subsection (a) of this section shall
16 be signed and dated by the patient receiving the notice or such
17 patient's legal guardian, conservator or other authorized
18 representative.

19 Sec. 2. (NEW) (*Effective October 1, 2014*) (a) Except as provided in
20 subsection (c) of this section, each outpatient provider of health care
21 services or counseling services shall provide written notice to
22 recipients of such services concerning the qualifications of persons
23 providing such services on behalf of the provider and a description of
24 the services provided.

25 (b) The notice required by subsection (a) of this section shall
26 include: (1) A description of the services offered by the provider; and
27 (2) a list of the licenses, certifications and other professional
28 qualifications relating to the services offered for each person employed
29 by, or volunteering services for, such provider. If an employee or a
30 volunteer for such provider does not possess a license, certification or
31 professional qualifications relating to the services offered, such notice
32 shall contain a statement of that fact. For providers that primarily
33 provide such services in a facility, the notice described in this section,
34 shall be posted in a prominent place in the facility that is accessible to
35 persons receiving services. For providers that provide such services in
36 locations outside of a facility or in a facility other than one in which
37 such providers are based, a representative of the provider offering
38 services on behalf of the provider shall give written notice of the
39 representative's licenses, certifications or other professional
40 qualifications relating to the services offered or a statement that such
41 representative possesses no such license, certification or qualifications.

42 (c) The provisions of this section shall not apply to hospitals,
43 inpatient health care facilities, home health care providers, federally
44 qualified health centers or entities offering religious services.

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 |

Statement of Legislative Commissioners:

In section 2(b), the phrase "such entity is based" was changed to "such providers are based", for internal consistency.

PH *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

The bill requires hospitals to provide additional notice to patients in certain situations. Although the John Dempsey Hospital at the University of Connecticut Health Center will have additional notification requirements due to the bill, these requirements will not result in a fiscal impact to the state.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis**sHB 5535*****AN ACT CONCERNING NOTICE OF A PATIENT'S OBSERVATION STATUS AND NOTICE CONCERNING THE QUALIFICATIONS OF THOSE WHO PROVIDE HEALTH CARE AND COUNSELING SERVICES.*****SUMMARY:**

This bill requires hospitals to provide oral and written notice informing patients when the hospital has placed them in observation status, no later than 24 hours after the placement. It specifies certain information that must be included with the notice and requires the patient or patient's authorized representative to sign the written notice. In general, observation status refers to patients who are being treated in a hospital but are classified as outpatients rather than as being admitted to the hospital.

With some exceptions, the bill also requires outpatient providers of health care or counseling services to provide written notice to their patients or clients, describing the services and their providers' qualifications.

EFFECTIVE DATE: October 1, 2014

NOTICE CONCERNING OBSERVATION STATUS IN HOSPITALS

Under the bill, the required notices concerning a patient's placement in observation status must include:

1. a statement that the patient is not admitted to the hospital but is under observation status;
2. a statement that this status may affect coverage under Medicare, Medicaid, or private insurance for (a) hospital services, including medications and pharmaceutical supplies, or (b)

home or community-based care or care at a skilled nursing facility, upon the patient's discharge; and

3. a recommendation that the patient contact his or her health insurance provider or the Office of the Healthcare Advocate to better understand the implications of being placed in observation status.

The bill requires the written notice to be signed and dated by the patient or his or her legal guardian, conservator, or other authorized representative.

NOTICE CONCERNING OUTPATIENT SERVICES AND PROVIDER QUALIFICATIONS

The bill generally requires outpatient providers of health care or counseling services to provide written notice to clients, describing the services and the qualifications of anyone providing services on the provider's behalf. The requirement does not apply to hospitals, inpatient health care facilities, home health care providers, federally qualified health centers, or entities offering religious services.

In addition to describing the provider's services, the notice must include a list of the licenses, certifications, and other professional qualifications relating to the offered services, for each of the provider's employees or volunteers. The notice must indicate if an employee or volunteer does not have a license, certification, or professional qualifications relating to the services offered.

Under the bill, if the provider primarily provides these services in a facility, the provider must post the required notice in a prominent place in the facility accessible to people receiving services.

If the provider provides services outside of a facility, or in a facility other than the one in which the provider is based, a representative offering services on the provider's behalf must give to the person receiving services, either (1) written notice concerning his or her qualifications, as specified above, or (2) a statement that the

representative does not possess any such license, certification, or other qualification.

COMMITTEE ACTION

Public Health Committee

Joint Favorable Substitute

Yea 25 Nay 0 (03/25/2014)