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## OLR Bill Analysis

**sSB 303 (File 468, as amended by Senate "A")\***

### ***AN ACT CONCERNING OUTPATIENT CLINICS, URGENT CARE CENTERS AND FREESTANDING EMERGENCY DEPARTMENTS.***

#### **SUMMARY**

This bill requires freestanding emergency departments to (1) clearly identify themselves as hospital emergency departments and (2) post signs with certain information, including identifying whether the facility includes an urgent care or primary care center. Under the bill, a “freestanding emergency department” is a free-standing emergency care facility that (1) is a department of a hospital, but structurally separate and distinct from the hospital, and (2) has received a certificate of need to operate as such a facility.

The bill modifies the definition of “urgent care center” for purposes of licensing such centers. For example, it specifies certain services that a facility must offer for it to be considered an urgent care center.

It allows the Office of Health Care Access to adopt regulations to implement the bill’s provisions on freestanding emergency department signage and urgent care centers.

Current law sets certain restrictions on facility fees for outpatient hospital services, but exempts fees for services at off-site hospital emergency departments. The bill specifies that the exemption applies to freestanding emergency departments, as defined above.

The bill also makes minor and technical changes.

\*Senate Amendment “A” replaces the underlying bill, which (1) required the Office of Health Strategy to adopt regulations to require outpatient clinics, urgent care centers, and freestanding emergency departments to display certain signs and (2) specified when off-site emergency departments could charge facility fees for outpatient

services. Among other changes, the amendment modifies the bill's definitions and specifies the content of the required signs for such emergency departments.

EFFECTIVE DATE: October 1, 2018

### **FREESTANDING EMERGENCY DEPARTMENTS**

The bill requires freestanding emergency departments to clearly identify themselves as hospital emergency departments. At a minimum, they must display prominent lighted external signs that include the word "emergency" and state the hospital's name.

It requires freestanding emergency departments to post signs conspicuously at locations that are readily accessible to and visible by patients, including the entrance and patient waiting areas, stating: "THIS IS A HOSPITAL EMERGENCY DEPARTMENT." Immediately after that statement, the sign must include the following:

1. "THIS IS NOT AN URGENT CARE OR PRIMARY CARE CENTER," if the facility does not include an urgent care center or primary care center or clinic, or
2. if the facility has such an urgent care center or primary care center or clinic, information on the center's or clinic's location, hours, contact information, and services.

The bill specifies that these signage requirements are in addition to any other signage or notices required by other state or federal law.

### **URGENT CARE CENTERS**

By law, urgent care centers must be licensed as outpatient clinics by the Department of Public Health (DPH). The bill modifies the definition of urgent care center for this purpose.

The current definition provides that urgent care centers treat medical conditions that do not require critical or emergent intervention for life-threatening or potentially permanently disabling conditions. The bill instead specifies that these facilities provide urgent care

services as defined in specified Medicare regulations (42 C.F.R. § 405.400). Under that regulation, “urgent care services” are those furnished to someone who needs services within 12 hours in order to avoid the likely onset of an emergency medical condition.

Under the bill, to be considered an urgent care center, a facility must also offer at least the following:

1. diagnostic imaging,
2. intravenous fluid administration, and
3. the ability to employ minimal resuscitative methods.

Current law specifies that urgent care centers are freestanding facilities distinct from emergency departments. The bill removes the condition that these facilities must be freestanding and specifies that they are also distinct from primary care settings.

Under existing law, unchanged by the bill, urgent care centers must offer services without an appointment and at times when primary care providers are not generally open.

### **FACILITY FEES**

Current law generally prohibits hospitals, health systems, and hospital-based facilities from collecting a facility fee:

1. for outpatient services that use a current procedural terminology evaluation and management code and are provided at a hospital-based facility that is not on a hospital campus, and
2. from uninsured patients for outpatient services provided off-site from a hospital campus, if the fee exceeds the Medicare facility fee rate.

The bill specifies that the second limitation above applies to outpatient services at off-site hospital-based facilities.

Under current law, both restrictions do not apply to off-site

emergency departments. Under the bill, the restrictions do not apply to freestanding emergency departments as defined above.

**BACKGROUND**

***Facility Fees***

By law, a “facility fee” is any fee a hospital or health system charges or bills for outpatient hospital services provided in a hospital-based facility that is (1) intended to compensate the hospital or health system for its operational expenses and (2) separate from the provider’s professional fee (CGS § 19a-508c(a)).

**COMMITTEE ACTION**

Public Health Committee

Joint Favorable Substitute

Yea 26 Nay 0 (03/26/2018)