



General Assembly

January Session, 2019

Raised Bill No. 896

LCO No. 4623



Referred to Committee on HUMAN SERVICES

Introduced by:
(HS)

AN ACT ESTABLISHING RATIONAL HOSPITAL PRICING.

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

1 Section 1. (NEW) (*Effective from passage*) For purposes of this section,
2 (1) "all-payer hospital payment system" means a system in which
3 third-party payers, including, but not limited to, Medicare, Medicaid
4 and private insurers, pay the same rate for services, and (2) "hospital
5 prospective payment system" means a system in which Medicare pays
6 all hospitals a flat rate for services based on diagnostic groups and
7 other factors while other third-party payers may be charged more for
8 the same services. Notwithstanding section 17b-239 of the general
9 statutes, the Commissioner of Social Services shall seek approval from
10 the Centers for Medicare and Medicaid Services not later than
11 September 1, 2019, for a Medicare waiver exempting hospitals in the
12 state from the prospective payment system and allowing such
13 hospitals to be reimbursed for services under an all-payer hospital
14 payment system. The commissioner, to the extent permitted under
15 federal law, shall develop a waiver proposal that includes (A) a
16 hospital revenue cap, (B) incentives for hospitals to partner with other

- 17 healthcare entities to lower the cost of care, and (C) financial incentives
- 18 to reduce hospital readmissions and preventable health issues.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section

Statement of Purpose:

To require the Commissioner of Social Services to seek a federal Medicare waiver to change the way hospitals are reimbursed for their services.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]