

1 S.197

2 Introduced by Senator Mullin

3 Referred to Committee on Health and Welfare

4 Date: January 3, 2012

5 Subject: Health; hospital-owned practice; hospital-based outpatient fee

6 Statement of purpose: This bill proposes to prohibit hospital-owned medical
7 practices from imposing a hospital-based outpatient charge for nonemergency
8 visits.

9 An act relating to hospital-based outpatient fees

10 It is hereby enacted by the General Assembly of the State of Vermont:

11 ~~Sec. 1. 18 V.S.A. § 9425 is added to read:~~

12 ~~§ 9425. HOSPITAL-BASED OUTPATIENT CLAIMS~~

13 ~~(a) As used in this section:~~

14 ~~(1) "Hospital-based outpatient charge" means the facility fee for patient~~
15 ~~visits to a hospital-owned medical practice.~~

16 ~~(2) "Hospital-owned medical practice" means a medical practice which~~
17 ~~provides primary or specialty outpatient care and which is owned or managed~~
18 ~~by a hospital as part of a cooperative health care delivery network.~~

1 (3) "Cooperative health care delivery network" means a hospital-based
2 managed care system that provides a coordinated continuum of patient care
3 and multispecialty medical services to health plan enrollees.

4 (4) "Physician charge" means the fee for outpatient services provided by
5 a medical professional in a medical practice.

6 (b) A hospital-owned medical practice shall not impose a hospital-based
7 outpatient charge for nonemergency visits to primary and specialty care
8 medical professionals in addition to a physician charge.

9 (c) Nothing in this section shall be construed to relieve a health plan from
10 complying with payment standards established by federal or state laws and
11 regulations.

12 Sec. 2. EFFECTIVE DATE

13 This section shall take effect on July 1, 2012.

Sec. 1. 18 V.S.A. § 9458 is added to read:

§ 9458. HOSPITAL-ACQUIRED MEDICAL PRACTICES

(a) Beginning January 1, 2011, whenever a hospital acquires a medical practice, the hospital shall, for a period of 30 months following the date of acquisition, provide written notice as described in subsection (b) of this section to each patient and prospective patient prior to performing the first outpatient service after April 1, 2012 for which such patient or prospective patient may incur an increased out-of-pocket expense.

(b) The written notice provided to a patient pursuant to this section shall notify the patient that the hospital's acquisition of the medical practice may result in changes to the patient's out-of-pocket expenses for an outpatient visit or ancillary service, including the potential for cost-sharing requirements in excess of the typical office visit co-payment under the patient's health insurance plan.

Sec. 2. EFFECTIVE DATE

This act shall take effect on passage and shall apply to any medical practice acquired by a hospital on or after January 1, 2011 for a period of 30 months following the date of acquisition.