By Senator Gaetz

1-00728-15 2015768 A bill to be entitled

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An act relating to patient observation status notification; amending s. 395.301, F.S.; requiring licensed facilities to notify patients if they place them in observation status rather than admitted status; requiring facilities to provide certain

Be It Enacted by the Legislature of the State of Florida:

notice; providing an effective date.

Section 1. Section 395.301, Florida Statutes, is amended, to read:

395.301 Itemized patient bill; form and content prescribed by the agency; patient observation status notification .-

(1) A licensed facility not operated by the state shall notify each patient during admission and at discharge of his or her right to receive an itemized bill upon request. Within 7 days following the patient's discharge or release from a licensed facility not operated by the state, the licensed facility providing the service shall, upon request, submit to the patient, or to the patient's survivor or legal guardian as may be appropriate, an itemized statement detailing in language comprehensible to an ordinary layperson the specific nature of charges or expenses incurred by the patient, which in the initial billing shall contain a statement of specific services received and expenses incurred for such items of service, enumerating in detail the constituent components of the services received within each department of the licensed facility and including unit price data on rates charged by the licensed

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facility, as prescribed by the agency.

- (2)(a) Each such statement submitted pursuant to this section:
- 1. May not include charges of hospital-based physicians if billed separately.
- 2. May not include any generalized category of expenses such as "other" or "miscellaneous" or similar categories.
- 3. Shall list drugs by brand or generic name and not refer to drug code numbers when referring to drugs of any sort.
- 4. Shall specifically identify therapy treatment as to the date, type, and length of treatment when therapy treatment is a part of the statement.
- (b) Any person receiving a statement pursuant to this section shall be fully and accurately informed as to each charge and service provided by the institution preparing the statement.
- (3) On each itemized statement submitted pursuant to subsection (1) there shall appear the words "A FOR-PROFIT (or NOT-FOR-PROFIT or PUBLIC) HOSPITAL (or AMBULATORY SURGICAL CENTER) LICENSED BY THE STATE OF FLORIDA" or substantially similar words sufficient to identify clearly and plainly the ownership status of the licensed facility. Each itemized statement must prominently display the phone number of the medical facility's patient liaison who is responsible for expediting the resolution of any billing dispute between the patient, or his or her representative, and the billing department.
- (4) An itemized bill shall be provided once to the patient's physician at the physician's request, at no charge.
 - (5) In any billing for services subsequent to the initial

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billing for such services, the patient, or the patient's survivor or legal guardian, may elect, at his or her option, to receive a copy of the detailed statement of specific services received and expenses incurred for each such item of service as provided in subsection (1).

- (6) No physician, dentist, podiatric physician, or licensed facility may add to the price charged by any third party except for a service or handling charge representing a cost actually incurred as an item of expense; however, the physician, dentist, podiatric physician, or licensed facility is entitled to fair compensation for all professional services rendered. The amount of the service or handling charge, if any, shall be set forth clearly in the bill to the patient.
- (7) Each licensed facility not operated by the state shall provide, prior to provision of any nonemergency medical services, a written good faith estimate of reasonably anticipated charges for the facility to treat the patient's condition upon written request of a prospective patient. The estimate shall be provided to the prospective patient within 7 business days after the receipt of the request. The estimate may be the average charges for that diagnosis related group or the average charges for that procedure. Upon request, the facility shall notify the patient of any revision to the good faith estimate. Such estimate shall not preclude the actual charges from exceeding the estimate. The facility shall place a notice in the reception area that such information is available. Failure to provide the estimate within the provisions established pursuant to this section shall result in a fine of \$500 for each instance of the facility's failure to provide the

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requested information.

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- (8) Each licensed facility that is not operated by the state shall provide any uninsured person seeking planned nonemergency elective admission a written good faith estimate of reasonably anticipated charges for the facility to treat such person. The estimate must be provided to the uninsured person within 7 business days after the person notifies the facility and the facility confirms that the person is uninsured. The estimate may be the average charges for that diagnosis-related group or the average charges for that procedure. Upon request, the facility shall notify the person of any revision to the good faith estimate. Such estimate does not preclude the actual charges from exceeding the estimate. The facility shall also provide to the uninsured person a copy of any facility discount and charity care discount policies for which the uninsured person may be eliqible. The facility shall place a notice in the reception area where such information is available. Failure to provide the estimate as required by this subsection shall result in a fine of \$500 for each instance of the facility's failure to provide the requested information.
- (9) (a) A licensed facility, upon placing a patient in an observation status rather than an admission status, shall immediately notify the patient orally and in writing of his or her observation status and include the written notice of such status in the patient's record. Such oral and written notice shall include:
- 1. A statement that the patient has not been or is no longer admitted to the facility but has been placed in an observation status;

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2. A statement that placement in an observation status may affect the patient's Medicare, Medicaid, or private insurance coverage for:

- <u>a. Hospital services, including medications and</u> pharmaceutical supplies; and
- b. Home or community-based care or care at a skilled nursing facility, including rehabilitative services, upon the patient's discharge.
- 3. A statement recommending that the patient contact his or her health insurance provider to determine the implications of his or her placement in an observation status and his or her right to appeal the placement by the facility.
- (b) The patient or the patient's legal guardian, conservator, or other authorized representative must sign and date the written notice to be placed in the patient's record at the time of oral notification.
- (10) (9) A licensed facility shall make available to a patient all records necessary for verification of the accuracy of the patient's bill within 30 business days after the request for such records. The verification information must be made available in the facility's offices. Such records shall be available to the patient prior to and after payment of the bill or claim. The facility may not charge the patient for making such verification records available; however, the facility may charge its usual fee for providing copies of records as specified in s. 395.3025.
- (11) (10) Each facility shall establish a method for reviewing and responding to questions from patients concerning the patient's itemized bill. Such response shall be provided

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within 30 days after the date a question is received. If the patient is not satisfied with the response, the facility must provide the patient with the address of the agency to which the issue may be sent for review.

(12) (11) Each licensed facility shall make available on its Internet website a link to the performance outcome and financial data that is published by the Agency for Health Care Administration pursuant to s. 408.05(3)(k). The facility shall place a notice in the reception area that the information is available electronically and the facility's Internet website address.

Section 2. This act shall take effect July 1, 2015.