

# HOUSE . . . . . No. 2471

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## The Commonwealth of Massachusetts

PRESENTED BY:

***Michael J. Moran***

*To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:*

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act to promote parity in health care assessments.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Michael J. Moran</i>	<i>18th Suffolk</i>	<i>1/20/2017</i>

# HOUSE . . . . . No. 2471

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By Mr. Moran of Boston, a petition (accompanied by bill, House, No. 2471) of Michael J. Moran relative to health care assessments. Public Health.

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## The Commonwealth of Massachusetts

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In the One Hundred and Ninetieth General Court  
(2017-2018)  
\_\_\_\_\_

An Act to promote parity in health care assessments.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1           SECTION 1. Section 1 of chapter 6D of the General Laws, as appearing in the 2014  
2   Official Edition, is hereby amended by inserting after the definition of “Hospital service  
3   corporation” the following definition:—

4           “Limited services clinic”, a clinic that provides limited services as defined by section 52  
5   of chapter 111.

6           SECTION 2. Section 1 of said chapter 6D is hereby further amended by adding the  
7   following definitions:—

8           “Urgent Care”, a model of episodic care delivery that is primarily the immediate  
9   diagnosis, treatment, management or monitoring of acute and chronic disease, generally provided  
10   on a walk-in basis, and not intended as the patient’s primary care provider.

11          “Urgent care clinic”, a clinic that provides urgent care as defined by this section.

SECTION 3. Section 6 of said chapter 6D of the General Laws is hereby amended by striking out the first two paragraphs and inserting in place thereof the following two paragraphs:—

Each acute hospital; ambulatory surgical center; registered provider organization that is not otherwise owned by, a joint venture with, or affiliated with an existing acute care hospital in said hospital's primary service area; limited services clinic that is not otherwise owned by, a joint venture with, or affiliated with an existing acute care hospital in said hospital's primary service area; urgent care clinic that is not otherwise owned by, a joint venture with, or affiliated with an existing acute care hospital in said hospital's primary service area; and surcharge payor shall pay to the commonwealth an amount for the estimated expenses of the commission.

The assessed amount for hospitals; ambulatory surgical centers; registered provider organizations that are not otherwise owned by, a joint venture with, or affiliated with an existing acute care hospital in said hospital's primary service area; limited services clinics that are not otherwise owned by, a joint venture with, or affiliated with an existing acute care hospital in said hospital's primary service area; and urgent care clinics that are not otherwise owned by, a joint venture with, or affiliated with an existing acute care hospital in said hospital's primary service area shall be not less than 33 per cent of the amount appropriated by the general court for the expenses of the commission minus amounts collected from: (i) filing fees; (ii) fees and charges generated by the commission; and (iii) federal matching revenues received for these expenses or received retroactively for expenses of predecessor agencies. Each acute hospital; ambulatory surgical center; registered provider organization that is not otherwise owned by, a joint venture with, or affiliated with an existing acute care hospital in said hospital's primary service area; limited services clinic that is not otherwise owned by, a joint venture with, or affiliated with an

existing acute care hospital in said hospital's primary service area; and urgent care clinic that is not otherwise owned by, a joint venture with, or affiliated with an existing acute care hospital in said hospital's primary service area shall pay such assessed amount multiplied by the ratio of the hospital's, ambulatory surgical center's, registered provider organization's, limited services clinic's or urgent care clinic's gross patient service revenues to the total of all such hospital's, ambulatory surgical center's, registered provider organization's, limited services clinic's, or urgent care care's gross patient services revenues. Each acute hospital; ambulatory surgical center; registered provider organization that is not otherwise owned by, a joint venture with, or affiliated with an existing acute care hospital in said hospital's primary service area; limited services clinic that is not otherwise owned by, a joint venture with, or affiliated with an existing acute care hospital in said hospital's primary service area; and urgent care clinic that is not otherwise owned by, a joint venture with, or affiliated with an existing acute care hospital in said hospital's primary service area shall make a preliminary payment to the commission on October 1 of each year in an amount equal to 1/2 of the previous year's total assessment. Thereafter, each hospital; ambulatory surgical center; registered provider organization that is not otherwise owned by, a joint venture with, or affiliated with an existing acute care hospital in said hospital's primary service area; limited services clinic that is not otherwise owned by, a joint venture with, or affiliated with an existing acute care hospital in said hospital's primary service area; and urgent care clinic that is not otherwise owned by, a joint venture with, or affiliated with an existing acute care hospital in said hospital's primary service area shall pay, within 30 days notice from the commission, the balance of the total assessment for the current year based upon its most current projected gross patient service revenue. The commission shall subsequently adjust the assessment for any variation in actual and estimated expenses of the commission and

for changes in hospital, ambulatory surgical center, registered provider organization, limited services clinic, or urgent care clinic gross patient service revenue. Such estimated and actual expenses shall include an amount equal to the cost of fringe benefits and indirect expenses, as established by the comptroller under section 5D of chapter 29. In the event of late payment by any such hospital, ambulatory surgical center, registered provider organization, limited services clinic, or urgent care clinic, the treasurer shall advance the amount of due and unpaid funds to the commission prior to the receipt of such monies in anticipation of such revenues up to the amount authorized in the then current budget attributable to such assessments and the commission shall reimburse the treasurer for such advances upon receipt of such revenues. This section shall not apply to any state institution or to any acute hospital which is operated by a city or town.

SECTION 4. Section 1 of chapter 12C of the General Laws, as so appearing, is hereby amended by inserting after the definition of “Hospital service corporation” the following definition:—

“Limited services clinic”, a clinic that provides limited services as defined by section 51J of chapter 111.

SECTION 5. Section 1 of said chapter 12C is hereby further amended by adding the following definitions:—

“Urgent Care”, a model of episodic care delivery that is primarily the immediate diagnosis, treatment, management or monitoring of acute and chronic disease, generally provided on a walk-in basis, and not intended as the patient’s primary care provider.

“Urgent care clinic”, a clinic that provides urgent care as defined by this section.

SECTION 6. Section 7 of chapter 12C of the General Laws, as amended by section 1 of chapter 115 of the acts of 2016, is hereby amended by striking out the first two paragraphs and inserting in place thereof the following two paragraphs:—

Each acute hospital; ambulatory surgical center; registered provider organization that is not otherwise owned by, a joint venture with, or affiliated with an existing acute care hospital in said hospital's primary service area; limited services clinic that is not otherwise owned by, a joint venture with, or affiliated with an existing acute care hospital in said hospital's primary service area; urgent care that is not otherwise owned by, a joint venture with an existing acute care hospital in said hospital's primary service area; and surcharge payor shall pay to the commonwealth an amount for the estimated expenses of the center and for the other purposes described in this chapter which shall include any transfer made to the Community Hospital Reinvestment Trust Fund established in section 2TTTT of chapter 29.

The assessed amount for hospitals; ambulatory surgical centers; registered provider organizations that are not otherwise owned by, a joint venture with, or affiliated with an existing acute care hospital in said hospital's primary service area; limited services clinics that are not otherwise owned by, a joint venture with, or affiliated with an existing acute care hospital in said hospital's primary service area; and urgent clinics that are not otherwise owned by, a joint venture with, or affiliated with an existing acute care hospital in said hospital's primary service area shall be not less than 33 per cent of the amount appropriated by the general court for the expenses of the center and for the other purposes described in this chapter which shall include any transfer made to the Community Hospital Reinvestment Trust Fund established in section 2TTTT of chapter 29 minus amounts collected from (1) filing fees; (2) fees and charges generated by the center's publication or dissemination of reports and information; and (3) federal

103 matching revenues received for these expenses or received retroactively for expenses of  
104 predecessor agencies. Each acute hospital; ambulatory surgical center; registered provider  
105 organization that is not otherwise owned by, a joint venture with, or affiliated with an existing  
106 acute care hospital in said hospital's primary service area; limited services clinic that is not  
107 otherwise owned by, a joint venture with, or affiliated with an existing acute care hospital in said  
108 hospital's primary service area; and urgent care clinic that is not otherwise owned by, a joint  
109 venture with, or affiliated with an existing acute care hospital in said hospital's primary service  
110 area shall pay the assessed amount multiplied by the ratio of the hospital's, ambulatory surgical  
111 center's, registered provider organization's, limited services clinic's, or urgent care clinic's gross  
112 patient service revenues to the total of all such hospital's, ambulatory surgical center's, registered  
113 provider organization's, limited services clinic's, and urgent care clinic's gross patient services  
114 revenues. Each acute hospital; ambulatory surgical center; registered provider organization that  
115 is not otherwise owned by, a joint venture with, or affiliated with an existing acute care hospital  
116 in said hospital's primary service area; limited services clinic that is not otherwise owned by, a  
117 joint venture with, or affiliated with an existing acute care hospital in said hospital's primary  
118 service area; and urgent care clinic that is not otherwise owned by, a joint venture with, or  
119 affiliated with an existing acute care hospital in said hospital's primary service area shall make a  
120 preliminary payment to the center on October 1 of each year in an amount equal to 1/2 of the  
121 previous year's total assessment. Thereafter, each hospital; ambulatory surgical center; registered  
122 provider organization that is not otherwise owned by, a joint venture with, or affiliated with an  
123 existing acute care hospital in said hospital's primary service area; limited services clinic that is  
124 not otherwise owned by, a joint venture with, or affiliated with an existing acute care hospital in  
125 said hospital's primary service area; and urgent care clinic that is not otherwise owned by, a joint

126 venture with, or affiliated with an existing acute care hospital in said hospital's primary service  
127 area shall pay, within 30 days notice from the center, the balance of the total assessment for the  
128 current year based upon its most current projected gross patient service revenue. The center shall  
129 subsequently adjust the assessment for any variation in actual and estimated expenses of the  
130 center and for changes in hospital, ambulatory surgical center, registered provider organization,  
131 limited services clinic or urgent care clinic gross patient service revenue. The estimated and  
132 actual expenses shall include an amount equal to the cost of fringe benefits and indirect  
133 expenses, as established by the comptroller under section 5D of chapter 29. In the event of late  
134 payment by any such hospital, ambulatory surgical center, registered provider organization,  
135 limited services clinic, or urgent care clinic, the treasurer shall advance the amount of due and  
136 unpaid funds to the center before the receipt of the monies in anticipation of the revenues up to  
137 the amount authorized in the then current budget attributable to the assessments and the center  
138 shall reimburse the treasurer for the advances upon receipt of the revenues. This section shall not  
139 apply to any state institution or to any acute hospital which is operated by a city or town.