

SENATE No. 777

The Commonwealth of Massachusetts

PRESENTED BY:

Paul W. Mark

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 relative to hospital billing and licensure.

PETITION OF:

NAME:

Paul W. Mark

DISTRICT/ADDRESS:

*Berkshire, Hampden, Franklin and
Hampshire*

SENATE No. 777

By Mr. Mark, a petition (accompanied by bill, Senate, No. 777) of Paul W. Mark for legislation relative to hospital billing and licensure. Health Care Financing.

The Commonwealth of Massachusetts

In the One Hundred and Ninety-Third General Court
(2023-2024)

An Act relative to hospital billing and licensure.

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. Chapter 111 of the General Laws is hereby amended by inserting the
2 following new section:

3 Section XX Hospital Billing and Licensure.

4 As used in this section, the following terms shall have the following meanings:

5 “Health Care Entity“, an acute care hospital as defined in section 25B of chapter 111 of
6 the Massachusetts General Laws and physician practice.

7 “Facility of Primary Licensure“, the single physical structure and location where the
8 majority of the hospital’s licensed beds or where most of the physician practices are located.

9 (b) Every health care entity that provides any services at a location other than its Facility
10 of Primary Licensure is prohibited from operating a Secondary Facility pursuant to the original
11 license of the Facility of Primary Licensure and is hereby required to obtain from the department

a new license for that location if the facility constitutes a Secondary Facility. A facility constitutes a Secondary Facility if:

The facility is physically located a distance greater than 500 yards, or

The facility requires or maintains separate heating, cooling, electric, sewer systems from the Facility of Primary Licensure.

(c) The licensed Secondary Facility shall obtain from the federal Centers for Medicare and Medicaid Services a separate National Provider Identification Number.

(d) Every health care facility, ambulatory surgical center, or outpatient facility shall bill all public and private payors for services using the National Provider Identification Number assigned to the specific facility and physical locations where the services were provided.

(e) No public or private payor shall be required to pay a claim billed by a health care facility, ambulatory surgical center, or outpatient facility not billed in accordance with this section.

(f) Subject to any agreement between the parties, a Secondary facility shall bill a carrier for services at a rate negotiated by the parties separately from the rates for the Facility of Primary Licensure or in the absence of an agreement, 110% of Medicare.

(g) Notwithstanding the provisions of this chapter, the department shall not grant a license to any Secondary Facility unless there is a determination by the department that there is a need for such a facility pursuant to section 25C. Secondary Facilities in operation as of the effective date of this section shall be exempt from the department's determination of need requirements for purposes of obtaining licensure as a Secondary Facility.

33 (h) The department, along with the office of the attorney general, shall have the authority
34 to enforce the requirements of this section.