HOUSE DOCKET, NO. 706 FILED ON: 1/19/2011

HOUSE . . . . . No. 602

The Commonwealth of Massachusetts

PRESENTED BY:

Ronald Mariano

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 passage of the accompanying:

An Act relative to transparent billing practices.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
Ronald Mariano	*3rd Norfolk*

HOUSE DOCKET, NO. 706 FILED ON: 1/19/2011

HOUSE . . . . . No. 602

By Mr. Mariano of Quincy, a petition (accompanied by bill, House, No. 602) of Ronald Mariano relative to health care facility, ambulatory surgical center or outpatient facility billing practices. Public Health.

The Commonwealth of Massachusetts

In the Year Two Thousand Eleven

An Act relative to transparent billing practices.

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

SECTION 1. Chapter 111 is hereby amended by inserting the following new section:

Section 51 ½. Hospital Billing and Licensure.

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

"Facility of Primary Licensure" means the single physical structure and location where the majority of the hospital's licensed beds are located.

(a) Every acute-care hospital that provides any services at a location other than its "Facility of Primary Licensure" is prohibited from operating a Secondary Facility pursuant to the original 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:

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

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

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

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

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

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

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

29 (g) The Department along with the Office of the Attorney General shall have the
30 authority to enforce the requirements of this section.