HOUSE DOCKET, NO. 1115 FILED ON: 1/16/2013

HOUSE . . . . . No. 1920

The Commonwealth of Massachusetts

PRESENTED BY:

Michael A. Costello

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 transparent billing practices.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
Michael A. Costello	*1st Essex*

HOUSE DOCKET, NO. 1115 FILED ON: 1/16/2013

HOUSE . . . . . No. 1920

By Mr. Costello of Newburyport, a petition (accompanied by bill, House, No. 1920) of Michael A. Costello relative to requiring that health care facilities, ambulatory surgical centers, or outpatient facilities bill all public and private payers for services using their assigned national provider identification number. Public Health.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE HOUSE, NO. *1471* OF 2011-2012.]

The Commonwealth of Massachusetts

In the Year Two Thousand Thirteen

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:

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. (c) 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. (d) 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. (e) Subject to any agreement

18 between the parties, a Secondary facility shall bill a carrier for services at a rate negotiated by the
19 parties separately from the rates for the Facility of Primary Licensure or in the absence of an
20 agreement, 110% of Medicare. (f) Notwithstanding the provisions of this chapter the Department
21 shall not grant a license to any Secondary Facility unless there is a determination by the
22 department that there is a need for such a facility pursuant to Section 25C. Secondary Facilities
23 in operation as of the effective date of this section shall be exempt from the Department's
24 determination of need requirements. (g) The Department along with the Office of the Attorney
25 General shall have the authority to enforce the requirements of this section.