

1 H.94

2 Introduced by Representatives O'Brien of Richmond, Hooper of Montpelier,
3 and Krowinski of Burlington

4 Referred to Committee on

5 Date:

6 Subject: Health; hospitals; observation status

7 Statement of purpose of bill as introduced: This bill proposes to require
8 hospitals to provide notice to individuals placed in observation status and to
9 alert individuals receiving observation services about the potential financial
10 implications.

11 An act relating to notification of individuals placed in hospital observation
12 status

13 It is hereby enacted by the General Assembly of the State of Vermont:

14 Sec. 1. 18 V.S.A. § 1905 is amended to read:

15 § 1905. LICENSE REQUIREMENTS

16 Upon receipt of an application for license and the license fee, the licensing
17 agency shall issue a license when it determines that the applicant and hospital
18 facilities meet the following minimum standards:

19 * * *

1 (22) All hospitals shall provide oral and written notice to each individual
2 that the hospital places in observation status as required by section 1911a of
3 this title.

4 Sec. 2. 18 V.S.A. § 1911a is added to read:

5 1911a. NOTICE OF HOSPITAL OBSERVATION STATUS

6 (a) Each hospital shall provide oral and written notice to each individual
7 that the hospital places in observation status within 24 hours of such
8 placement, unless the individual is discharged or leaves the hospital before the
9 24-hour period expires.

10 (b) Each oral and written notice shall include:

11 (1) a statement that the individual is under observation as an outpatient
12 and is not admitted to the hospital as an inpatient;

13 (2) an explanation of why the individual has not been admitted;

14 (3) a statement that observation status may affect the individual's
15 Medicare, Medicaid, or private insurance coverage for hospital services,
16 including medications and pharmaceutical supplies, and for home and
17 community-based care or rehabilitative services at a skilled nursing facility if
18 needed upon discharge from the hospital; and

19 (4) a recommendation that the individual contact his or her health
20 insurance provider or the Office of the Health Care Advocate to understand
21 better the implications of placement in observation status.

1 (c) Each written notice shall include the name and title of the hospital
2 representative who gave oral notice, the date and time oral notice was given,
3 and contact information for the Office of the Health Care Advocate.

4 (d) Oral and written notice shall be provided in a manner that is understood
5 by the individual placed in observation status. If the patient lacks the capacity
6 to understand the medical or financial implications of his or her observation
7 status, the oral and written notice shall be provided to his or her legal guardian
8 or authorized representative.

9 (e) Each written notice shall be signed and dated by the individual placed
10 in observation status, or, if applicable, by his or her legal guardian or
11 authorized representative, to verify receipt and an understanding of the oral
12 and written notice.

13 Sec. 3. EFFECTIVE DATE

14 This act shall take effect on July 1, 2015.