

HCS HB 579 -- HEALTH CARE

SPONSOR: Sater (Frederick)

COMMITTEE ACTION: Voted "do pass" by the Committee on Health Care Policy by a vote of 9 to 1.

This substitute changes the laws regarding fees for medical records, hospital licensure, MO HealthNet dental benefits, and the Missouri Rx Plan and authorizes the establishment of permanent sickle cell disease standing committees.

MEDICAL RECORDS FEES (Section 191.227, RSMo)

Currently, a health care provider can charge a fee of not more than \$17.05 for copying medical records plus 40 cents per page for supplies and labor to a patient. The substitute increases the fee to \$21.36 plus 50 cents per page for supplies and labor adjusted annually for inflation. A health care provider will also be allowed to include in the fee charged to a patient for a copy of his or her medical records a retrieval or handling fee, not to exceed \$36, charged by an outsourced records storage service with which the provider has contracted for off-site records storage and management.

PERMANENT SICKLE CELL DISEASE STANDING COMMITTEE (Sections 191.305 and 191.310)

The Missouri Genetic Advisory Committee is authorized to establish permanent standing committees including, but not limited to, a permanent sickle cell disease standing committee to assess the impact of sickle cell disease on urban communities, examine the existing services and resources to address the needs of people with the disease, and develop recommendations for educational services to schools on the traits of the disease and its effects. The committee must meet in at least three urban regions of the state to receive public input and to examine trends in state sickle cell disease populations and their needs, existing services and resources, needed state policies or responses, and the replacement of the genetic testing and counseling program which has been eliminated due to lack of funding. A report of its findings and any recommendations must be submitted to the Governor and General Assembly by December 31, 2011. The committee must continue to meet at least once each year and submit an annual supplemental report until December 31, 2013.

HOSPITAL LICENSURE REGULATIONS (Sections 197.080, 197.100, and 536.031)

The substitute:

(1) Requires the Department of Health and Senior Services to review and revise its regulations governing hospital licensure and enforcement to promote efficiency and eliminate duplicate regulations and inspections by or on behalf of state and federal agencies;

(2) Requires regulations adopted by the department to include, but not be limited to:

(a) Ensuring that each citation or finding of a regulatory deficiency refer to the specific written and publicly available standard and associated written interpretive guidance that are the basis of the citation or finding;

(b) Being consistent with and not in contradiction to the federal Centers for Medicare and Medicaid Services' (CMS) Conditions of Participation for hospitals and associated interpretive guidance;

(c) Establishing and publishing a process and standards to determine if a complaint warrants an onsite investigation, except for an anonymous complaint;

(d) Limiting a complaint investigation performed by the department to the specific regulatory standard or standards raised by the complaint, unless there is an immediate safety threat; and

(e) Providing a hospital with a report of all complaints made against it;

(3) Requires the department to designate adequate and sufficient consultation and staffing resources to facilitate the annual inspection of hospitals necessary for licensure;

(4) Specifies that a hospital and its staff must have the opportunity to participate at least annually in training sessions provided to state licensure surveyors and in training of surveyors assigned to the inspection of hospitals to the fullest extent possible;

(5) Establishes specific timelines identical to those in CMS's State Operations Manual for state hospital officials to respond to a hospital regarding the status and outcome of pending investigations and possible regulatory action;

(6) Requires the department to accept a hospital inspection report from CMS-approved organizations in lieu of the

department's or other governmental organization's annual inspection report, limits the scope of a good cause departmental inspection to the specific regulatory standard raised by the complaint, and requires the department to accept a hospital inspection report from CMS-approved organizations for licensure purposes if the accreditation inspection was conducted within three years instead of within one year of the most recent license renewal for the hospital. Currently, the department inspects each licensed hospital annually and additionally when it is deemed necessary for good cause shown; and

(7) Allows the department when publishing hospital licensure regulations to incorporate by reference later additions and amendments to the guidelines, standards, or regulations as needed to consistently apply current standards of safety, quality, and practice.

#### MO HEALTHNET DENTAL BENEFITS (Section 208.240)

The MO HealthNet Division within the Department of Social Services, or a contractor of the division, is authorized to implement a statewide dental delivery system to ensure recipient participation of and access to providers of dental services under MO HealthNet.

#### MISSOURI RX PLAN (Section 208.798)

The substitute removes a provision which specifies that the statutes regarding the Missouri Rx Program must terminate following notice to the Missouri Revisor of Statutes by the Missouri Rx Plan Advisory Commission that the Medicare Prescription Drug, Improvement and Modernization Act of 2003 has been fully implemented and extends the expiration date on the provisions regarding the Missouri Rx Plan from August 28, 2011, to August 28, 2016.

The provisions regarding permanent sickle cell disease standing committees will expire December 31, 2013.

FISCAL NOTE: Estimated Net Cost on General Revenue Fund of Up to \$4,056,653 in FY 2012, Up to \$5,042,406 in FY 2013, and Up to \$5,223,052 in FY 2014. Estimated Net Cost on Other State Funds of \$19,602,166 in FY 2012, FY 2013, and FY 2014.

PROPOSERS: Supporters say that hospitals are over regulated and changes are needed to support increasing employment or retaining employees. Currently, hospital staff duplicate many efforts in order to comply with hospital licensure requirements. The Missouri Hospital Association and the Department of Health and Senior Services are in the process of revamping hospital

inspections. CMS contracts with state health agencies to administer hospital licensure and perform inspections. The bill will allow the standards to be updated as the external standards change. State inspection officials are not allowed to offer advice when doing an inspection, only to note when a violation has occurred. Hospitals are more than willing to comply with standards, but cannot be faulted for not knowing the standard. The training that is offered in the bill will be very beneficial. Once an inspection is completed, a hospital has 10 days to become compliant; however, it is often weeks before it receives the report of violations resulting in the hospital being in violation for not correcting the problem in the required time frame.

Testifying for the bill were Representative Frederick; and Missouri Hospital Association.

OPPONENTS: There was no opposition voiced to the committee.

OTHERS: Others testifying on the bill say federal and state inspections are conducted at the same time. Federal regulations do not allow a surveyor to be an educator, only an evaluator. There is only an appeals process for state inspections. The use of inspections could result in less complaints and less enforcement costs. The department is currently conducting a rule revision process to make investigations and inspections less disruptive and more efficient and has increased the number of inspections in recent years despite no increase in staff. CMS oversees the department and will separately evaluate facilities that have received complaints. The department considers concerns over specific investigators and attempts to select investigators in a fair manner.

Testifying on the bill was Department of Health and Senior Services.