

HOUSE BILL NO. _____

Hospital regulation.

Sponsored by: Joint Labor, Health and Social Services
Interim Committee

A BILL

for

1 AN ACT relating to hospitals; providing for posting of
2 prices; providing for the posting of quality indicators and
3 other data; providing for the creation and regulation of a
4 state web site for the posting of prices and quality
5 information; requiring hospitals to accept Medicare and
6 Medicaid patients; creating the uncompensated hospital care
7 fund; providing transfer payments from hospitals to the
8 uncompensated care fund to defray losses incurred by
9 uncompensated care; providing definitions; granting
10 rulemaking authority; providing appropriations; and
11 providing for an effective date.

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13 *Be It Enacted by the Legislature of the State of Wyoming:*

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15 **Section 1.** W.S. 35-2-913 through 35-2-917 are created
16 to read:

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35-2-913. Definitions.

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(a) As used in this act:

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(i) "Ambulatory surgical center" means as defined in W.S. 35-2-901(a)(ii);

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(ii) "Department" means the department of health;

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(iii) "Hospital" means a hospital as defined in W.S. 35-2-901(a)(xiii), which is licensed pursuant to W.S. 35-2-901 through 35-2-912 and which permits stays of longer than twenty-four (24) hours;

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(iv) "Medicaid" means the program and services provided pursuant to the Wyoming Medical Assistance and Services Act and Title XIX of the federal Social Security Act;

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(v) "Medicare" means the health insurance program operated by the federal government for the aged and

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1 disabled pursuant to Title XVIII of the federal Social
2 Security Act;

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4 (vi) "This act" means W.S. 35-2-913 through
5 35-2-917.

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7 **35-2-914. Posting of prices and quality information.**

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9 (a) The department shall develop and make available
10 free of charge to the public, via the Internet, the World
11 Wide Web or a similar proprietary or common carrier
12 electronic system, a web site for the posting of price and
13 quality information relating to hospitals. The information
14 posted shall be indexed by disease, by procedure, by
15 institution or by any combination of these with an
16 appropriate cross index. The web site shall permit the
17 institutions to describe in footnotes the services included
18 or not included in the posted prices, with easy reference
19 between the posted prices and any footnotes. The web site
20 shall contain a section where the institutions may post
21 phone numbers, internet addresses, postal addresses, maps
22 and directions to the institutions physical location and
23 other information the institutions deem relevant. The
24 department may limit the size of these postings.

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2 (b) The department shall permit ambulatory surgical
3 centers to post cost and quality information where relevant
4 in the same manner as hospitals, but may phase this option
5 in over time as needed to facilitate the orderly
6 development of the web site.

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8 (c) The department shall specify by rule and
9 regulation the information to be posted and the frequency
10 of updates permitted. The department may distinguish
11 between mandatory and optional postings. The department
12 may phase in requirements and options to facilitate the
13 orderly development of the web site and may add
14 requirements and options from time to time. Updates shall
15 be permitted at least once per month and the department is
16 encouraged to permit more frequent updates. The department
17 may require periodic updates of specified information.

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19 (d) The following information shall be required:

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21 (i) The standard or base per day charge for
22 inpatients;

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1 (ii) The average per day charge for private pay
2 patients for the preceding calendar year which shall be
3 computed by dividing the total charges billed private pay
4 inpatients by the number of private pay inpatient days in
5 that year. For purposes of this paragraph, the hospital
6 shall include in the calculation patients for whom a
7 government entity pays in a manner similar to the manner in
8 which private insurance pays for private patients;

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10 (iii) Any separate charges for nonprescription
11 painkillers and any administration charge for
12 nonprescription painkillers;

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14 (iv) If the hospital normally admits obstetric
15 patients, the hospital's standard charges for obstetric
16 care;

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18 (v) The hospital's infection rate, calculated as
19 provided in department rules and regulations;

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21 (vi) For each procedure reported separately
22 pursuant to subsection (a) of this section, the
23 complication rate calculated as provided in department
24 rules and regulations.

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2 (e) The department shall specify by rule and
3 regulation other procedures for which hospitals' prices and
4 complication rates shall be posted. The goal of the
5 department shall be to have at least ten (10) different
6 procedures or conditions posted by July 1, 2008. The
7 department may as appropriate from time to time add or
8 subtract procedures from the required postings. In
9 selecting procedures, the department shall consider:

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11 (i) The frequency of the procedure;

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13 (ii) Whether the procedure is normally done on
14 an elective basis, where the patient will have the time to
15 compare posted data, or an emergency basis;

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17 (iii) The relative ease of quoting a meaningful
18 price for a single procedure or for a limited number of
19 procedures normally provided and billed in combination.

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21 (f) The department may from time to time add or
22 subtract quality measures to the postings required.

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24 **35-2-915. Medicaid and Medicare patients to be served.**

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2 All hospitals licensed in Wyoming shall serve Medicare and
3 Medicaid patients and shall not discriminate in admission
4 or treatment against patients covered by the Medicare and
5 Medicaid programs.

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7 **35-2-916. Uncompensated care.**

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9 (a) When more than one (1) hospital is located within
10 ten (10) miles of the corporate limits of a city or town,
11 each hospital shall calculate for each calendar quarter its
12 uncompensated care expenditures per inpatient day. All
13 patients, including Medicare and Medicaid patients, shall be
14 included in the calculation. The calculation for any quarter
15 shall not be made until one hundred eighty (180) days have
16 elapsed from the date the bill for services was first sent to
17 the patient or the patient's representative.

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19 (b) For purposes of calculating uncompensated care
20 expenditures, a patient's cost of care exceeding the
21 compensation received for that patient shall be a positive
22 number and the cost of a patient's care which is less than
23 the compensation received for that patient shall be a
24 negative number.

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2 (c) From the number calculated pursuant to subsection
3 (b) of this section, ten percent (10%) of the total costs
4 according to the Medicare cost reports shall be deducted.
5 The balance remaining, if positive, shall be submitted to the
6 department in the manner provided by rule and regulation of
7 the department.

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9 (d) If Medicare cost reports do not cover all
10 inpatient procedures of the hospital or the federal
11 government eliminates or changes the Medicare cost
12 reporting so that it is no longer useful for the purposes
13 of this act, the department shall prescribe a hospital cost
14 reporting system by rule and regulation.

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16 (e) For purposes of this section, "uncompensated care"
17 means the difference between the actual compensation received
18 by a hospital and the hospital's costs as shown on its
19 Medicare cost reports.

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21 **35-2-917. Uncompensated care fund established;**
22 **distributions.**

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1 (a) The uncompensated hospital care fund is established
2 as an earmarked account to consist of funds appropriated by
3 law and those amounts submitted to the department pursuant to
4 W.S. 35-2-916(c). The following shall apply to the account:

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6 (i) Funds in the account are continuously
7 appropriated to the department and shall be distributed on
8 a quarterly basis to all hospitals in the state to equalize
9 expenditures for uncompensated care;

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11 (ii) Funds in the account shall not be
12 distributed for costs incurred before December 31, 2007;

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14 (iii) Available funds shall be distributed to
15 hospitals on a pro rata basis reflecting the relative
16 proportion of each hospital's quarterly expenditures for
17 uncompensated care to the statewide total quarterly
18 expenditures for uncompensated care.

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20 (b) The department shall promulgate rules and
21 regulations to administer the fund. The rules and
22 regulations shall include provisions for:

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1 (i) Ensuring that reimbursements do not exceed
2 available funds;

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4 (ii) Limiting reimbursement to the necessary
5 support of the poor;

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7 (iii) Preventing duplication between
8 distributions from the account and proceeds of insurance.

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10 (c) The department may contract with a fiscal agent
11 to make the actual payments and conduct any necessary
12 audits or distribution requests. Distribution requests
13 shall be made in a form and manner prescribed by the
14 department. The department or its agent on its behalf may
15 request any documentation it deems necessary to support any
16 request for reimbursement.

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18 **Section 2.** There is appropriated to the department of
19 health, for the purposes of establishing and operating the
20 web site required by W.S. 35-2-914 created by this act, fifty
21 thousand dollars (\$50,000.00) from the general fund for the
22 biennial period ending June 30, 2008.

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1 **Section 3.** This act is effective immediately upon
2 completion of all acts necessary for a bill to become law
3 as provided by Article 4, Section 8 of the Wyoming
4 Constitution.

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(END)