

Summary for HB4653

Submits the final House version of the "market review" bill, which would overhaul oversight of and payments to hospitals, and make a number of other health care and cost containment reforms — specifically, the bill would:

- Establish a new Division of Health Insurance responsible for overseeing the health insurance market and carriers, and developing affordability standards;
- Create a new 3-year "benchmark cycle" for determining projected health care cost growth;
- Require HPC to develop a rate equity target in order to phase in increased payments to "low historic relative price hospitals" which disproportionately serve vulnerable populations;
- Substantially expand the scope of HPC's material change notice process and its cost and market impact reviews;
- Transfer the Health Planning Council to within HPC, and task it with developing a State Health Plan to account for anticipated demand, supply, and distribution of health care resources over a 5-year period;
- Expand CHIA hospital oversight, including by requiring hospitals to disclose information relating to any significant equity investors, health care real estate investment trusts, management services organizations, or a parent organization's out-of-state operations;
- Increase penalties for failure to comply with CHIA reporting requirements, including fines of up to \$25,000 per violation;
- Expand the ability of CHIA to refer health care entities to HPC, including for contributing to excessive cost growth, or failing to comply with reporting requirements;
- Expand DPH's determination of need process, including by subjecting any acquisition of an existing health care facility to the process, and requiring any proposed new ambulatory surgical centers to have a letter of support from any existing independent community hospitals with an overlapping service area;
- Require any licensed clinics or physician practices to provide 180-day advanced notice to DPH prior to any sale, relocation, or closure, and authorize DPH to conduct a public hearing on the proposed action;
- Prohibit the issuance of any new licenses for hospitals that lease the site of their main campus from a health care real estate investment trust, but grandfather in any hospitals with such an arrangement in place as of April 1, 2024;
- Direct DPH to develop regulations and practice standards relating to the licensure of both office-based surgical centers and urgent care centers;
- Require the Board of Registration in Medicine to maintain a registry of all physician practices with more than 10 physicians; and
- Require licensed physicians to provide 180-day advanced notice to their patients when they intend to terminate a physician-patient relationship.