

State of South Dakota

EIGHTY-SECOND SESSION
LEGISLATIVE ASSEMBLY, 2007

481N0685

HOUSE BILL NO. 1167

Introduced by: Representatives Dykstra, Cutler, Halverson, Jerke, Nygaard, and Rave and
Senators Dempster, Hansen (Tom), Heidepriem, Jerstad, Katus, and Olson
(Ed)

1 FOR AN ACT ENTITLED, An Act to require hospitals to report additional information on
2 hospital reimbursements and to report performance outcome data and to provide that this
3 information be available on the Department of Health's web site.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

5 Section 1. That § 34-12E-11 be amended to read as follows:

6 34-12E-11. Any hospital licensed pursuant to chapter 34-12 shall report annually to the
7 Department of Health the ~~charges~~ reimbursement it received for the ~~twenty-five~~ fifty most
8 common inpatient and outpatient diagnostic-related groups for which there are at least ten cases
9 rendered by the hospital during the twelve months preceding the report. The Department of
10 Health shall promulgate rules pursuant to chapter 1-26 to provide for the reporting of ~~charges~~
11 reimbursements by hospitals. The rules shall include:

- 12 (1) The method for hospitals to report ~~charges~~ reimbursements to the department;
- 13 (2) Standards that provide for the validity and comparability of ~~charge~~ reimbursement
14 reports; and
- 15 (3) The format for making ~~charge~~ reimbursement reports available to the public.



1 Section 2. That chapter 34-12E be amended by adding thereto a NEW SECTION to read as
2 follows:

3 Any hospital licensed pursuant to chapter 34-12 shall report annually to the Department of
4 Health performance outcome data for the procedures specified in § 34-12E-11. The department
5 shall, by rules promulgated pursuant to chapter 1-26, establish the reporting requirements using
6 standardized clinical outcome measures recognized by national organizations that establish
7 standards to measure the performance of hospitals. The performance outcome data may include
8 such information as length of stay, readmission rates, mortality rates, complication rates, and
9 infection rates.

10 Section 3. That § 34-12E-12 be amended to read as follows:

11 34-12E-12. The Department of Health shall make available the hospital ~~charge~~
12 reimbursement reports required by § 34-12E-11 and the performance outcome data required by
13 section 2 of this Act on its web site. The ~~charge reimbursement~~ reports shall include disclaimers
14 regarding factors, including case severity ratings and individual patient variations, which may
15 affect actual ~~charges to a patient~~ reimbursements to a hospital for services rendered. Upon
16 request, the department shall provide the ~~charge reimbursement~~ reports by first class mail.

17 Section 4. That § 34-12E-13 be amended to read as follows:

18 34-12E-13. For the purposes of §§ 34-12E-11 to 34-12E-13, inclusive, the term, ~~charge~~
19 reimbursement, is that amount that a hospital would expect to ~~charge get paid~~
20 or outpatient diagnostic-related group. Any ~~charge reimbursement~~ that is required by §§ 34-12E-
21 11 to 34-12E-13, inclusive, to be reported to the public shall be the median ~~charge~~
22 reimbursement for all cases of the diagnostic-related group occurring in the twelve months
23 preceding the report.

24 Section 5. This Act is effective on January 1, 2009.