

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 876
OFFERED BY MR. RYAN OF WISCONSIN**

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “Notice of Observation
3 Treatment and Implication for Care Eligibility Act” or the
4 “NOTICE Act”.

**5 SEC. 2. MEDICARE REQUIREMENT FOR HOSPITAL NOTIFI-
6 CATIONS OF OBSERVATION STATUS.**

7 Section 1866(a)(1) of the Social Security Act (42
8 U.S.C. 1395cc(a)(1)) is amended—

9 (1) in subparagraph (V), by striking at the end
10 “and”;

11 (2) in the first subparagraph (W), by striking
12 at the end the period and inserting a comma;

13 (3) in the second subparagraph (W)—

14 (A) by redesignating such subparagraph as
15 subparagraph (X); and

16 (B) by striking at the end the period and
17 inserting “, and”; and

1 (4) by inserting after such subparagraph (X)
2 the following new subparagraph:

3 “(Y) beginning 12 months after the date of the
4 enactment of this subparagraph, in the case of a
5 hospital or critical access hospital, with respect to
6 each individual who receives observation services as
7 an outpatient at such hospital or critical access hos-
8 pital for more than 24 hours, to provide to such in-
9 dividual not later than 36 hours after the time such
10 individual begins receiving such services (or, if soon-
11 er, upon release)—

12 “(i) such oral explanation of the written
13 notification described in clause (ii), and such
14 documentation of the provision of such expla-
15 nation, as the Secretary determines to be ap-
16 propriate;

17 “(ii) a written notification (as specified by
18 the Secretary pursuant to rulemaking and con-
19 taining such language as the Secretary pre-
20 scribes consistent with this paragraph) which—

21 “(I) explains the status of the indi-
22 vidual as an outpatient receiving observa-
23 tion services and not as an inpatient of the
24 hospital or critical access hospital and the
25 reasons for such status of such individual;

1 “(II) explains the implications of such
2 status on services furnished by the hospital
3 or critical access hospital (including serv-
4 ices furnished on an inpatient basis), such
5 as implications for cost-sharing require-
6 ments under this title and for subsequent
7 eligibility for coverage under this title for
8 services furnished by a skilled nursing fa-
9 cility;

10 “(III) includes such additional infor-
11 mation as the Secretary determines appro-
12 priate;

13 “(IV) either—

14 “(aa) is signed by such individual
15 or a person acting on such individ-
16 ual’s behalf to acknowledge receipt of
17 such notification; or

18 “(bb) if such individual or person
19 refuses to provide the signature de-
20 scribed in item (aa), is signed by the
21 staff member of the hospital or crit-
22 ical access hospital who presented the
23 written notification and includes the
24 name and title of such staff member,
25 a certification that the notification

1 was presented, and the date and time
2 the notification was presented; and
3 “(V) is written and formatted using
4 plain language and is made available in ap-
5 propriate languages as determined by the
6 Secretary.”.

