

# State of South Dakota

## EIGHTY-SECOND SESSION LEGISLATIVE ASSEMBLY, 2007

607N0419

### SENATE BILL NO. 130

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

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.



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

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

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

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

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

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

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