

ONE HUNDRED SECOND LEGISLATURE - FIRST SESSION - 2011
COMMITTEE STATEMENT
LB152

Hearing Date: Monday February 14, 2011
Committee On: Business and Labor
Introducer: Lathrop
One Liner: Change applicability of a medical fee schedule under the Nebraska Workers' Compensation Act

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:
Aye: 6 Senators Ashford, Carlson, Cook, Lathrop, Smith, Wallman
Nay:
Absent: 1 Senator Harr
Present Not Voting:

Proponents:
Steve Lathrop
Fred Salzinger
Bruce Rieker
Steven Howard

Representing:
Introducer
Creighton University
Nebraska Hospital Association
State AFL-CIO

Opponents:
Korby Gilbertson
Bob Hallstrom

Representing:
Property Casualty Insurers Association of America
Nebraskans for Workers' Compensation Equity and Fairness, National Federation of Independent Business, Nebraska Chamber of Commerce and Industry, Greater Omaha Chamber of Commerce, Lincoln Chamber of Commerce, Nebraska Cattleman's Association

Neutral:

Representing:

Summary of purpose and/or changes:

LB 152 would exempt claims for inpatient trauma services from the Diagnostic Related Group inpatient hospital fee schedule. The Diagnostic Related Group inpatient hospital fee schedule was established by the legislature through LB 588 in 2007. This schedule is largely based on Medicare's payment method. Concerns were raised from the hospitals providing trauma care that the schedule would not cover the extensive costs associated with providing trauma care. Since 2007, the legislature has extended the operative date for inpatient trauma services. If LB 152 is adopted, claims would continue to be reimbursed by scheduled fees established by the compensation court for services not covered by the Diagnostic Related Group inpatient hospital fee schedule or as contracted.

Explanation of amendments:

The committee amendment replaces the bill. The amendment creates a similar fee schedule that the legislature adopted in 2007 pertaining to non-trauma inpatient hospital services. Hospitals providing inpatient trauma care will be reimbursed 160% of its medicare rate. For those "outlier" cases that require unusual expense to treat, the bill provides additional compensation. For outlier cases there is a stop loss threshold. The stop loss threshold is a dollar amount

which is 1.25 times the basic reimbursement. When billed charges are greater than the stop loss threshold amount, hospitals will be reimbursed the basic reimbursement plus 65% of the amount above the stop loss threshold.

Steve Lathrop, Chairperson