

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2007**

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**HOUSE BILL 1772**

Short Title: Medicare Hosp. Patients/Notice of Drug Covg. (Public)

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Sponsors: Representatives Cotham; Alexander, Allen, Bryant, Carney, Dickson, Fisher, Glazier, Goodwin, T. Harrell, Harrison, Insko, Luebke, Pierce, Tarleton, Tolson, Underhill, R. Warren, Weiss, and Womble.

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Referred to: Health, if favorable, Judiciary III.

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April 19, 2007

A BILL TO BE ENTITLED

1 AN ACT TO REQUIRE HOSPITALS TO NOTIFY MEDICARE PATIENTS WHO  
2 ARE ADMITTED FOR OBSERVATION ONLY WHETHER MEDICARE WILL  
3 COVER ANY DRUGS SUPPLIED BY THE HOSPITAL DURING THE  
4 OBSERVATION PERIOD.  
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6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** Part 2 of Article 5 of Chapter 131E of the General Statutes is  
8 amended by adding the following new section to read:

9 "**§ 131E-79.2. Notice of prescription drug noncoverage by Medicare.**

10 A hospital licensed pursuant to this Chapter or Chapter 122C of the General Statutes  
11 shall provide notice to a patient who is covered by Medicare and admitted to the  
12 hospital for observation only, whether Medicare will cover prescription or  
13 nonprescription drugs provided by the hospital during the period of observation. The  
14 hospital shall provide this information before the individual is admitted for observation.  
15 The notice shall also indicate whether the hospital will permit the administration of the  
16 patient's own prescribed or over-the-counter drugs during the observation period, and, if  
17 not, the rate the hospital will charge for providing prescription or nonprescription drugs  
18 during the observation period."

19 **SECTION 2.** This act becomes effective October 1, 2007.