

REVENUE: No revenue impact

FISCAL: Fiscal statement issued

Action:	Do Pass
Vote:	4 - 3 - 0
Yeas:	Buckley, Hunt, Roblan, Rosenbaum
Nays:	Berger, Esquivel, Thatcher
Exc.:	-
Prepared By:	Jim Stembridge, Administrator
Meeting Dates:	6/4, 6/6

WHAT THE MEASURE DOES: Prohibits hospitals from billing to or attempting to collect from uninsured patients charges that exceed either Medicare rates or rates paid by hospital's highest volume insurer. Allows patients to claim treble damages and attorney fees if hospital bills or attempts to collect charges that are in violation of the Act. Takes effect on 91st day following adjournment sine die.

ISSUES DISCUSSED:

- Hospital incomes and expenditures
- Fairness in hospital billings
- Statistics on hospital costs, usage, charges, and collections trends
- Discounts for insurance companies
- Regulated hospital rates in the state of Maryland
- Current hospital charity levels, hospital charity policies, and availability of those policies to the public
- Residency requirement
- Higher-income people who choose not to have health insurance

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: The cost of hospital care is normally covered, in part, by Medicare, Medicaid, or commercial insurance, with the patient often responsible for co-payments. Uninsured individuals are responsible for all costs. Since hospital care is often expensive, especially for complicated procedures, individuals without insurance incur high out-of-pocket costs, which they often cannot or will not pay. Hospitals typically provide charitable care for people who do not have health insurance or adequate resources. Some hospitals, such as Providence in Portland, have specific policies on the amount an individual will be charged when the patient has a certain percentage of income at the federal poverty level.

According to a 2007 report from the Office of Oregon Health Policy and Research, "Oregon's hospitals are experiencing increasing operating margins, which reflect hospital financial performance based on its primary activity—direct patient care." The report notes that the statewide median operating margin was 2.3 percent in 2003, increasing to 3.1 percent in 2005.

HB 3088-A was amended by the House Committee on Health Care.

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This summary has not been adopted or officially endorsed by action of the committee.