

A-Engrossed
House Bill 3290

Ordered by the House April 11
Including House Amendments dated April 11

Sponsored by Representative GREENLICK; Senator MONNES ANDERSON (at the request of Oregon Association of Hospitals and Health Systems)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Requires Administrator of Office for Oregon Health Policy and Research to establish community benefit reporting system for hospitals operating in Oregon, produce report of data received and provide report to Governor and members of Legislative Assembly. Requires that report be made available to public. **Provides that failure of hospital to comply with community benefit reporting requirement may be subject to civil penalty.**

A BILL FOR AN ACT

1
2 Relating to hospital reporting of community benefits; creating new provisions; and amending ORS
3 442.445.

4 Whereas Oregon's hospitals have demonstrated a continuing commitment to providing
5 sustainable and effective community benefit programs to identify and address unmet health needs in
6 the communities they serve; and

7 Whereas Oregon's hospitals provide a wide range of such benefits to their communities in ad-
8 dition to those reflected in the financial data historically reported to the state; and

9 Whereas it is in the public interest to have hospitals annually document and report to
10 policymakers and the public on the cost of such services; now, therefore,

11 **Be It Enacted by the People of the State of Oregon:**

12 **SECTION 1. Sections 2 and 3 of this 2007 Act are added to and made a part of ORS**
13 **chapter 442.**

14 **SECTION 2. As used in this section and section 3 of this 2007 Act:**

15 (1) **"Charity care" means free or discounted health services provided to persons who**
16 **cannot afford to pay and from whom a hospital has no expectation of payment. "Charity**
17 **care" does not include bad debt, contractual allowances or discounts for quick payment.**

18 (2) **"Community benefit" means a program or activity that provides treatment or pro-**
19 **motes health and healing in response to an identified community need. "Community**
20 **benefit" includes:**

21 (a) **Charity care;**

22 (b) **Losses related to Medicaid, Medicare, State Children's Health Insurance Program or**
23 **other publicly funded health care program shortfalls;**

24 (c) **Community health improvement services;**

25 (d) **Research;**

26 (e) **Financial and in-kind contributions to the community; and**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 **(f) Community building activities affecting health in the community.**

2 **SECTION 3. (1) The Administrator of the Office for Oregon Health Policy and Research**
3 **shall by rule adopt a cost-based community benefit reporting system for hospitals operating**
4 **in Oregon that is consistent with established national standards for hospital reporting of**
5 **community benefits.**

6 **(2) Within 90 days of filing a Medicare cost report, a hospital must submit a community**
7 **benefit report to the Office for Oregon Health Policy and Research of the community benefits**
8 **provided by the hospital, on a form prescribed by the administrator.**

9 **(3) The administrator shall produce an annual report of the information provided under**
10 **subsections (1) and (2) of this section. The report shall be submitted to the Governor, the**
11 **President of the Senate and the Speaker of the House of Representatives. The report shall**
12 **be presented to the Legislative Assembly during each regular session and shall be made**
13 **available to the public.**

14 **(4) The administrator may adopt all rules necessary to carry out the provisions of this**
15 **section.**

16 **SECTION 4. ORS 442.445 is amended to read:**

17 442.445. (1) Any health care facility that fails to perform as required in ORS 442.400 to 442.463
18 **and section 3 of this 2007 Act** and rules of the Office for Oregon Health Policy and Research may
19 be subject to a civil penalty.

20 (2) The Administrator of the Office for Oregon Health Policy and Research shall adopt a
21 schedule of penalties not to exceed \$500 per day of violation, determined by the severity of the vi-
22 olation.

23 (3) Civil penalties under this section shall be imposed as provided in ORS 183.745.

24 (4) Civil penalties imposed under this section may be remitted or mitigated upon such terms and
25 conditions as the administrator considers proper and consistent with the public health and safety.

26 (5) Civil penalties incurred under any law of this state are not allowable as costs for the purpose
27 of rate determination or for reimbursement by a third-party payer.

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