

# Senate Bill 988

Sponsored by Senators BATES, WESTLUND; Senator MONNES ANDERSON

## 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 **as introduced**.

Prohibits hospitals from charging uninsured or underinsured patients for hospital services at rates exceeding Medicare payment rates.

## A BILL FOR AN ACT

1  
2 Relating to hospital charges.

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

4 **SECTION 1. As used in this section and section 2 of this 2007 Act:**

5 (1) "Health benefit plan" has the meaning given that term in ORS 743.730.

6 (2) "Hospital" has the meaning given that term in ORS 442.015.

7 (3) "Underinsured" means being enrolled in a health benefit plan:

8 (a) That does not cover the costs of the hospital stay for which the enrollee is being  
9 charged; or

10 (b) That covers some portion of the costs of the hospital stay for which the enrollee is  
11 being charged, but the total deductibles, coinsurance, copayments or other cost-sharing re-  
12 quirements for which the enrollee is obligated for the hospital stay exceeds the enrollee's  
13 ability to pay as determined under section 2 of this 2007 Act.

14 (4) "Uninsured" means not being enrolled in an unsubsidized or privately funded health  
15 benefit plan.

16 **SECTION 2. (1) A hospital that has provided a health care service to an uninsured or**  
17 **underinsured patient may not charge or attempt to collect from the patient an amount in**  
18 **excess of the rate paid by Medicare for the same service. Charges exceeding the Medicare**  
19 **rate are void and unenforceable as contrary to public policy.**

20 (2) In determining whether an enrollee is underinsured for the purpose of applying sub-  
21 section (1) of this section, an enrollee is rebuttably presumed able to pay in total cost-  
22 sharing for a hospital stay no more than:

23 (a) For families with incomes below 250 percent of the federal poverty guidelines, annual  
24 payments at or below five percent of the current family income over a period of five years;  
25 or

26 (b) For families with incomes at or above 250 percent of the federal poverty guidelines,  
27 annual payments at or below 10 percent of the current family income over a period of five  
28 years.

29 (3) Nothing in this section affects a hospital's ability to initiate an action against an in-  
30 dividual patient or the patient's estate to collect coinsurance, deductibles or charges arising  
31 from care provided at a hospital where the coinsurance, deductibles or charges may be eli-

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 **gible for reimbursement through awards, settlements or judgments arising from claims,**  
2 **suits or proceedings.**

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