

House Bill 3347

Sponsored by Representative BARTON; Representatives C EDWARDS, KAHL, KOMP

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 billing or attempting to collect from uninsured patients charges at rates that exceed either Medicare rate or rate paid by hospital's highest volume insurer. Requires hospital to provide patients with written notice explaining hospital's policy for rates charged to uninsured patients and to post notices of policy in conspicuous locations. Allows patient to claim treble damages and attorney fees if hospital bills or attempts to collect charges in violation of Act. Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to hospital charges; creating new provisions; amending ORS 442.400, 442.405 and 442.460;
3 and prescribing an effective date.

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

5 **SECTION 1. (1) As used in this section:**

6 (a) **"Health benefit plan" has the meaning given that term in ORS 743.730.**

7 (b) **"Highest volume insurer" means the insurer or third-party payer that has a contract**
8 **to pay claims for reimbursement for services provided by the hospital and that incurred the**
9 **greatest number of claims from the hospital in the previous calendar year.**

10 (c) **"Hospital" has the meaning given that term in ORS 442.015, excluding special inpa-**
11 **tient care facilities or inpatient psychiatric facilities that are operated by the state.**

12 (d) **"Uninsured patient" means an individual who is not covered for hospital services by**
13 **state medical assistance, Medicare or a health benefit plan.**

14 (2) **A hospital may not charge to or attempt to collect a charge from an uninsured pa-**
15 **tient that exceeds the rate charged by the hospital for the same service to Medicare or the**
16 **hospital's highest volume insurer. A hospital must choose one rate scale for all charges**
17 **subject to this section.**

18 (3) **A hospital shall provide patients with a written notice explaining the hospital's policy**
19 **on rates charged to uninsured patients and providing contact information for a hospital**
20 **employee or office from which a person may obtain a copy of and further information about**
21 **the policy. The hospital also shall provide notice to patients who receive emergency or out-**
22 **patient care and who may be billed for that care, but who were not admitted to the hospital.**
23 **The notice shall be provided in English and in languages other than English as required by**
24 **state and federal law.**

25 (4) **The hospital shall post notices of the hospital's policy on rates charged to uninsured**
26 **patients in conspicuous locations that are visible to the public, including, but not limited to:**

27 (a) **Emergency departments;**

28 (b) **Billing offices;**

29 (c) **Admitting offices; 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.

(d) Patient waiting areas in outpatient care settings.

SECTION 2. (1) If a hospital initiates an action for collection in violation of section 1 of this 2009 Act, the patient or the patient’s representative or estate may maintain an action in any court of general equitable jurisdiction of this state to prevent, restrain or enjoin the violation or threatened violation. If in such action, a violation or threatened violation of section 1 of this 2009 Act is established, the court shall enjoin and restrain or otherwise prohibit such violation or threatened violation, and the plaintiff in the action is entitled to recover treble the amount of damages that the patient incurred. Damages shall be the amount by which the hospital charge exceeded the rate allowed under section 1 of this 2009 Act. The court may award reasonable attorney fees to the prevailing plaintiff in an action under this section.

(2) Actions brought under this section shall be commenced within four years from the date of the first billing.

SECTION 3. ORS 442.400 is amended to read:

442.400. As used in ORS 442.400 to 442.463, unless the context requires otherwise,]:

(1) “Health care facility” or “facility” means [such] a health care facility as defined by ORS 442.015, exclusive of a long term care facility, and includes all publicly and privately owned and operated health care facilities, but does not include facilities described in ORS 441.065.

(2) “Hospital” has the meaning given that term in ORS 442.015, excluding special inpatient care facilities or inpatient psychiatric facilities that are operated by the state.

SECTION 4. ORS 442.405 is amended to read:

442.405. The Legislative Assembly finds that rising costs and charges of health care facilities are a matter of vital concern to the people of this state. The Legislative Assembly finds and declares that it is the policy of this state:

(1) To require health care facilities to file for public disclosure reports that will enable both private and public purchasers of services from such facilities to make informed decisions in purchasing such services; [and]

(2) To encourage development of programs of research and innovation in the methods of delivery of institutional health care services of high quality with costs and charges reasonably related to the nature and quality of the services rendered[.]; and

(3) To endeavor to improve access to health care for all Oregonians and ensure that health care resources are equitably distributed among all populations.

SECTION 5. ORS 442.460 is amended to read:

442.460. In order to obtain regional or statewide data about the utilization and cost of health care services, the Office for Oregon Health Policy and Research may accept information relating to the **quality**, utilization, [and] cost **and cost efficiency** of health care services identified by the Administrator of the Office for Oregon Health Policy and Research from physicians, insurers or other third-party payers or employers or other purchasers of health care.

SECTION 6. This 2009 Act takes effect on the 91st day after the date on which the regular session of the Seventy-fifth Legislative Assembly adjourns sine die.