

D R A F T

SUMMARY

Prohibits nonprofit hospital from requiring patient to apply for medical assistance before screening for or providing financial assistance.

Adjusts series reference.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to health care; amending ORS 442.612, 442.614 and 646A.677 and
3 section 12, chapter 497, Oregon Laws 2019; and declaring an emergency.

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

5 **SECTION 1.** ORS 442.614 is amended to read:

6 442.614. A nonprofit hospital's written financial assistance policy de-
7 scribed in ORS 442.610 [*must*]:

8 (1) **Must** provide for adjusting a patient's costs as follows:

9 (a) For a patient whose household income is not more than 200 percent
10 of the federal poverty guidelines, by 100 percent; and

11 (b) For a patient whose household income is more than 200 percent of the
12 federal poverty guidelines and not more than 400 percent of the federal pov-
13 erty guidelines, the hospital shall adopt a policy establishing an adjustment
14 based on a sliding scale;

15 (2) **Must** apply to all of the hospital's nonprofit affiliated clinics;

16 (3) **Must** be translated into each language spoken by the lesser of 1,000
17 people or five percent of the population that resides in the nonprofit
18 hospital's service area;

19 (4) **Must** ensure that interpreter services are available to translate the
20 policy into languages other than those described in subsection (3) of this

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 section; *[and]*

2 (5) **Must** apply to all medically necessary services or supplies; **and**

3 (6) **May not require a patient to apply for medical assistance, as**
4 **defined in ORS 414.025, before the patient will be screened for or pro-**
5 **vided financial assistance.**

6 **SECTION 2.** ORS 442.614, as amended by section 3, chapter 497, Oregon
7 Laws 2019, is amended to read:

8 442.614. A nonprofit hospital's written financial assistance policy de-
9 scribed in ORS 442.610 *[must]*:

10 (1) **Must** provide for adjusting a patient's costs as follows:

11 (a) For a patient whose household income is not more than 200 percent
12 of the federal poverty guidelines, by 100 percent;

13 (b) For a patient whose household income is more than 200 percent of the
14 federal poverty guidelines and not more than 300 percent of the federal pov-
15 erty guidelines, by a minimum of 75 percent;

16 (c) For a patient whose household income is more than 300 percent of the
17 federal poverty guidelines and not more than 350 percent of the federal pov-
18 erty guidelines, by a minimum of 50 percent; and

19 (d) For a patient whose household income is more than 350 percent of the
20 federal poverty guidelines and not more than 400 percent of the federal pov-
21 erty guidelines, by a minimum of 25 percent;

22 (2) **Must** apply to all of the hospital's nonprofit affiliated clinics;

23 (3) **Must** be translated into each language spoken by the lesser of 1,000
24 people or five percent of the population that resides in the nonprofit
25 hospital's service area;

26 (4) **Must** ensure that interpreter services are available to translate the
27 policy into languages other than those described in subsection (3) of this
28 section; *[and]*

29 (5) **Must** apply to all medically necessary services or supplies; **and**

30 (6) **May not require a patient to apply for medical assistance, as**
31 **defined in ORS 414.025, before the patient will be screened for or pro-**

1 **vided financial assistance.**

2 **SECTION 3.** ORS 646A.677 is amended to read:

3 646A.677. (1) As used in this section:

4 (a) “Debt collector” has the meaning given that term in ORS 646.639.

5 (b) “Financial assistance” means the written financial assistance policy
6 described in ORS 442.610.

7 **(c) “Hospital” has the meaning given that term in ORS 442.612.**

8 **(d) “Hospital-affiliated clinic” has the meaning give that term in**
9 **ORS 442.612.**

10 [(c)] **(e) “Medical debt” means an amount owed by a patient to a hospital**
11 **or a nonprofit hospital-affiliated clinic for medically necessary services or**
12 **supplies.**

13 **(f) “Medically necessary” has the meaning given that term in ORS**
14 **442.612.**

15 **(g) “Nonprofit” has the meaning given that term in ORS 442.612.**

16 (2) A hospital and a nonprofit hospital-affiliated clinic shall post [its] **the**
17 **hospital’s** financial assistance policy in the manner described in ORS
18 442.610 (3)(c).

19 (3) Upon the request of a patient or an individual who is authorized to
20 act on behalf of a patient, a hospital or hospital-affiliated clinic shall con-
21 duct a screening to determine if the patient qualifies for:

22 (a) Financial assistance under the hospital’s financial assistance policy;
23 or

24 (b) The state medical assistance program.

25 (4) Before transferring an unpaid charge for services to a debt collector
26 or referring an unpaid charge for collection, a hospital or hospital-affiliated
27 clinic shall:

28 (a) Conduct a screening to determine if the patient qualifies for financial
29 assistance as described in ORS 442.614 (1)(a), if applicable; and

30 (b) Provide a copy of its financial assistance policy to the patient along
31 with an application for financial assistance.

1 (5) A hospital or nonprofit hospital-affiliated clinic may conduct the
2 screening described in subsections (3) and (4) of this section using commer-
3 cially available services, software or online tools.

4 (6) As a condition for providing financial assistance, a hospital may re-
5 quire a patient to:

6 (a) Respond to requests from the patient's primary insurer as necessary
7 for the insurer to adjudicate a claim for reimbursement of the cost of ser-
8 vices; and

9 (b) Provide information concerning any potential third party liability for
10 the cost of services including but not limited to:

11 (A) Information about the coordination of benefits between insurers that
12 cover the patient's care;

13 (B) Accident reports; and

14 (C) The patient's workers' compensation claims or benefits.

15 (7) If a patient qualifies for financial assistance under ORS 442.614 (1)(a),
16 a hospital, nonprofit hospital-affiliated clinic or other debt collector may not
17 charge interest on the patient's medical debt.

18 (8)(a) Except as provided in paragraph (b) of this subsection, the interest
19 that a hospital, nonprofit hospital-affiliated clinic or other debt collector
20 may charge on a medical debt owed by a patient who does not qualify for
21 financial assistance under ORS 442.614 (1)(a) may not exceed the weekly av-
22 erage one-year constant maturity Treasury yield, as published by the Board
23 of Governors of the Federal Reserve System, for the week preceding the date
24 when the patient was first billed, except that the interest may not be less
25 than two percent per annum or more than five percent per annum.

26 (b) Upon entry of a judgment against a patient described in paragraph (a)
27 of this subsection, a hospital, nonprofit hospital-affiliated clinic or other debt
28 collector may increase the interest charged on a medical debt up to the
29 amount specified in ORS 82.010.

30 (9) A hospital, hospital-affiliated clinic or other debt collector may not
31 attempt to collect a medical debt from a patient's child or other family

1 member who is not financially responsible for the debt under ORS chapter
2 108.

3 (10) It is an unlawful collection practice under ORS 646.639 for a hospital,
4 hospital-affiliated clinic or other debt collector to collect or attempt to col-
5 lect a medical debt in a manner that the hospital, hospital-affiliated clinic
6 or other debt collector knows, or after exercising reasonable diligence would
7 know, is in violation of this section.

8 **SECTION 4.** ORS 442.612 is amended to read:

9 442.612. As used in ORS 442.612 to 442.630 [*and 646A.677*]:

10 (1) “Adjust” means to reduce a patient’s cost by a specified percentage.

11 (2) “Community benefit” has the meaning given that term in ORS 442.601.

12 (3) “Gross charges” means a hospital’s full, established price for medical
13 care that the hospital consistently and uniformly charges patients before
14 applying any contractual allowance, discounts or deductions.

15 (4)(a) “Hospital” has the meaning given that term in ORS 442.015, ex-
16 cluding any campus of the Oregon State Hospital, a hospital operated by the
17 United States Department of Veterans Affairs Veterans Health Adminis-
18 tration or any other hospital operated by the federal government.

19 (b) “Hospital” includes only hospitals located in this state.

20 (5) “Hospital-affiliated clinic” or “affiliated clinic” means a facility lo-
21 cated in this state that provides outpatient health services and that is oper-
22 ated under the common control or ownership of a hospital.

23 (6) “Household” means:

24 (a)(A) A single individual; or

25 (B) Spouses, domestic partners, or a parent and child under 18 years of
26 age, living together; and

27 (b) Other individuals for whom a single individual, spouse, domestic
28 partner or parent is financially responsible.

29 (7) “Medically necessary” means:

30 (a) Necessary to prevent, diagnose or treat an illness, injury, condition
31 or disease, or the symptoms of an illness, injury, condition or disease; and

1 (b) Meeting accepted standards of medicine.

2 (8) “Nonprofit” means:

3 (a) Organized not for profit, pursuant to ORS chapter 65 or any prede-
4 cessor of ORS chapter 65; or

5 (b) Organized and operated as described under section 501(c) of the
6 Internal Revenue Code as defined in ORS 305.842.

7 (9) “Patient’s cost” means the portion of charges billed to a patient for
8 care received at a hospital or a hospital-affiliated clinic that are not reim-
9 bursed by insurance or a publicly funded health care program, taking into
10 account the requirements of section 501(r)(5) of the Internal Revenue Code
11 that:

12 (a) Prohibit a nonprofit hospital from billing gross charges; and

13 (b) Limit amounts charged for emergency or other medically necessary
14 care, to a patient who qualifies under the nonprofit hospital’s financial as-
15 sistance policy, to no more than amounts generally billed to a patient who
16 has insurance that reimburses all or a portion of the cost of the care.

17 (10) “Social determinants of health” means the social, economic and en-
18 vironmental conditions in which people are born, grow, work, live and age,
19 shaped by the distribution of money, power and resources at local, national
20 and global levels, institutional bias, discrimination, racism and other factors.

21 **SECTION 5.** Section 12, chapter 497, Oregon Laws 2019, is amended to
22 read:

23 **Sec. 12.** No later than December 31, 2022, the Oregon Health Authority
24 shall report to the interim committees of the Legislative Assembly related
25 to health on the implementation of [*sections 1 to 7 of this 2019 Act*] **ORS**
26 **442.612 to 442.630** and the amendments to ORS 442.200 by section 10, [*of this*
27 *2019 Act*] **chapter 497, Oregon Laws 2019.**

28 **SECTION 6.** **This 2020 Act being necessary for the immediate pres-**
29 **ervation of the public peace, health and safety, an emergency is de-**
30 **clared to exist, and this 2020 Act takes effect on its passage.**