

HOUSE AMENDMENTS TO HOUSE BILL 3076

By COMMITTEE ON RULES

May 16

- 1 On page 1 of the printed bill, line 2, delete “441.025.”
- 2 Delete lines 4 through 25 and delete pages 2 through 4.
- 3 On page 5, delete lines 1 through 14 and insert:
- 4 **“SECTION 1. As used in sections 1 to 7 of this 2019 Act:**
- 5 **“(1) ‘Adjust’ means to reduce a patient’s cost by a specified percentage.**
- 6 **“(2) ‘Community benefit’ has the meaning given that term in ORS 442.200.**
- 7 **“(3) ‘Gross charges’ means a hospital’s full, established price for medical care that the**
- 8 **hospital consistently and uniformly charges patients before applying any contractual allow-**
- 9 **ance, discounts or deductions.**
- 10 **“(4)(a) ‘Hospital’ has the meaning given that term in ORS 442.015, excluding any campus**
- 11 **of the Oregon State Hospital, a hospital operated by the United States Department of Vet-**
- 12 **erans Affairs Veterans Health Administration or any other hospital operated by the federal**
- 13 **government.**
- 14 **“(b) ‘Hospital’ includes only hospitals located in this state.**
- 15 **“(5) ‘Hospital-affiliated clinic’ or ‘affiliated clinic’ means a facility located in this state**
- 16 **that provides outpatient health services and that is operated under the common control or**
- 17 **ownership of a hospital.**
- 18 **“(6) ‘Household’ means:**
- 19 **“(a)(A) A single individual; or**
- 20 **“(B) Spouses, domestic partners, or a parent and child under 18 years of age, living to-**
- 21 **gether; and**
- 22 **“(b) Other individuals for whom a single individual, spouse, domestic partner or parent**
- 23 **is financially responsible.**
- 24 **“(7) ‘Medically necessary’ means:**
- 25 **“(a) Necessary to prevent, diagnose or treat an illness, injury, condition or disease, or**
- 26 **the symptoms of an illness, injury, condition or disease; and**
- 27 **“(b) Meeting accepted standards of medicine.**
- 28 **“(8) ‘Nonprofit’ means:**
- 29 **“(a) Organized not for profit, pursuant to ORS chapter 65 or any predecessor of ORS**
- 30 **chapter 65; or**
- 31 **“(b) Organized and operated as described under section 501(c) of the Internal Revenue**
- 32 **Code as defined in ORS 305.842.**
- 33 **“(9) ‘Patient’s cost’ means the portion of charges billed to a patient for care received at**
- 34 **a hospital or a hospital-affiliated clinic that are not reimbursed by insurance or a publicly**
- 35 **funded health care program, taking into account the requirements of section 501(r)(5) of the**

1 Internal Revenue Code that:

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

3 “(b) Limit amounts charged for emergency or other medically necessary care, to a pa-
4 tient who qualifies under the nonprofit hospital’s financial assistance policy, to no more than
5 amounts generally billed to a patient who has insurance that reimburses all or a portion of
6 the cost of the care.

7 “(10) ‘Social determinants of health’ means the social, economic, political and environ-
8 mental conditions in which people are born, grow, work, live and age.

9 “**SECTION 2.** A nonprofit hospital’s written financial assistance policy described in sec-
10 tion 9, chapter 50, Oregon Laws 2018, must:

11 “(1) Provide for adjusting a patient’s costs as follows:

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

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

17 “(2) Apply to all of the hospital’s nonprofit affiliated clinics;

18 “(3) Be translated into each language spoken by the lesser of 1,000 people or five percent
19 of the population that resides in the nonprofit hospital’s service area;

20 “(4) Ensure that interpreter services are available to translate the policy into languages
21 other than those described in subsection (3) of this section; and

22 “(5) Apply to all medically necessary services or supplies.

23 “**SECTION 3.** Section 2 of this 2019 Act is amended to read:

24 “**Sec. 2.** A nonprofit hospital’s written financial assistance policy described in section 9, chapter
25 50, Oregon Laws 2018, must:

26 “(1) Provide for adjusting a patient’s costs as follows:

27 “(a) For a patient whose household income is not more than 200 percent of the federal poverty
28 guidelines, by 100 percent; *[and]*

29 “(b) For a patient whose household income is more than 200 percent of the federal poverty
30 guidelines and not more than ~~400~~ **300** percent of the federal poverty guidelines, *[the hospital shall*
31 *adopt a policy establishing an adjustment based on a sliding scale]* **by a minimum of 75 percent;**

32 “(c) For a patient whose household income is more than **300** percent of the federal pov-
33 erty guidelines and not more than **350** percent of the federal poverty guidelines, by a mini-
34 mum of **50** percent; and

35 “(d) For a patient whose household income is more than **350** percent of the federal pov-
36 erty guidelines and not more than **400** percent of the federal poverty guidelines, by a mini-
37 mum of **25** percent;

38 “(2) Apply to all of the hospital’s nonprofit affiliated clinics;

39 “(3) Be translated into each language spoken by the lesser of 1,000 people or five percent of the
40 population that resides in the nonprofit hospital’s service area;

41 “(4) Ensure that interpreter services are available to translate the policy into languages other
42 than those described in subsection (3) of this section; and

43 “(5) Apply to all medically necessary services or supplies.

44 “**SECTION 4.** (1) **As used in this section:**

45 “(a) ‘Debt collector’ has the meaning give that term in ORS 646.639.

1 “(b) ‘Financial assistance’ means the written financial assistance policy described in
2 section 9, chapter 50, Oregon Laws 2018.

3 “(c) ‘Medical debt’ means an amount owed by a patient to a hospital or a nonprofit
4 hospital-affiliated clinic for medically necessary services or supplies.

5 “(2) A hospital and a nonprofit hospital-affiliated clinic shall post its financial assistance
6 policy in the manner described in section 9 (3)(c), chapter 50, Oregon Laws 2018.

7 “(3) Upon the request of a patient or an individual who is authorized to act on behalf of
8 a patient, a hospital or hospital-affiliated clinic shall conduct a screening to determine if the
9 patient qualifies for:

10 “(a) Financial assistance under the hospital’s financial assistance policy; or

11 “(b) The state medical assistance program.

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

14 “(a) Conduct a screening to determine if the patient qualifies for financial assistance as
15 described in section 2 (1)(a) of this 2019 Act, if applicable; and

16 “(b) Provide a copy of its financial assistance policy to the patient along with an appli-
17 cation for financial assistance.

18 “(5) A hospital or hospital-affiliated clinic may conduct the screening described in sub-
19 sections (3) and (4) of this section using commercially available software or online tools.

20 “(6) If a patient qualifies for financial assistance under section 2 (1)(a) of this 2019 Act,
21 a hospital, nonprofit hospital-affiliated clinic or other debt collector may not charge interest
22 on the patient’s medical debt.

23 “(7)(a) Except as provided in paragraph (b) of this subsection, the interest that a hospital,
24 nonprofit hospital-affiliated clinic or other debt collector may charge on a medical debt owed
25 by a patient who does not qualify for financial assistance under section 2 (1)(a) of this 2019
26 Act may not exceed the weekly average one-year constant maturity Treasury yield, as pub-
27 lished by the Board of Governors of the Federal Reserve System, for the week preceding the
28 date when the patient was first billed, except that the interest may not be less than two
29 percent per annum or more than five percent per annum.

30 “(b) Upon entry of a judgment against a patient described in paragraph (a) of this sub-
31 section, a hospital, nonprofit hospital-affiliated clinic or other debt collector may increase
32 the interest charged on a medical debt up to the amount specified in ORS 82.010.

33 “(8) A hospital, hospital-affiliated clinic or other debt collector may not attempt to collect
34 a medical debt from a patient’s child or other family member who is not financially respon-
35 sible for the debt under ORS chapter 108.

36 “(9) It is an unlawful collection practice under ORS 646.639 for a hospital, hospital-
37 affiliated clinic or other debt collector to collect or attempt to collect a medical debt in a
38 manner that the hospital, hospital-affiliated clinic or other debt collector knows, or after
39 exercising reasonable diligence would know, is in violation of this section.

40 “**SECTION 5.** A hospital shall post to the hospital’s website the following information
41 regarding its community health needs assessment conducted in accordance with section
42 501(r)(3) of the Internal Revenue Code:

43 “(1) A description of the health care needs identified in the hospital’s community health
44 needs assessment;

45 “(2) The three-year strategy developed to address the health care needs of the commu-

1 nity;

2 “(3) Annual progress on the implementation of the strategy; and

3 “(4) Opportunities for public participation in the assessment and development of the
4 strategy.

5 “SECTION 6. (1) Every two years, the Oregon Health Authority shall establish a com-
6 munity benefit spending floor as provided in this section based on objective data and criteria,
7 including but not limited to the following:

8 “(a) Historical and current expenditures on community benefits by the hospital and the
9 hospital’s affiliated clinics.

10 “(b) Community needs identified in the community needs assessment conducted by the
11 hospital in accordance with section 501(r)(3) of the Internal Revenue Code, and community
12 health assessments and community health improvement plans of coordinated care organiza-
13 tions that serve the same geographic area served by the hospital and the hospital’s affiliated
14 clinics, in accordance with ORS 414.627 and 414.629.

15 “(c) The hospital’s need to expand the health care workforce.

16 “(d) The overall financial position of the hospital and the hospital’s affiliated clinics based
17 on audited financial statements and other objective data.

18 “(e) The demographics of the population in the areas served by the hospital and the
19 hospital’s affiliated clinics.

20 “(f) The spending on the social determinants of health by the hospital or the hospital’s
21 affiliated clinics.

22 “(g) Taxes paid by the hospital and the hospital’s payments, in lieu of taxes, paid to:

23 “(A) A local government;

24 “(B) The state; or

25 “(C) The United States government.

26 “(h) Criteria governing the manner in which the authority will consider input received
27 from the general public under subsection (2)(c) of this section.

28 “(2) In establishing the community benefit spending floors under subsection (1) of this
29 section, the authority shall:

30 “(a) Consult with representatives of hospitals;

31 “(b) Provide an opportunity for hospitals and hospital-affiliated clinics to respond to any
32 findings;

33 “(c) Solicit and consider comments from the general public; and

34 “(d) Consult with or solicit advice from one or more individuals with expertise in the
35 economics of health care.

36 “(3) The authority shall adopt by rule alternative methodologies for hospitals and
37 hospital-affiliated clinics to report data and to apply the community benefit spending floors,
38 including but not limited to:

39 “(a) By each individual hospital and all of the hospital’s nonprofit affiliated clinics;

40 “(b) By a hospital and a group of the hospital’s nonprofit affiliated clinics; and

41 “(c) By all hospitals that are under common ownership and control and all of the
42 hospitals’ affiliated clinics.

43 “(4) Each hospital shall be provided the opportunity to select the applicable methodology
44 from those adopted by the authority by rule under subsection (3) of this section.

45 “(5) The authority may adopt rules necessary to carry out the provisions of this section.

1 “**SECTION 7.** (1) As used in this section, ‘health care facility’ has the meaning given that
2 term in ORS 442.015, excluding long term care facilities.

3 “(2) A hospital shall report annually to the Oregon Health Authority the following infor-
4 mation regarding all health care facilities and affiliated clinics that are owned in part or in
5 full by the hospital or operating under the same brand as the hospital:

6 “(a) The address of each health care facility and affiliated clinic;

7 “(b) Whether the hospital’s financial assistance policy, developed under section 2 of this
8 2019 Act, is posted in the health care facility and affiliated clinic and available to patients
9 of the facility and affiliated clinic; and

10 “(c) Whether the hospital is a nonprofit entity and whether the hospital’s nonprofit sta-
11 tus applies to the hospital’s affiliated clinics.

12 “(3) The authority shall prescribe the form and manner for reporting the information
13 described in subsection (2) of this section.

14 “(4) A hospital that fails to file a timely report, as prescribed by the authority, may be
15 subject to a civil penalty not to exceed \$500 per day. Civil penalties shall be imposed as pro-
16 vided in ORS 183.745.”.

17 In line 15, delete “6” and insert “8” and delete “7” and insert “9”.

18 In line 16, delete “7” and insert “9”.

19 Delete lines 20 through 45 and delete page 6.

20 On page 7, delete lines 1 through 24 and insert:

21 “**SECTION 10.** ORS 442.200 is amended to read:

22 “442.200. As used in this section and ORS 442.205:

23 “(1) ‘Charity care’ means free or discounted health services provided to persons who cannot af-
24 ford to pay and from whom a hospital has no expectation of payment. ‘Charity care’ does not include
25 bad debt, contractual allowances or discounts for quick payment.

26 “(2) ‘Community benefit’ means a program or activity that provides treatment or promotes
27 health and healing, **addresses health disparities or addresses the social determinants of health**
28 in response to an identified community need. ‘Community benefit’ includes:

29 “(a) Charity care;

30 “(b) Losses related to Medicaid, [Medicare,] State Children’s Health Insurance Program or other
31 publicly funded health care program shortfalls **other than Medicare**;

32 “(c) Community health improvement services;

33 “(d) Research;

34 “(e) Financial and in-kind contributions to the community; and

35 “(f) Community building activities affecting health in the community.

36 “(3) ‘**Social determinants of health**’ has the meaning given that term in section 1 of this
37 **2019 Act**.”.

38 In line 25, delete “10” and insert “11”.

39 On page 10, line 6, delete “2” and insert “4”.

40 On page 11, after line 22, insert:

41 “**SECTION 12.** No later than December 31, 2022, the Oregon Health Authority shall report
42 to the interim committees of the Legislative Assembly related to health on the implementa-
43 tion of sections 1 to 7 of this 2019 Act and the amendments to ORS 442.200 by section 10 of
44 this 2019 Act.

45 “**SECTION 13.** Section 4 of this 2019 Act applies to charges for services performed on or

1 after the effective date of this 2019 Act.

2 SECTION 14. Section 6 of this 2019 Act and the amendments to section 2 of this 2019
3 Act by section 3 of this 2019 Act become operative on January 1, 2021.”.

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