

# House Bill 4029

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Health Care for Representative Andrea Salinas)

## 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 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 section 12, chapter 497,  
3 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 described in ORS 442.610  
7 [*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 of the federal poverty  
10 guidelines, by 100 percent; and

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

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

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

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

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

20 (6) **May not require a patient to apply for medical assistance, as defined in ORS 414.025,**  
21 **before the patient will be screened for or provided financial assistance.**

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

24 442.614. A nonprofit hospital's written financial assistance policy described in ORS 442.610  
25 [*must*]:

26 (1) **Must** 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;

29 (b) For a patient whose household income is more than 200 percent of the federal poverty  
30 guidelines and not more than 300 percent of the federal poverty guidelines, by a minimum of 75

**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 percent;

2 (c) For a patient whose household income is more than 300 percent of the federal poverty  
3 guidelines and not more than 350 percent of the federal poverty guidelines, by a minimum of 50  
4 percent; and

5 (d) For a patient whose household income is more than 350 percent of the federal poverty  
6 guidelines and not more than 400 percent of the federal poverty guidelines, by a minimum of 25  
7 percent;

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

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

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

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

14 (6) **May not require a patient to apply for medical assistance, as defined in ORS 414.025,**  
15 **before the patient will be screened for or provided financial assistance.**

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

17 646A.677. (1) As used in this section:

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

19 (b) “Financial assistance” means the written financial assistance policy described in ORS  
20 442.610.

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

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

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

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

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

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

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

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

33 (b) The state medical assistance program.

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

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

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

40 (5) A hospital or nonprofit hospital-affiliated clinic may conduct the screening described in sub-  
41 sections (3) and (4) of this section using commercially available services, software or online tools.

42 (6) As a condition for providing financial assistance, a hospital may require a patient to:

43 (a) Respond to requests from the patient’s primary insurer as necessary for the insurer to adju-  
44 dicate a claim for reimbursement of the cost of services; and

45 (b) Provide information concerning any potential third party liability for the cost of services

1 including but not limited to:

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

4 (B) Accident reports; and

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

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

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

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

19 (9) A hospital, hospital-affiliated clinic or other debt collector may not attempt to collect a  
20 medical debt from a patient's child or other family member who is not financially responsible for the  
21 debt under ORS chapter 108.

22 (10) It is an unlawful collection practice under ORS 646.639 for a hospital, hospital-affiliated  
23 clinic or other debt collector to collect or attempt to collect a medical debt in a manner that the  
24 hospital, hospital-affiliated clinic or other debt collector knows, or after exercising reasonable dili-  
25 gence would know, is in violation of this section.

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

27 442.612. As used in ORS 442.612 to 442.630 [*and 646A.677*]:

28 (1) "Adjust" means to reduce a patient's cost by a specified percentage.

29 (2) "Community benefit" has the meaning given that term in ORS 442.601.

30 (3) "Gross charges" means a hospital's full, established price for medical care that the hospital  
31 consistently and uniformly charges patients before applying any contractual allowance, discounts  
32 or deductions.

33 (4)(a) "Hospital" has the meaning given that term in ORS 442.015, excluding any campus of the  
34 Oregon State Hospital, a hospital operated by the United States Department of Veterans Affairs  
35 Veterans Health Administration or any other hospital operated by the federal government.

36 (b) "Hospital" includes only hospitals located in this state.

37 (5) "Hospital-affiliated clinic" or "affiliated clinic" means a facility located in this state that  
38 provides outpatient health services and that is operated under the common control or ownership of  
39 a hospital.

40 (6) "Household" means:

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

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

43 (b) Other individuals for whom a single individual, spouse, domestic partner or parent is finan-  
44 cially responsible.

45 (7) "Medically necessary" means:

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

3 (b) Meeting accepted standards of medicine.

4 (8) "Nonprofit" means:

5 (a) Organized not for profit, pursuant to ORS chapter 65 or any predecessor of ORS chapter 65;  
6 or

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

9 (9) "Patient's cost" means the portion of charges billed to a patient for care received at a hos-  
10 pital or a hospital-affiliated clinic that are not reimbursed by insurance or a publicly funded health  
11 care program, taking into account the requirements of section 501(r)(5) of the Internal Revenue Code  
12 that:

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

14 (b) Limit amounts charged for emergency or other medically necessary care, to a patient who  
15 qualifies under the nonprofit hospital's financial assistance policy, to no more than amounts gener-  
16 ally billed to a patient who 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 environmental conditions  
18 in which people are born, grow, work, live and age, shaped by the distribution of money, power and  
19 resources at local, national and global levels, institutional bias, discrimination, racism and other  
20 factors.

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

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

26 **SECTION 6.** **This 2020 Act being necessary for the immediate preservation of the public**  
27 **peace, health and safety, an emergency is declared to exist, and this 2020 Act takes effect**  
28 **on its passage.**