

HB 2360 STAFF MEASURE SUMMARY

House Committee On Health Care

Prepared By: Oliver Droppers, LPRO Analyst

Meeting Dates: 2/2

WHAT THE MEASURE DOES:

Prohibits a nonprofit hospital from requiring an individual to apply for Medicaid prior to being screened for financial assistance. Declares emergency, effective on passage.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Not-for-profit hospitals may qualify for tax-exempt status at both the federal and state level (e.g., 501(c)(3) status), but must comply with a number of requirements (in addition to those imposed by the Affordable Care Act). These requirements include: publicizing a written financial assistance policy detailing eligibility criteria; maintaining a policy requiring the organization to provide emergency medical care indiscriminately regardless of a patient's eligibility for assistance; charging the same amounts for emergency or other medically necessary care provided to individuals eligible for assistance as to individuals with insurance; checking an individual's eligibility for financial assistance prior to engaging in collection actions; and conducting a community health needs assessment and adopting a strategy to meet identified needs.

In 2018, the Department of Homeland Security issued proposed regulations to implement a provision of the Immigration and Nationalization Act. The rule, often referred to as "public charge," expands the list of programs and services the federal government may consider in determining whether an individual is likely to use public benefits. Potential utilization of these benefits and being considered a "public charge" can affect a person's immigration status. Benefits listed in the final rule include non-emergency Medicaid, Supplemental Nutrition Assistance Programs, federal housing vouchers, among other federal, state, and local cash assistance programs (General Assistance programs).

In 2019, House Bill 3076 passed, requiring nonprofit hospitals and hospital systems to establish financial assistance policies, often referred to as charity care, that provide free or discounted care to patients based on household income. The bill requires nonprofit hospitals to conduct eligibility screening to determine if patients qualify for their financial assistance policy.

House Bill 2360 prohibits nonprofit hospitals and health systems from requiring an individual to apply for Medicaid as part of the financial assistance eligibility screening process.