

House Bill 2360

Sponsored by Representatives SALINAS, RUIZ, Senator FREDERICK (Presession filed.)

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, as amended by section 3, chapter 497, Oregon Laws 2019, is amended
6 to read:

7 442.614. A nonprofit hospital's written financial assistance policy described in ORS 442.610
8 [*must*]:

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

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

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

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

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

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

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

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

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

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

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

30 646A.677. (1) As used in this section:

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 (a) “Debt collector” has the meaning given that term in ORS 646.639.
- 2 (b) “Financial assistance” means the written financial assistance policy described in ORS
3 442.610.
- 4 (c) **“Hospital” has the meaning given that term in ORS 442.612.**
- 5 (d) **“Hospital-affiliated clinic” has the meaning give that term in ORS 442.612.**
- 6 [(c)] (e) “Medical debt” means an amount owed by a patient to a hospital or a nonprofit
7 hospital-affiliated clinic for medically necessary services or supplies.
- 8 (f) **“Medically necessary” has the meaning given that term in ORS 442.612.**
- 9 (g) **“Nonprofit” has the meaning given that term in ORS 442.612.**
- 10 (2) A hospital and a nonprofit hospital-affiliated clinic shall post [its] **the hospital’s** financial
11 assistance policy in the manner described in ORS 442.610 (3)(c).
- 12 (3) Upon the request of a patient or an individual who is authorized to act on behalf of a patient,
13 a hospital or hospital-affiliated clinic shall conduct a screening to determine if the patient qualifies
14 for:
- 15 (a) Financial assistance under the hospital’s financial assistance policy; or
- 16 (b) The state medical assistance program.
- 17 (4) Before transferring an unpaid charge for services to a debt collector or referring an unpaid
18 charge for collection, a hospital or hospital-affiliated clinic shall:
- 19 (a) Conduct a screening to determine if the patient qualifies for financial assistance as described
20 in ORS 442.614 (1)(a), if applicable; and
- 21 (b) Provide a copy of its financial assistance policy to the patient along with an application for
22 financial assistance.
- 23 (5) A hospital or nonprofit hospital-affiliated clinic may conduct the screening described in sub-
24 sections (3) and (4) of this section using commercially available services, software or online tools.
- 25 (6) As a condition for providing financial assistance, a hospital may require a patient to:
- 26 (a) Respond to requests from the patient’s primary insurer as necessary for the insurer to adju-
27 dicate a claim for reimbursement of the cost of services; and
- 28 (b) Provide information concerning any potential third party liability for the cost of services
29 including but not limited to:
- 30 (A) Information about the coordination of benefits between insurers that cover the patient’s
31 care;
- 32 (B) Accident reports; and
- 33 (C) The patient’s workers’ compensation claims or benefits.
- 34 (7) If a patient qualifies for financial assistance under ORS 442.614 (1)(a), a hospital, nonprofit
35 hospital-affiliated clinic or other debt collector may not charge interest on the patient’s medical
36 debt.
- 37 (8)(a) Except as provided in paragraph (b) of this subsection, the interest that a hospital,
38 nonprofit hospital-affiliated clinic or other debt collector may charge on a medical debt owed by a
39 patient who does not qualify for financial assistance under ORS 442.614 (1)(a) may not exceed the
40 weekly average one-year constant maturity Treasury yield, as published by the Board of Governors
41 of the Federal Reserve System, for the week preceding the date when the patient was first billed,
42 except that the interest may not be less than two percent per annum or more than five percent per
43 annum.
- 44 (b) Upon entry of a judgment against a patient described in paragraph (a) of this subsection, a
45 hospital, nonprofit hospital-affiliated clinic or other debt collector may increase the interest charged

1 on a medical debt up to the amount specified in ORS 82.010.

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

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

9 **SECTION 3.** ORS 442.612 is amended to read:

10 442.612. As used in ORS 442.612 to 442.630 [*and 646A.677*]:

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

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

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

16 (4)(a) "Hospital" has the meaning given that term in ORS 442.015, excluding any campus of the
17 Oregon State Hospital, a hospital operated by the United States Department of Veterans Affairs
18 Veterans Health Administration 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 located in this state that
21 provides outpatient health services and that is operated under the common control or ownership of
22 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 age, living together; and

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

28 (7) "Medically necessary" means:

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

31 (b) Meeting accepted standards of medicine.

32 (8) "Nonprofit" means:

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

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

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

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

42 (b) Limit amounts charged for emergency or other medically necessary care, to a patient who
43 qualifies under the nonprofit hospital's financial assistance policy, to no more than amounts gener-
44 ally billed to a patient who has insurance that reimburses all or a portion of the cost of the care.

45 (10) "Social determinants of health" means the social, economic and environmental conditions

1 in which people are born, grow, work, live and age, shaped by the distribution of money, power and
2 resources at local, national and global levels, institutional bias, discrimination, racism and other
3 factors.

4 **SECTION 4.** Section 12, chapter 497, Oregon Laws 2019, is amended to read:

5 **Sec. 12.** No later than December 31, 2022, the Oregon Health Authority shall report to the in-
6 terim committees of the Legislative Assembly related to health on the implementation of [*sections*
7 *1 to 7 of this 2019 Act*] **ORS 442.612 to 442.630 and 646A.677** and the amendments to ORS 442.200
8 by section 10, [*of this 2019 Act*] **chapter 497, Oregon Laws 2019.**

9 **SECTION 5. This 2021 Act being necessary for the immediate preservation of the public**
10 **peace, health and safety, an emergency is declared to exist, and this 2021 Act takes effect**
11 **on its passage.**

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