

SHB 2836 - H AMD 758
By Representative Graves

WITHDRAWN 02/13/2018

1 Strike everything after the enacting clause and insert the
2 following:

3 "Sec. 1. RCW 70.170.020 and 1995 c 269 s 2203 are each amended
4 to read as follows:

5 As used in this chapter:

6 (1) "Department" means department of health.

7 (2) "Hospital" means any health care institution which is
8 required to qualify for a license under RCW 70.41.020(~~((+2))~~) (7); or
9 as a psychiatric hospital under chapter 71.12 RCW.

10 (3) "Secretary" means secretary of health.

11 (4) "Charity care" means medically necessary hospital health care
12 rendered to indigent persons when third-party coverage, if any, has
13 been exhausted, to the extent that the persons are unable to pay for
14 the care or to pay deductibles or coinsurance amounts required by a
15 third-party payer, as determined by the department.

16 (5) "Third-party coverage" means an obligation on the part of an
17 insurance company, health care service contractor, health maintenance
18 organization, group health plan, government program, tribal health
19 benefits, or health care sharing ministry as defined in 26 U.S.C.
20 Sec. 5000A to pay for the care of covered patients and services, and
21 may include settlements, judgments, or awards actually received
22 related to the negligent acts of others which have resulted in the
23 medical condition for which the patient has received hospital health
24 care service. The pendency of such settlements, judgments, or awards
25 must not stay hospital obligations to consider an eligible patient
26 for charity care.

27 (6) "Sliding fee schedule" means a hospital-determined, publicly
28 available schedule of discounts to charges for persons deemed
29 eligible for charity care; such schedules shall be established after
30 consideration of guidelines developed by the department.

1 (~~(6)~~) (7) "Special studies" means studies which have not been
2 funded through the department's biennial or other legislative
3 appropriations.

4 **Sec. 2.** RCW 70.170.060 and 1998 c 245 s 118 are each amended to
5 read as follows:

6 (1) No hospital or its medical staff shall adopt or maintain
7 admission practices or policies which result in:

8 (a) A significant reduction in the proportion of patients who
9 have no third-party coverage and who are unable to pay for hospital
10 services;

11 (b) A significant reduction in the proportion of individuals
12 admitted for inpatient hospital services for which payment is, or is
13 likely to be, less than the anticipated charges for or costs of such
14 services; or

15 (c) The refusal to admit patients who would be expected to
16 require unusually costly or prolonged treatment for reasons other
17 than those related to the appropriateness of the care available at
18 the hospital.

19 (2) No hospital shall adopt or maintain practices or policies
20 which would deny access to emergency care based on ability to pay. No
21 hospital which maintains an emergency department shall transfer a
22 patient with an emergency medical condition or who is in active labor
23 unless the transfer is performed at the request of the patient or is
24 due to the limited medical resources of the transferring hospital.
25 Hospitals must follow reasonable procedures in making transfers to
26 other hospitals including confirmation of acceptance of the transfer
27 by the receiving hospital.

28 (3) The department shall develop definitions by rule, as
29 appropriate, for subsection (1) of this section and, with reference
30 to federal requirements, subsection (2) of this section. The
31 department shall monitor hospital compliance with subsections (1) and
32 (2) of this section. The department shall report individual instances
33 of possible noncompliance to the state attorney general or the
34 appropriate federal agency.

35 (4) The department shall establish and maintain by rule,
36 consistent with the definition of charity care in RCW 70.170.020, the
37 following:

38 (a) Uniform procedures, data requirements, and criteria for
39 identifying patients receiving charity care;

1 (b) A definition of residual bad debt including reasonable and
2 uniform standards for collection procedures to be used in efforts to
3 collect the unpaid portions of hospital charges that are the
4 patient's responsibility.

5 (5) For the purpose of providing charity care, each hospital
6 shall develop, implement, and maintain a charity care policy which,
7 consistent with subsection (1) of this section, shall enable people
8 below the federal poverty level access to appropriate hospital-based
9 medical services, and a sliding fee schedule for determination of
10 discounts from charges for persons who qualify for such discounts by
11 January 1, 1990. The department shall develop specific guidelines to
12 assist hospitals in setting sliding fee schedules required by this
13 section. All persons with family income below one hundred percent of
14 the federal poverty standard shall be deemed charity care patients
15 for the full amount of hospital charges, (~~provided that such persons~~
16 ~~are not eligible for other private or public health coverage~~
17 ~~sponsorship. Persons who may be eligible for charity care shall be~~
18 ~~notified by the hospital.~~

19 (6+) except to the extent the patient has third-party coverage
20 for those charges.

21 (6) Each hospital shall post and prominently display notice of
22 charity care availability. Notice must be posted in all languages
23 spoken by more than ten percent of the population of the hospital
24 service area. Notice must be displayed in at least the following
25 locations:

26 (a) Areas where patients are admitted or registered;

27 (b) Emergency departments, if any; and

28 (c) Financial service or billing areas where accessible to
29 patients.

30 (7) Current versions of the hospital's charity care policy, a
31 plain language summary of the hospital's charity care policy, and the
32 hospital's charity care application form must be available on the
33 hospital's web site. The summary and application form must be
34 available in all languages spoken by more than ten percent of the
35 population of the hospital service area.

36 (8)(a) All hospital billing statements and other written
37 communications concerning billing or collection of a hospital bill by
38 a hospital must include the following or a substantially similar
39 statement prominently displayed on the first page of the statement in

1 both English and the second most spoken language in the hospital's
2 service area:

3 You may qualify for free care or a discount on your hospital
4 bill, whether or not you have insurance. Please contact our
5 financial assistance office at [web site] and [phone number].

6 (b) Nothing in (a) of this subsection requires any hospital to
7 alter any preprinted hospital billing statements existing as of
8 October 1, 2018.

9 (9) Hospital obligations under federal and state laws to provide
10 meaningful access for limited English proficiency and non-English-
11 speaking patients apply to information regarding billing and charity
12 care. Hospitals shall develop standardized training programs on the
13 hospital's charity care policy and use of interpreter services, and
14 provide regular training for appropriate staff, including the
15 relevant and appropriate staff who perform functions relating to
16 registration, admissions, or billing.

17 (10) Each hospital shall make every reasonable effort to
18 determine:

19 (a) The existence or nonexistence of private or public
20 sponsorship which might cover in full or part the charges for care
21 rendered by the hospital to a patient;

22 (b) The family income of the patient as classified under federal
23 poverty income guidelines as of the time the health care services
24 were provided; and

25 (c) The eligibility of the patient for charity care as defined in
26 this chapter and in accordance with hospital policy. An initial
27 determination of sponsorship status shall precede collection efforts
28 directed at the patient.

29 ~~((7))~~ (11) The department shall monitor the distribution of
30 charity care among hospitals, with reference to factors such as
31 relative need for charity care in hospital service areas and trends
32 in private and public health coverage. The department shall prepare
33 reports that identify any problems in distribution which are in
34 contradiction of the intent of this chapter. The report shall include
35 an assessment of the effects of the provisions of this chapter on
36 access to hospital and health care services, as well as an evaluation
37 of the contribution of all purchasers of care to hospital charity
38 care.

1 (~~(8)~~) (12) The department shall issue a report on the subjects
2 addressed in this section at least annually, with the first report
3 due on July 1, 1990.

4 NEW SECTION. **Sec. 3.** This act takes effect October 1, 2018."

5 Correct the title.

EFFECT: Clarifies that income for purposes of charity care is at
the time health care services were provided.

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