

**SSB 6273** - H COMM AMD

By Committee on Health Care & Wellness

ADOPTED 02/28/2018

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 annual family income of the patient as classified under  
23 federal poverty income guidelines as of the time the health care  
24 services were provided, or at the time of application for charity  
25 care if the application is made within two years of the time of  
26 service, the patient has been making good faith efforts towards  
27 payment of health care services rendered, and the patient  
28 demonstrates eligibility for charity care; and

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

33 ((+7)) (11) At the hospital's discretion, a hospital may  
34 consider applications for charity care at any time, including any  
35 time there is a change in a patient's financial circumstances.

36 (12) The department shall monitor the distribution of charity  
37 care among hospitals, with reference to factors such as relative need  
38 for charity care in hospital service areas and trends in private and  
39 public health coverage. The department shall prepare reports that  
40 identify any problems in distribution which are in contradiction of

1 the intent of this chapter. The report shall include an assessment of  
2 the effects of the provisions of this chapter on access to hospital  
3 and health care services, as well as an evaluation of the  
4 contribution of all purchasers of care to hospital charity care.

5 ~~((+8))~~ (13) The department shall issue a report on the subjects  
6 addressed in this section at least annually, with the first report  
7 due on July 1, 1990.

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

9 Correct the title.

EFFECT: Clarifies that for purposes of charity care eligibility, income refers to the patient's annual income at the time health care services are rendered, or at the time of application if the application is made within two years of the services, the patient has been making good faith efforts towards the payment of health care services, and the patient demonstrates eligibility for charity care. States that hospitals may consider applications for charity care at any time.

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