

SENATE BILL REPORT

SB 5231

As of February 1, 2017

Title: An act relating to notice of charity care availability at time of billing and collection.

Brief Description: Concerning notice of charity care availability at time of billing and collection.

Sponsors: Senators Keiser, Kuderer, Conway, Hasegawa and Saldaña.

Brief History:

Committee Activity: Health Care: 1/31/17.

Brief Summary of Bill

- Requires hospital billing statements to include a statement about the availability of charity care.

SENATE COMMITTEE ON HEALTH CARE

Staff: Mich'l Needham (786-7442)

Background: Hospitals are required to maintain a charity care policy. People with income below the 100 percent of the federal poverty level (FPL) are eligible for the full amount of hospital charges, provided they are not eligible for other private or public health coverage. People with income between 100 percent and 200 percent of the FPL are eligible for a sliding fee discount on the hospital charges that are not covered by public or private coverage. People who may be eligible for charity care must be notified by the hospital.

Summary of Bill: Beginning October 1, 2017, all hospital billing statements or other written communications concerning the billing must include a statement prominently set out at the beginning of the document which says the following:

- Depending on income, **you may qualify for a discount for some or all of your hospital bill.** Contact the hospital **now** and ask for a **charity care** application.

The statement must be in at least 12-point font, with bold font as indicated in the statement, and translated into English and Spanish, and other language and alternative formats when the need is reasonably known.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

All oral communications, including telephone messages, concerning billing or collection of a hospital bill must include the statement translated in English and Spanish, and other languages and alternative formats when the need is reasonably known.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: The bill takes effect on October 1, 2017.

Staff Summary of Public Testimony: PRO: We have worked with the hospitals on charity care issues for over a decade. They currently have a sign posted in the hospital but it takes an active inquiry to get information about charity care. We have had community forums and people often bring problems with receiving expensive treatment and getting no information about any resources for financial hardship. Charity care is an essential brick in the system to serve the poor. Patients are being crippled by bills. It is nearly impossible to find any information on charity care and when you can find it, it is only in English. Many of our clients find themselves in foreclosure due to medical debt.

CON: WSHA shares the goal of getting information to patients but we are not sure this method is the best approach. We have conspicuous signage and information on the web site and we've developed a standard application form for financial assistance that includes new federal requirements requiring notice. We will be posting information about all the hospitals that are voluntarily taking the pledge to provide charity care information and provide financial assistance for those with incomes up to 300 percent FPL. Collectors have concern there is some grey area where this requirement impacts collectors and how it intersects with federal regulations for debt collectors.

Persons Testifying: PRO: Senator Karen Keiser, Prime Sponsor; Ann LoGerfo, Columbia Legal Services/Directing Attorney, Basic Human Needs; Xochitl Maykovich, Washington CAN/Political Organizer; Nina Martinez, Latino Civic Alliance.

CON: Zosia Stanley, Washington State Hospital Association; Kelsi Hamilton, WA Collectors Assn.

Persons Signed In To Testify But Not Testifying: No one.