

HB 3076-4
(LC 914)
4/8/19 (LHF/ps)

Requested by Representative BOLES (at the request of the Oregon Association of Hospitals and Health Systems)

**PROPOSED AMENDMENTS TO
HOUSE BILL 3076**

1 On page 1 of the printed bill, line 2, after “ORS” delete the rest of the
2 line and insert “442.200 and 442.205.”.

3 Delete lines 4 through 25 and delete pages 2 through 11 and insert:

4 **“SECTION 1. (1) As used in this section:**

5 **“(a) ‘Emergency services’ has the meaning given that term in ORS**
6 **743A.012.**

7 **“(b) ‘Hospital’ has the meaning given that term in ORS 442.015.**

8 **“(c) ‘Hospital-affiliated clinic’ means a nonprofit facility that pro-**
9 **vides outpatient health care services and that is operated under the**
10 **common control or ownership of a nonprofit hospital.**

11 **“(d) ‘Medically necessary health services’ means health care ser-**
12 **vices or supplies:**

13 **“(A) Needed to prevent, diagnose or treat an illness, injury, condi-**
14 **tion or disease or the symptoms of an illness, injury, condition or**
15 **disease; and**

16 **“(B) That meet accepted standards of medicine.**

17 **“(2) A hospital-affiliated clinic shall have a written financial as-**
18 **sistance policy that is consistent with the financial assistance policy**
19 **of its affiliated hospital, that complies with the provisions applicable**
20 **to hospitals under section 9, chapter 50, Oregon Laws 2018, and that**
21 **provides for financial assistance to cover all of the costs of emergency**

1 services and medically necessary health services for a patient whose
2 household income is at or below 200 percent of the federal poverty
3 guidelines.

4 **“SECTION 2. (1) As used in this section:**

5 **“(a) ‘Community benefit program’ means a hospital’s approach to**
6 **and investments in community benefits.**

7 **“(b) ‘Community health needs assessment’ means the community**
8 **health needs assessment required by the Internal Revenue Service**
9 **under 26 C.F.R. 1.501(r)-3.**

10 **“(c) ‘DRG hospital’ means a hospital that is reimbursed by Medicare**
11 **based on diagnosis-related groups.**

12 **“(d) ‘Type A or B hospital’ means type A hospitals or type B hos-**
13 **pitals as described in ORS 442.470.**

14 **“(2) The Oregon Health Authority shall establish an advisory com-**
15 **mittee to analyze and make recommendations to the authority re-**
16 **garding community benefit reporting and financial assistance policies**
17 **under ORS 442.205, section 9, chapter 50, Oregon Laws 2018, and section**
18 **1 of this 2019 Act. The advisory committee shall include the following**
19 **individuals:**

20 **“(a) An employee of a DRG hospital who is responsible for hospital**
21 **operations.**

22 **“(b) An employee of a type A or B hospital who is responsible for**
23 **hospital operations.**

24 **“(c) An employee of a DRG hospital who is responsible for process-**
25 **ing applications for financial assistance.**

26 **“(d) An employee of a type A or B hospital who is responsible for**
27 **processing applications for financial assistance.**

28 **“(e) A representative of a community-based organization that works**
29 **with hospitals to implement community benefit programs.**

30 **“(f) One or more experts in public health.**

1 “(g) One or more health researchers or experts in data analysis,
2 statistical methods or similar fields of study.

3 “(h) A consumer of hospital services.

4 “(3) The advisory committee shall:

5 “(a) Study and recommend best practices for charity care discounts
6 and hospital billing and collections, including recommendations for
7 patients with household incomes above 200 percent of the federal pov-
8 erty guidelines and at or below 400 percent of the federal poverty
9 guidelines.

10 “(b) Study and recommend best practices for community benefit
11 programs.

12 “(c) Recommend one or more methods for evaluating the impact
13 of community benefit programs in local communities.

14 “(4) In developing the recommendations under subsection (3) of this
15 section, the advisory committee shall:

16 “(a) Test the success of the different approaches used in hospitals’
17 community benefit programs in improving community health;

18 “(b) Consider the impact of community benefit programs on access
19 to health care, health outcomes, health disparities and health equity
20 and addressing immediate community needs;

21 “(c) Evaluate collaborative approaches involving hospitals and
22 community partners; and

23 “(d) Consider how hospital investments in the community align
24 with the community health improvement plans adopted by coordinated
25 care organizations in accordance with ORS 414.627.

26 “(5) In addition to the information collected under ORS 442.205, the
27 authority may require hospitals to provide any of the following to in-
28 form the work of the advisory committee:

29 “(a) A copy of the hospital’s community health needs assessment.

30 “(b) An annual progress report on the alignment between the

1 **hospital's community health needs assessment and the hospital's**
2 **community benefit expenditures.**

3 **“(6) A hospital may report information, including information de-**
4 **scribed in subsection (5) of this section, by hospital or by hospital**
5 **system depending on the structure of the hospital's community benefit**
6 **program.**

7 **“SECTION 3.** ORS 442.200 is amended to read:

8 “442.200. As used in this section and ORS 442.205:

9 “(1) ‘Charity care’ means free or discounted health services provided to
10 persons who cannot afford to pay and from whom a hospital has no expect-
11 tation of payment. ‘Charity care’ does not include bad debt, contractual al-
12 lowances or discounts for quick payment.

13 “(2) ‘Community benefit’ means a program or activity that provides
14 treatment or promotes health and healing in response to an identified com-
15 munity need. ‘Community benefit’ includes:

16 “(a) Charity care;

17 “(b) Losses related to Medicaid, [*Medicare*,] State Children’s Health In-
18 surance Program or other publicly funded health care program shortfalls;

19 “(c) Community health improvement services;

20 “(d) Research;

21 “(e) Financial and in-kind contributions to the community; and

22 “(f) Community building activities affecting health in the community.

23 **“(3) ‘Social determinants of health’ means the social, economic and**
24 **environmental conditions in which individuals are born and live.**

25 **“SECTION 4.** ORS 442.205 is amended to read:

26 “442.205. (1) The Oregon Health Authority shall by rule adopt a cost-based
27 community benefit reporting system for hospitals operating in Oregon that
28 is consistent with established national standards for hospital reporting of
29 community benefits. **The system must require hospitals to identify in**
30 **their reports the activities and expenditures that address the social**

1 **determinants of health.**

2 “(2) Within 90 days of filing a Medicare cost report, a hospital must
3 submit a community benefit report to the authority of the community bene-
4 fits provided by the hospital, on a form prescribed by the authority.

5 “(3) The authority shall produce an annual report of the information
6 provided under subsections (1) and (2) of this section. The report shall be
7 submitted to the Governor, the President of the Senate and the Speaker of
8 the House of Representatives. The report shall be presented to the Legisla-
9 tive Assembly during each odd-numbered year regular session and shall be
10 made available to the public.

11 “(4) The authority may adopt all rules necessary to carry out the pro-
12 visions of this section.

13 **“(5) The authority may not require a hospital to invest in specific**
14 **types of community benefits and may not adopt rules under this sec-**
15 **tion that are inconsistent with or duplicative of a hospital’s obli-**
16 **gations under section 501(r)(3) of the Internal Revenue Code.”.**

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