

Requested by Representative SALINAS

**PROPOSED AMENDMENTS TO
HOUSE BILL 3076**

1 On page 1 of the printed bill, line 2, delete “441.025,”.

2 Delete lines 4 through 25 and delete pages 2 through 4.

3 On page 5, delete lines 1 through 14 and insert:

4 **“SECTION 1. As used in sections 1 to 7 of this 2019 Act:**

5 **“(1) ‘Adjust’ means to reduce a patient’s cost by a specified per-**
6 **centage.**

7 **“(2) ‘Community benefit’ has the meaning given that term in ORS**
8 **442.200.**

9 **“(3) ‘Gross charges’ means a hospital’s full, established price for**
10 **medical care that the hospital consistently and uniformly charges pa-**
11 **tients before applying any contractual allowance, discounts or de-**
12 **ductions.**

13 **“(4)(a) ‘Hospital’ has the meaning given that term in ORS 442.015,**
14 **excluding any campus of the Oregon State Hospital, a hospital oper-**
15 **ated by the United States Department of Veterans Affairs Veterans**
16 **Health Administration or any other hospital operated by the federal**
17 **government.**

18 **“(b) ‘Hospital’ includes only hospitals located in this state.**

19 **“(5) ‘Hospital-affiliated clinic’ or ‘affiliated clinic’ means a facility**
20 **located in this state that provides outpatient health services and that**
21 **is operated under the common control or ownership of a hospital.**

1 **“(6) ‘Household’ means:**
2 **“(a)(A) A single individual; or**
3 **“(B) Spouses, domestic partners, or a parent and child under 18**
4 **years of age, living together; and**
5 **“(b) Other individuals for whom a single individual, spouse, do-**
6 **mestic partner or parent is financially responsible.**
7 **“(7) ‘Medically necessary’ means:**
8 **“(a) Necessary to prevent, diagnose or treat an illness, injury, con-**
9 **dition or disease, or the symptoms of an illness, injury, condition or**
10 **disease; and**
11 **“(b) Meeting accepted standards of medicine.**
12 **“(8) ‘Nonprofit’ means:**
13 **“(a) Organized not for profit, pursuant to ORS chapter 65 or any**
14 **predecessor of ORS chapter 65; or**
15 **“(b) Organized and operated as described under section 501(c) of the**
16 **Internal Revenue Code as defined in ORS 305.842.**
17 **“(9) ‘Patient’s cost’ means the portion of charges billed to a patient**
18 **for care received at a hospital or a hospital-affiliated clinic that are**
19 **not reimbursed by insurance or a publicly funded health care program,**
20 **taking into account the requirements of section 501(r)(5) of the Inter-**
21 **nal Revenue Code that:**
22 **“(a) Prohibit a nonprofit hospital from billing gross charges; and**
23 **“(b) Limit amounts charged for emergency or other medically nec-**
24 **essary care, to a patient who qualifies under the nonprofit hospital’s**
25 **financial assistance policy, to no more than amounts generally billed**
26 **to a patient who has insurance that reimburses all or a portion of the**
27 **cost of the care.**
28 **“(10) ‘Social determinants of health’ means the social, economic,**
29 **political and environmental conditions in which people are born, grow,**
30 **work, live and age.**

1 **“SECTION 2. (1) A nonprofit hospital must have a written financial**
2 **assistance policy for adjusting a patient’s costs as follows:**

3 **“(a) For a patient whose household income is not more than 200**
4 **percent of the federal poverty guidelines, by 100 percent.**

5 **“(b) For a patient whose household income is more than 200 percent**
6 **of the federal poverty guidelines and not more than 400 percent of the**
7 **federal poverty guidelines, the hospital shall adopt a policy establish-**
8 **ing an adjustment based on a sliding scale.**

9 **“(2) A nonprofit hospital’s financial assistance policy must apply to**
10 **all of the hospital’s nonprofit affiliated clinics.**

11 **“(3) A financial assistance policy must be translated into each lan-**
12 **guage spoken by the lesser of 1,000 people or five percent of the popu-**
13 **lation that resides in the nonprofit hospital’s service area. For other**
14 **languages, the hospital must have interpreter services available to**
15 **translate the policy.**

16 **“(4) Financial assistance must be made available for medically**
17 **necessary services or supplies.**

18 **“SECTION 3.** Section 2 of this 2019 Act is amended to read:

19 **“Sec. 2. (1) A nonprofit hospital must have a written financial assistance**
20 **policy for adjusting a patient’s costs as follows:**

21 **“(a) For a patient whose household income is not more than 200 percent**
22 **of the federal poverty guidelines, by 100 percent.**

23 **“(b) For a patient whose household income is more than 200 percent of**
24 **the federal poverty guidelines and not more than [400] 300 percent of the**
25 **federal poverty guidelines, [the hospital shall adopt a policy establishing an**
26 **adjustment based on a sliding scale] by a minimum of 75 percent.**

27 **“(c) For a patient whose household income is more than 300 percent**
28 **of the federal poverty guidelines and not more than 350 percent of the**
29 **federal poverty guidelines, by a minimum of 50 percent.**

30 **“(d) For a patient whose household income is more than 350 percent**

1 **of the federal poverty guidelines and not more than 400 percent of the**
2 **federal poverty guidelines, by a minimum of 25 percent.**

3 “(2) A nonprofit hospital’s financial assistance policy must apply to all
4 of the hospital’s nonprofit affiliated clinics.

5 “(3) A financial assistance policy must be translated into each language
6 spoken by the lesser of 1,000 people or five percent of the population that
7 resides in the nonprofit hospital’s service area. For other languages, the
8 hospital must have interpreter services available to translate the policy.

9 “(4) Financial assistance must be made available for medically necessary
10 services or supplies.

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

12 **“(a) ‘Financial assistance policy’ means a financial assistance pol-**
13 **icy, as defined in section 9, chapter 50, Oregon Laws 2018, that includes**
14 **the policy described in section 2 of this 2019 Act if applicable.**

15 **“(b) ‘Medical debt’ means an amount owed by a patient to a hospital**
16 **or a hospital-affiliated clinic for medically necessary services or sup-**
17 **plies.**

18 **“(2) A hospital or hospital-affiliated clinic shall provide a patient**
19 **with a copy of the financial assistance policy and shall screen the pa-**
20 **tient to determine the patient’s eligibility for financial assistance or**
21 **state medical assistance:**

22 **“(a) Upon the patient’s request; and**

23 **“(b) Prior to transferring an unpaid charge to a collection agency**
24 **or referring an unpaid charge for collection.**

25 **“(3) A hospital or hospital-affiliated clinic shall post its financial**
26 **assistance policy as required by section 9, chapter 50, Oregon Laws**
27 **2018.**

28 **“(4)(a) If a patient qualifies for an adjustment under the financial**
29 **assistance policy, the hospital or hospital-affiliated clinic may not**
30 **charge interest on a medical debt.**

1 **“(b) Except as provided in paragraph (c) of this subsection, the in-**
2 **terest that a hospital or hospital-affiliated clinic may charge on a**
3 **medical debt owed by a patient who does not qualify for an adjustment**
4 **under the financial assistance policy may not exceed the weekly aver-**
5 **age one-year constant maturity Treasury yield, as published by the**
6 **Board of Governors of the Federal Reserve System, for the week pre-**
7 **ceding the date when the patient was first billed, except that the in-**
8 **terest may not be less than two percent per annum or more than five**
9 **percent per annum.**

10 **“(c) A hospital or hospital-affiliated clinic may increase the interest**
11 **charged on a medical debt up to the amount specified in ORS 82.010**
12 **upon entry of a judgment against the patient.**

13 **“(5) A hospital or hospital-affiliated clinic may not attempt to col-**
14 **lect a medical debt from a patient’s child or other family member who**
15 **is not financially responsible for the debt.**

16 **“(6) It is an unlawful collection practice under ORS 646.639 for a**
17 **hospital, hospital-affiliated clinic or collection agency to collect or at-**
18 **tempt to collect a medical debt in a manner that the hospital,**
19 **hospital-affiliated clinic or collection agency knows, or after exercising**
20 **reasonable diligence would know, is in violation of this section.**

21 **“SECTION 5. A hospital shall post to the hospital’s website the**
22 **following information regarding its community health needs assess-**
23 **ment conducted in accordance with section 501(r)(3) of the Internal**
24 **Revenue Code:**

25 **“(1) A description of the health care needs identified in the**
26 **hospital’s community health needs assessment;**

27 **“(2) The three-year strategy developed to address the health care**
28 **needs of the community;**

29 **“(3) Annual progress on the implementation of the strategy; and**

30 **“(4) Opportunities for public participation in the assessment and**

1 development of the strategy.

2 **“SECTION 6. (1) Every two years, the Oregon Health Authority**
3 **shall establish a community benefit spending floor for each hospital**
4 **and the hospital’s affiliated clinics based on objective data and crite-**
5 **ria, including but not limited to the following:**

6 **“(a) Historical and current expenditures on community benefits by**
7 **the hospital and the hospital’s affiliated clinics.**

8 **“(b) Community needs identified in the community needs assess-**
9 **ment conducted by the hospital in accordance with section 501(r)(3)**
10 **of the Internal Revenue Code, and community health assessments and**
11 **community health improvement plans of coordinated care organiza-**
12 **tions that serve the same geographic area served by the hospital and**
13 **the hospital’s affiliated clinics, in accordance with ORS 414.627 and**
14 **414.629.**

15 **“(c) The hospital’s need to expand the health care workforce.**

16 **“(d) The overall financial position of the hospital and the hospital’s**
17 **affiliated clinics based on audited financial statements and other ob-**
18 **jective data.**

19 **“(e) The demographics of the population in the areas served by the**
20 **hospital and the hospital’s affiliated clinics.**

21 **“(f) The spending on the social determinants of health by the hos-**
22 **pital or the hospital’s affiliated clinics.**

23 **“(g) Criteria governing the manner in which the authority will**
24 **consider input received from:**

25 **“(A) Hospitals under subsection (2)(a) of this section; and**

26 **“(B) The general public under subsection (2)(c) of this section.**

27 **“(2) In establishing the community benefit spending floors under**
28 **subsection (1) of this section, the authority shall:**

29 **“(a) Consult with representatives of hospitals;**

30 **“(b) Provide an opportunity for hospitals and hospital-affiliated**

1 **clinics to respond to any findings;**

2 **“(c) Solicit and consider comments from the general public; and**

3 **“(d) Consult with or solicit advice from one or more individuals**
4 **with expertise in the economics of health care.**

5 **“(3) The authority shall adopt by rule alternative methodologies for**
6 **hospitals and hospital-affiliated clinics to report data and to apply the**
7 **community benefit spending floors, including but not limited to:**

8 **“(a) By each individual hospital;**

9 **“(b) By all of a hospital’s affiliated clinics;**

10 **“(c) By a hospital and a group of the hospital’s affiliated clinics;**
11 **and**

12 **“(d) By all hospitals that are under common ownership and control**
13 **and all of the hospitals’ affiliated clinics.**

14 **“(4) Each hospital shall be provided the opportunity to select the**
15 **applicable methodology from those adopted by the authority by rule**
16 **under subsection (3) of this section.**

17 **“(5) The authority may adopt rules necessary to carry out the pro-**
18 **visions of this section.**

19 **“SECTION 7. (1) As used in this section, ‘health care facility’ has**
20 **the meaning given that term in ORS 442.015, excluding long term care**
21 **facilities.**

22 **“(2) A hospital shall report annually to the Oregon Health Author-**
23 **ity the following information regarding all health care facilities and**
24 **affiliated clinics that are owned in part or in full by the hospital or**
25 **operating under the same brand as the hospital:**

26 **“(a) The address of each health care facility and affiliated clinic;**

27 **“(b) Whether the hospital’s financial assistance policy, developed**
28 **under section 2 of this 2019 Act, is posted in the health care facility**
29 **and affiliated clinic and available to patients of the facility and affil-**
30 **iated clinic; and**

1 “(c) Whether the hospital is a nonprofit entity and whether the
2 hospital’s nonprofit status applies to the hospital’s affiliated clinics.

3 “(3) The authority shall prescribe the form and manner for report-
4 ing the information described in subsection (2) of this section.

5 “(4) A hospital that fails to file a timely report, as prescribed by the
6 authority, may be subject to a civil penalty not to exceed \$500 per day.
7 Civil penalties shall be imposed as provided in ORS 183.745.”.

8 In line 15, delete “6” and insert “8” and delete “7” and insert “9”.

9 In line 16, delete “7” and insert “9”.

10 Delete lines 20 through 45 and delete page 6.

11 On page 7, delete lines 1 through 24 and insert:

12 “**SECTION 10.** ORS 442.200 is amended to read:

13 “442.200. As used in this section and ORS 442.205:

14 “(1) ‘**Affiliated clinic**’ has the meaning given that term in **section 1**
15 **of this 2019 Act.**

16 “[(1)] (2) ‘Charity care’ means free or discounted health services provided
17 to persons who cannot afford to pay and from whom a hospital has no ex-
18 pectation of payment. ‘Charity care’ does not include bad debt, contractual
19 allowances or discounts for quick payment.

20 “[(2)] (3) ‘Community benefit’ means a program or activity that provides
21 treatment or promotes health and healing, **addresses health disparities or**
22 **addresses the social determinants of health** in response to an identified
23 community need. ‘Community benefit’ includes:

24 “(a) Charity care;

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

28 “(c) Community health improvement services;

29 “(d) Research;

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

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

2 “(4) ‘Social determinants of health’ has the meaning given that
3 **term in section 1 of this 2019 Act.”.**

4 In line 25, delete “10” and insert “11”.

5 On page 10, line 6, delete “2” and insert “4”.

6 On page 11, after line 22, insert:

7 **“SECTION 12. No later than December 31, 2022, the Oregon Health
8 Authority shall report to the interim committees of the Legislative
9 Assembly related to health on the implementation of sections 1 to 7
10 of this 2019 Act and the amendments to ORS 442.200 by section 10 of
11 this 2019 Act.**

12 **“SECTION 13. Section 4 of this 2019 Act applies to charges for ser-
13 vices performed on or after the effective date of this 2019 Act.**

14 **“SECTION 14. Section 6 of this 2019 Act and the amendments to
15 section 2 of this 2019 Act by section 3 of this 2019 Act become operative
16 on January 1, 2021.”.**

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