

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. A nonprofit hospital’s written financial assistance**
2 **policy described in section 9, chapter 50, Oregon Laws 2018, must:**

3 **“(1) Provide for adjusting a patient’s costs as follows:**

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

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

10 **“(2) Apply to all of the hospital’s nonprofit affiliated clinics;**

11 **“(3) Be translated into each language spoken by the lesser of 1,000**
12 **people or five percent of the population that resides in the nonprofit**
13 **hospital’s service area;**

14 **“(4) Ensure that interpreter services are available to translate the**
15 **policy into languages other than those described in subsection (3) of**
16 **this section; and**

17 **“(5) Apply to all medically necessary services or supplies.**

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

19 **“Sec. 2. A nonprofit hospital’s written financial assistance policy de-**
20 **scribed in section 9, chapter 50, Oregon Laws 2018, must:**

21 **“(1) Provide for adjusting a patient’s costs as follows:**

22 **“(a) For a patient whose household income is not more than 200 percent**
23 **of the federal poverty guidelines, by 100 percent; [and]**

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

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

1 **“(d) For a patient whose household income is more than 350 percent**
2 **of the federal poverty guidelines and not more than 400 percent of the**
3 **federal poverty guidelines, by a minimum of 25 percent;**

4 “(2) Apply to all of the hospital’s nonprofit affiliated clinics;

5 “(3) Be translated into each language spoken by the lesser of 1,000 people
6 or five percent of the population that resides in the nonprofit hospital’s
7 service area;

8 “(4) Ensure that interpreter services are available to translate the policy
9 into languages other than those described in subsection (3) of this section;
10 and

11 “(5) Apply to all medically necessary services or supplies.

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

13 **“(a) ‘Debt collector’ has the meaning give that term in ORS 646.639.**

14 **“(b) ‘Financial assistance’ means the written financial assistance**
15 **policy described in section 9, chapter 50, Oregon Laws 2018.**

16 **“(c) ‘Medical debt’ means an amount owed by a patient to a hospital**
17 **or a nonprofit hospital-affiliated clinic for medically necessary services**
18 **or supplies.**

19 **“(2) A hospital and a nonprofit hospital-affiliated clinic shall post**
20 **its financial assistance policy in the manner described in section 9**
21 **(3)(c), chapter 50, Oregon Laws 2018.**

22 **“(3) Upon the request of a patient or an individual who is authorized**
23 **to act on behalf of a patient, a hospital or hospital-affiliated clinic**
24 **shall conduct a screening to determine if the patient qualifies for:**

25 **“(a) Financial assistance under the hospital’s financial assistance**
26 **policy; or**

27 **“(b) The state medical assistance program.**

28 **“(4) Before transferring an unpaid charge for services to a debt**
29 **collector or referring an unpaid charge for collection, a hospital or**
30 **hospital-affiliated clinic shall:**

1 “(a) Conduct a screening to determine if the patient qualifies for
2 financial assistance as described in section 2 (1)(a) of this 2019 Act, if
3 applicable; and

4 “(b) Provide a copy of its financial assistance policy to the patient
5 along with an application for financial assistance.

6 “(5) A hospital or hospital-affiliated clinic may conduct the screen-
7 ing described in subsections (3) and (4) of this section using commer-
8 cially available software or online tools.

9 “(6) If a patient qualifies for financial assistance under section 2
10 (1)(a) of this 2019 Act, a hospital, nonprofit hospital-affiliated clinic
11 of other debt collector may not charge interest on the patient’s med-
12 ical debt.

13 “(7)(a) Except as provided in paragraph (b) of this subsection, the
14 interest that a hospital, nonprofit hospital-affiliated clinic or other
15 debt collector may charge on a medical debt owed by a patient who
16 does not qualify for financial assistance under section 2 (1)(a) of this
17 2019 Act may not exceed the weekly average one-year constant matu-
18 rity Treasury yield, as published by the Board of Governors of the
19 Federal Reserve System, for the week preceding the date when the
20 patient was first billed, except that the interest may not be less than
21 two percent per annum or more than five percent per annum.

22 “(b) Upon entry of a judgment against a patient described in para-
23 graph (a) of this subsection, a hospital, nonprofit hospital-affiliated
24 clinic or other debt collector may increase the interest charged on a
25 medical debt up to the amount specified in ORS 82.010.

26 “(8) A hospital, hospital-affiliated clinic or other debt collector may
27 not attempt to collect a medical debt from a patient’s child or other
28 family member who is not financially responsible for the debt under
29 ORS chapter 108.

30 “(9) It is an unlawful collection practice under ORS 646.639 for a

1 hospital, hospital-affiliated clinic or other debt collector to collect or
2 attempt to collect a medical debt in a manner that the hospital,
3 hospital-affiliated clinic or other debt collector knows, or after exer-
4 cising reasonable diligence would know, is in violation of this section.

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

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

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

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

14 **“(4) Opportunities for public participation in the assessment and**
15 **development of the strategy.**

16 **“SECTION 6. (1) Every two years, the Oregon Health Authority**
17 **shall establish a community benefit spending floor as provided in this**
18 **section based on objective data and criteria, including but not limited**
19 **to the following:**

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

22 **“(b) Community needs identified in the community needs assess-**
23 **ment conducted by the hospital in accordance with section 501(r)(3)**
24 **of the Internal Revenue Code, and community health assessments and**
25 **community health improvement plans of coordinated care organiza-**
26 **tions that serve the same geographic area served by the hospital and**
27 **the hospital’s affiliated clinics, in accordance with ORS 414.627 and**
28 **414.629.**

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

30 **“(d) The overall financial position of the hospital and the hospital’s**

1 **affiliated clinics based on audited financial statements and other ob-**
2 **jective data.**

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

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

7 **“(g) Taxes paid by the hospital and the hospital’s payments, in lieu**
8 **of taxes, paid to:**

9 **“(A) A local government;**

10 **“(B) The state; or**

11 **“(C) The United States government.**

12 **“(h) Criteria governing the manner in which the authority will**
13 **consider input received from the general public under subsection (2)(c)**
14 **of this section.**

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

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

18 **“(b) Provide an opportunity for hospitals and hospital-affiliated**
19 **clinics to respond to any findings;**

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

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

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

26 **“(a) By each individual hospital and all of the hospital’s nonprofit**
27 **affiliated clinics;**

28 **“(b) By a hospital and a group of the hospital’s nonprofit affiliated**
29 **clinics; and**

30 **“(c) By all hospitals that are under common ownership and control**

1 and all of the hospitals' affiliated clinics.

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

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

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

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

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

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

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

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

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

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

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

28 Delete lines 20 through 45 and delete page 6.

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

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

1 “442.200. As used in this section and ORS 442.205:

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

6 “(2) ‘Community benefit’ means a program or activity that provides
7 treatment or promotes health and healing, **addresses health disparities or**
8 **addresses the social determinants of health** in response to an identified
9 community need. ‘Community benefit’ includes:

10 “(a) Charity care;

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

14 “(c) Community health improvement services;

15 “(d) Research;

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

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

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

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

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

22 On page 11, after line 22, insert:

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

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

30 **“SECTION 14. Section 6 of this 2019 Act and the amendments to**

1 **section 2 of this 2019 Act by section 3 of this 2019 Act become operative**
2 **on January 1, 2021.”.**

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