

HB 3320 STAFF MEASURE SUMMARY

House Committee On Behavioral Health and Health Care

Prepared By: Brian Nieubuurt, LPRO Analyst

Meeting Dates: 3/22, 3/29

WHAT THE MEASURE DOES:

Specifies circumstances requiring hospital to screen patient for financial assistance eligibility before the patient may be billed directly for hospital services. Specifies that patient's eligibility for financial assistance continues for 12 months following determination that patient qualifies for financial assistance. Requires hospital to refund patient if patient is found eligible for financial assistance after having paid for services. Requires hospital to have easy-to-understand, fair, and consistent process for appealing denial of financial assistance and requires patient to be notified of process in any denial. Requires suspension of collection activities during pendency of financial assistance appeal. Updates requirements for hospital website displays of financial assistance policies. Requires hospital to accept applications for financial assistance submitted online, by electronic mail, by means of the United States postal service, or in person. Requires financial assistance application that requests information other than that needed to determine eligibility to be clearly marked as optional and specifies that optional information cannot be used to deny financial assistance. Updates financial assistance information and data hospitals must annually report to Oregon Health Authority (OHA). Requires OHA to impose civil penalties for violation of hospital financial assistance requirements.

FISCAL: May have fiscal impact, but no statement yet issued.

REVENUE: May have revenue impact, but no statement yet issued.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Not-for-profit hospitals may qualify for tax-exempt status at both the federal and state level. Requirements for qualifying for tax-exempt status include: establishing and widely publicizing a written financial assistance policy detailing eligibility criteria, the basis for calculating amounts charged, and how to apply; developing a written policy requiring the organization to provide emergency medical care indiscriminately regardless of a patient's eligibility for assistance; charging generally the same amounts for emergency or other medically necessary care provided to individuals eligible for assistance as to individuals with insurance; making reasonable efforts to determine whether an individual is eligible for assistance prior to engaging in extraordinary collection actions; and conducting a community health needs assessment and adopting an implementation strategy to meet identified needs.

In 2019, the Legislative Assembly passed House Bill 3076 requiring nonprofit hospitals and hospital systems to establish financial assistance policies meeting specified criteria and establishing consumer rights with respect to billing and charging for hospital services. House Bill 2360 (2021) updated these policies to prohibit nonprofit hospitals from requiring a patient to apply for medical assistance (the Oregon Health Plan) before screening for or providing financial assistance.

House Bill 3320 would further update the state's hospital financial assistance policies by imposing new requirements on hospitals and requiring the Oregon Health Authority to impose civil penalties for violation of

financial assistance requirements.

PRELIMINARY