

SB 539 A STAFF MEASURE SUMMARY

Carrier: Sen. Patterson

Senate Committee On Health Care

Action Date: 04/08/25

Action: Do pass with amendments. (Printed A-Eng.)

Vote: 4-1-0-0

Yeas: 4 - Campos, Linthicum, Patterson, Reynolds

Nays: 1 - Hayden

Fiscal: Has minimal fiscal impact

Revenue: No revenue impact

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Meeting Dates: 3/13, 4/8

WHAT THE MEASURE DOES:

The measure restricts hospitals and health systems from applying facility fees unless on the hospital campus and with notice to the patient.

DETAILED SUMMARY:

Restrictions on Facility Fees

- Defines “facility fees” and “campus.”
- Restricts facility fees except at a facility located on a hospital campus, or at a facility that includes an emergency department.
- Exempts fees covered by contract with an insurer on the effective date of the act.
- Classifies violations of this restriction as unlawful collection practices.

Notice Requirements

- Requires, when a fee is charged, that the patient is notified of any fee at the time of the visit, or when emergency services are provided, in writing as soon as practicable.
- Requires that notice include, in plain language, an explanation of the fee and the amount of the person’s potential financial liability and notice of the right to request a reduction.
- Requires that billing statements clearly itemize fees.

Facility Fee Reporting

- Requires hospitals to report annually to the Oregon Health Authority on facility fees charged or billed for each facility.
- Requires, for each facility, the number of patient visits, the total amount of fees by payer, and the total amount received by the hospital or health system.
- Requires a description of the 10 services that produced the greatest amount of revenue from fees.

ISSUES DISCUSSED:

- Impacts of the measure.

EFFECT OF AMENDMENT:

Clarifies definition of "health system" for purposes of the measure.

BACKGROUND:

Facility fees are fees imposed by hospitals and health systems on emergency, inpatient, and outpatient services to cover operating or administrative expenses ([National Conference of State Legislatures](#)). Some states restrict use of facility fees (Connecticut, Maine, Indiana) while others require reporting (Connecticut, Washington) and/or notice to patients (Colorado, Connecticut, Maryland, Minnesota, New York, Washington) (Georgetown Center on Health

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Insurance Reform, [presentation](#) to Senate Health Care on May 29, 2024).

Senate Bill 539 A restricts facility fees except when specified conditions are met and requires hospitals and health systems to report on fee collection, including revenues, to the Oregon Health Authority.