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**SENATE BILL 6308**

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**State of Washington 65th Legislature 2018 Regular Session**

**By** Senators Keiser, Conway, Kuderer, Van De Wege, Rivers, Bailey, Fain, Mullet, Hunt, and Saldaña

AN ACT Relating to notice of charity care availability and screening and determination of charity care eligibility; amending RCW 70.170.060 and 70.170.070; and providing an effective date.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

**Sec.**  RCW 70.170.060 and 1998 c 245 s 118 are each amended to read as follows:

(1) No hospital or its medical staff shall adopt or maintain admission practices or policies which result in:

(a) A significant reduction in the proportion of patients who have no third-party coverage and who are unable to pay for hospital services;

(b) A significant reduction in the proportion of individuals admitted for inpatient hospital services for which payment is, or is likely to be, less than the anticipated charges for or costs of such services; or

(c) The refusal to admit patients who would be expected to require unusually costly or prolonged treatment for reasons other than those related to the appropriateness of the care available at the hospital.

(2) No hospital shall adopt or maintain practices or policies which would deny access to emergency care based on ability to pay. No hospital which maintains an emergency department shall transfer a patient with an emergency medical condition or who is in active labor unless the transfer is performed at the request of the patient or is due to the limited medical resources of the transferring hospital. Hospitals must follow reasonable procedures in making transfers to other hospitals including confirmation of acceptance of the transfer by the receiving hospital.

(3) The department shall develop definitions by rule, as appropriate, for subsection (1) of this section and, with reference to federal requirements, subsection (2) of this section. The department shall monitor hospital compliance with subsections (1) and (2) of this section. The department shall report individual instances of possible noncompliance to the state attorney general or the appropriate federal agency.

(4) The department shall establish and maintain by rule, consistent with the definition of charity care in RCW 70.170.020, the following:

(a) Uniform procedures, data requirements, and criteria for identifying patients receiving charity care;

(b) A definition of residual bad debt including reasonable and uniform standards for collection procedures to be used in efforts to collect the unpaid portions of hospital charges that are the patient's responsibility.

(5) For the purpose of providing charity care, each hospital shall develop, implement, and maintain a charity care policy which, consistent with subsection (1) of this section, shall enable people below the federal poverty level access to appropriate hospital-based medical services, and a sliding fee schedule for determination of discounts from charges for persons who qualify for such discounts by January 1, 1990. The department shall develop specific guidelines to assist hospitals in setting sliding fee schedules required by this section. All persons with family income below one hundred percent of the federal poverty standard shall be deemed charity care patients for the full amount of hospital charges, provided that such persons are not eligible for other private or public health coverage sponsorship. Persons who may be eligible for charity care shall be notified by the hospital.

(6) Each hospital must post and prominently display a summary of its charity care policy in areas where patients are admitted and in any financial services or billing areas. The summary must be posted in all languages spoken by more than ten percent of the population of the hospital service area.

(7) All billing statements and other written communications concerning billing or collection of a hospital bill by a hospital, must include a statement prominently set out on the front page of the document, in at least twelve point font, with words bolded as indicated below, which shall be translated in both English and the second most spoken language in the hospital's service area:

Depending on your income**, you may qualify for free care or a discount for your hospital bill, including any portion of your bill not covered by insurance or other benefits**. Contact the hospital **now** and ask for a **charity care application, or other financial assistance. Information can be found at (web site) or by calling (number)**.

(8) Oral communications relating to hospital billing must be conducted in the language spoken by the patient, which may include telephonic interpretation services.

(9) Each hospital shall make every reasonable effort to determine the existence or nonexistence of private or public sponsorship which might cover in full or part the charges for care rendered by the hospital to a patient; the family income of the patient as classified under federal poverty income guidelines, including family size; and the eligibility of the patient for charity care as defined in this chapter and in accordance with hospital policy. ((~~An initial determination of sponsorship status shall precede collection efforts directed at the patient.~~

~~(7)~~)) This reasonable effort must be completed before any billing or collection efforts commence. If the patient's family income information indicates potential charity care eligibility, the hospital must provide the patient with an application at the time of discharge or as soon as possible thereafter. Hospitals may not require patients to apply for programs or benefits for which the patient cannot, by law, meet eligibility standards or to which the patient does not have access.

(10) Patients must be considered to meet the standards for an initial determination of charity care eligibility, and must be considered presumptively eligible if they provide sufficient information to the hospital, or if the hospital is otherwise aware that the patient already has qualified for public benefit programs that, by their nature, are operated to benefit households living without sufficient resources to pay for treatment. The list of programs resulting in presumptive eligibility includes but is not limited to enrollment in:

(a) The women, infants, and children nutrition program;

(b) Temporary assistance for needy families;

(c) Pregnant women assistance;

(d) State family assistance;

(e) Refugee cash assistance;

(f) Basic food assistance;

(g) The aged, blind, and disabled program;

(h) The Washington school lunch program or the school breakfast program;

(i) The state food assistance program;

(j) Working connections child care;

(k) Seasonal child care;

(l) Head start;

(m) The low-income home energy assistance programs or other utility discount programs;

(n) Apple health;

(o) Programs providing housing subsidies, including section 8 housing and essential needs; and

(p) The weatherization assistance program.

(11) Hospital obligations under federal and state laws to provide meaningful access for limited English proficiency and non-English speaking patients apply to information regarding billing and charity care. Hospitals must develop standardized training programs on the hospital's charity care policy and use of interpreter services and provide regular training for appropriate staff, including the relevant and appropriate staff who work in registration, admissions, and billing.

(12) The department shall monitor the distribution of charity care among hospitals, with reference to factors such as relative need for charity care in hospital service areas and trends in private and public health coverage. The department shall prepare reports that identify any problems in distribution which are in contradiction of the intent of this chapter. The report shall include an assessment of the effects of the provisions of this chapter on access to hospital and health care services, as well as an evaluation of the contribution of all purchasers of care to hospital charity care.

((~~(8)~~)) (13) The department shall issue a report on the subjects addressed in this section at least annually, with the first report due on July 1, 1990.

**Sec.**  RCW 70.170.070 and 1989 1st ex.s. c 9 s 507 are each amended to read as follows:

(1) Every person who shall violate or knowingly aid and abet the violation of RCW 70.170.060 (5) or ((~~(6),~~)) (9) or 70.170.080, ((~~or 70.170.100,~~)) or any valid orders or rules adopted pursuant to these sections, or who fails to perform any act which it is herein made his or her duty to perform, shall be guilty of a misdemeanor. Following official notice to the accused by the department of the existence of an alleged violation, each day of noncompliance upon which a violation occurs shall constitute a separate violation. Any person violating the provisions of this chapter may be enjoined from continuing such violation. The department has authority to levy civil penalties not exceeding one thousand dollars for violations of this chapter and determined pursuant to this section.

(2) Every person who shall violate or knowingly aid and abet the violation of RCW 70.170.060 (1) or (2), or any valid orders or rules adopted pursuant to such section, or who fails to perform any act which it is herein made his or her duty to perform, shall be subject to the following criminal and civil penalties:

(a) For any initial violations: The violating person shall be guilty of a misdemeanor, and the department may impose a civil penalty not to exceed one thousand dollars as determined pursuant to this section.

(b) For a subsequent violation of RCW 70.170.060 (1) or (2) within five years following a conviction: The violating person shall be guilty of a misdemeanor, and the department may impose a penalty not to exceed three thousand dollars as determined pursuant to this section.

(c) For a subsequent violation with intent to violate RCW 70.170.060 (1) or (2) within five years following a conviction: The criminal and civil penalties enumerated in (a) of this subsection; plus up to a three-year prohibition against the issuance of tax exempt bonds under the authority of the Washington health care facilities authority; and up to a three-year prohibition from applying for and receiving a certificate of need.

(d) For a violation of RCW 70.170.060 (1) or (2) within five years of a conviction under (c) of this subsection: The criminal and civil penalties and prohibition enumerated in (a) and (b) of this subsection; plus up to a one-year prohibition from participation in the state medical assistance or medical care services authorized under chapter 74.09 RCW.

(3) The provisions of chapter 34.05 RCW shall apply to all noncriminal actions undertaken by the department of health, the department of social and health services, and the Washington health care facilities authority pursuant to chapter 9, Laws of 1989 1st ex. sess.

NEW SECTION. **Sec.**  This act takes effect October 1, 2018.

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