
HOUSE BILL 1504

State of Washington

64th Legislature

2015 Regular Session

By Representatives Jinkins, Johnson, Harris, Caldier, Robinson, Tharinger, Riccelli, Goodman, Cody, Walsh, Sawyer, Tarleton, Pollet, Senn, Kilduff, Moeller, Fitzgibbon, and McBride

Read first time 01/21/15. Referred to Committee on Health Care & Wellness.

1 AN ACT Relating to standardizing hospital charity care
2 determinations by requiring the development of a standardized
3 application form, specifying when patients must be notified regarding
4 the availability of charity care, and clarifying that a person may
5 apply for charity care at any time; and amending RCW 70.170.060.

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

7 **Sec. 1.** RCW 70.170.060 and 1998 c 245 s 118 are each amended to
8 read as follows:

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

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

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

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

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

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

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

20 (a) Uniform procedures, data requirements, and criteria for
21 identifying patients receiving charity care, including a standardized
22 charity care application form. The application form may not include
23 questions regarding bankruptcy proceedings or primary homeownership;

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

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

1 notified by the hospital at the time of the first visit or admission,
2 discharge, and the first billing. A person may apply for charity care
3 at any time, and a hospital may not deny a charity care application
4 based on the person's failure to apply or provide supporting
5 documentation within a specific time frame.

6 (6) Each hospital shall make every reasonable effort to determine
7 the existence or nonexistence of private or public sponsorship which
8 might cover in full or part the charges for care rendered by the
9 hospital to a patient; the family income of the patient as classified
10 under federal poverty income guidelines; and the eligibility of the
11 patient for charity care as defined in this chapter and in accordance
12 with hospital policy. To determine eligibility for charity care, each
13 hospital shall use the standardized application form developed by the
14 department under subsection (4) of this section. An initial
15 determination of sponsorship status shall precede collection efforts
16 directed at the patient.

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

26 (8) The department shall issue a report on the subjects addressed
27 in this section at least annually, with the first report due on July
28 1, 1990.

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