## FINAL BILL REPORT SSB 6273

## C 263 L 18

Synopsis as Enacted

**Brief Description**: Delineating charity care and notice requirements without restricting charity care.

**Sponsors**: Senate Committee on Health & Long Term Care (originally sponsored by Senators Cleveland, Rivers, Fain, Mullet, Palumbo and Saldaña).

## Senate Committee on Health & Long Term Care House Committee on Health Care & Wellness

**Background**: By statute, Washington hospitals may not deny patients access to emergency care because of inability to pay. Hospitals are also required to develop, implement, and maintain a charity care policy and a sliding fee schedule and submit them, along with data regarding the annual use of charity care, to the Department of Health.

Charity care is defined as necessary hospital health care rendered to indigent persons to the extent they are unable to pay for the care or to pay deductibles or coinsurance amounts required by a third-party payer. A patient whose family income is 100 percent of the federal poverty level or lower is eligible for charity care in the full amount of hospital charges for appropriate hospital-based medical services that are not otherwise covered. A patient whose family income is 101 to 200 percent of the federal poverty level qualifies for discounts based on the hospital's sliding fee schedule. Hospitals may classify a person whose family income is over 200 percent of the federal poverty level as indigent based on the person's financial circumstances.

Hospitals are required to notify a person who may be eligible for charity care. Notice that charges for indigent persons may be waived or reduced must be: (1) prominently displayed in the public areas of the hospital; (2) provided to the individual in writing and explained at the time the hospital requests information regarding the availability of third-party coverage, in any language spoken by more than 10 percent of the population in the hospital's service area; and (3) interpreted for other non-English speaking patients, limited-English speaking patients, or other patients who cannot read or understand the writing and explanation.

**Summary**: Charity care is defined as medically necessary hospital care rendered to indigent persons when third-party coverage, if any, has been exhausted. Third party coverage is an obligation on the part of an insurance company, health care service contractor, health maintenance organization, group health plan, government program, tribal benefits, or health

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care sharing ministry to pay for an individual's care. Eligibility for charity care is determined based on the patient's income at the time health care services are rendered, or at the time of application, if:

- the application is made within two years of the services;
- the patient has been making good faith efforts to pay for services; and
- the patient demonstrates eligibility for charity care.

Hospitals may consider applications for charity care at any time.

Hospitals must post and prominently display notice of charity care availability in all languages spoken by more than 10 percent of the hospital's service area. Notice must be displayed in areas where patients are admitted, emergency departments, and financial service or billing areas accessible to patients. Hospitals must make their charity care policy and charity care application available on their website, in all languages spoken by more than 10 percent of the hospital's service area. All hospital billing statements and other written forms of communication concerning billing must include a standardized charity care notification as included in the bill.

Hospitals must develop standardized training programs on their charity care policy and use of interpreter services, and provide this training for appropriate staff.

Hospitals must make reasonable efforts to determine a patient's family income at the time that health care services are provided.

## **Votes on Final Passage:**

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Senate 47 0
House 98 0 (House amended)
Senate 49 0 (Senate concurred)
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Effective: October 1, 2018.