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SENATE BILL 5231

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State of Washington

65th Legislature

2017 Regular Session

By Senators Keiser, Kuderer, and Conway

1 AN ACT Relating to notice of charity care availability at time of  
2 billing and collection; amending RCW 70.170.060; and providing an  
3 effective date.

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

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

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

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

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

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

20 (2) No hospital shall adopt or maintain practices or policies  
21 which would deny access to emergency care based on ability to pay. No

1 hospital which maintains an emergency department shall transfer a  
2 patient with an emergency medical condition or who is in active labor  
3 unless the transfer is performed at the request of the patient or is  
4 due to the limited medical resources of the transferring hospital.  
5 Hospitals must follow reasonable procedures in making transfers to  
6 other hospitals including confirmation of acceptance of the transfer  
7 by the receiving hospital.

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

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

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

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

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

38 (6) All billing statements and other written communications  
39 concerning billing or collection of a hospital bill shall include a  
40 statement prominently set out at the beginning of the document, in at

1 least twelve-point font, and with bold font as indicated, which shall  
2 be translated into both English and Spanish, and other languages and  
3 alternative formats when the need is reasonably known:

4 Depending on income, you may qualify for a discount for some or  
5 all of your hospital bill. Contact the hospital **now** and ask for a  
6 charity care application.

7 (7) All oral communications, including telephonic messages,  
8 concerning billing or collection of a hospital bill shall include the  
9 statement set forth in subsection (6) of this section translated into  
10 both English and Spanish, and other languages and alternative formats  
11 when the need is reasonably known.

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

20 ~~((+7))~~ (9) The department shall monitor the distribution of  
21 charity care among hospitals, with reference to factors such as  
22 relative need for charity care in hospital service areas and trends  
23 in private and public health coverage. The department shall prepare  
24 reports that identify any problems in distribution which are in  
25 contradiction of the intent of this chapter. The report shall include  
26 an assessment of the effects of the provisions of this chapter on  
27 access to hospital and health care services, as well as an evaluation  
28 of the contribution of all purchasers of care to hospital charity  
29 care.

30 ~~((+8))~~ (10) The department shall issue a report on the subjects  
31 addressed in this section at least annually, with the first report  
32 due on July 1, 1990.

33 NEW SECTION. Sec. 2. This act takes effect October 1, 2017.

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