

---

SENATE BILL 6308

---

State of Washington

65th Legislature

2018 Regular Session

By Senators Keiser, Conway, Kuderer, Van De Wege, Rivers, Bailey, and Fain

Read first time 01/11/18. Referred to Committee on Health & Long Term Care.

1 AN ACT Relating to notice of charity care availability and  
2 screening and determination of charity care eligibility; amending RCW  
3 70.170.060 and 70.170.070; and providing an 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) Each hospital must post and prominently display a summary of  
39 its charity care policy in areas where patients are admitted and in  
40 any financial services or billing areas. The summary must be posted

1 in all languages spoken by more than ten percent of the population of  
2 the hospital service area.

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

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

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

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

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

35 (10) Patients must be considered to meet the standards for an  
36 initial determination of charity care eligibility, and must be  
37 considered presumptively eligible if they provide sufficient  
38 information to the hospital, or if the hospital is otherwise aware  
39 that the patient already has qualified for public benefit programs

1 that, by their nature, are operated to benefit households living  
2 without sufficient resources to pay for treatment. The list of  
3 programs resulting in presumptive eligibility includes but is not  
4 limited to enrollment in:

- 5 (a) The women, infants, and children nutrition program;
- 6 (b) Temporary assistance for needy families;
- 7 (c) Pregnant women assistance;
- 8 (d) State family assistance;
- 9 (e) Refugee cash assistance;
- 10 (f) Basic food assistance;
- 11 (g) The aged, blind, and disabled program;
- 12 (h) The Washington school lunch program or the school breakfast  
13 program;
- 14 (i) The state food assistance program;
- 15 (j) Working connections child care;
- 16 (k) Seasonal child care;
- 17 (l) Head start;
- 18 (m) The low-income home energy assistance programs or other  
19 utility discount programs;
- 20 (n) Apple health;
- 21 (o) Programs providing housing subsidies, including section 8  
22 housing and essential needs; and
- 23 (p) The weatherization assistance program.

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

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

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

4       **Sec. 2.** RCW 70.170.070 and 1989 1st ex.s. c 9 s 507 are each  
5 amended to read as follows:

6       (1) Every person who shall violate or knowingly aid and abet the  
7 violation of RCW 70.170.060 (5) or (~~(6)~~) (9) or 70.170.080, (~~(or~~  
8 ~~70.170.100)~~) or any valid orders or rules adopted pursuant to these  
9 sections, or who fails to perform any act which it is herein made his  
10 or her duty to perform, shall be guilty of a misdemeanor. Following  
11 official notice to the accused by the department of the existence of  
12 an alleged violation, each day of noncompliance upon which a  
13 violation occurs shall constitute a separate violation. Any person  
14 violating the provisions of this chapter may be enjoined from  
15 continuing such violation. The department has authority to levy civil  
16 penalties not exceeding one thousand dollars for violations of this  
17 chapter and determined pursuant to this section.

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

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

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

32       (c) For a subsequent violation with intent to violate RCW  
33 70.170.060 (1) or (2) within five years following a conviction: The  
34 criminal and civil penalties enumerated in (a) of this subsection;  
35 plus up to a three-year prohibition against the issuance of tax  
36 exempt bonds under the authority of the Washington health care  
37 facilities authority; and up to a three-year prohibition from  
38 applying for and receiving a certificate of need.

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

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

12 NEW SECTION. **Sec. 3.** This act takes effect October 1, 2018.

--- END ---