

**Second Regular Session
Sixty-eighth General Assembly
STATE OF COLORADO**

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 12-0373.02 Kristen Forrestal x4217

SENATE BILL 12-134

SENATE SPONSORSHIP

Aguilar, Boyd, Carroll, Foster, Nicholson

HOUSE SPONSORSHIP

(None),

Senate Committees

Health and Human Services
Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING FINANCIAL ASSISTANCE IN COLORADO HOSPITALS.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

The bill requires each hospital to make available to patients, and to communicate to each patient, information about the hospital's charity program and discount program in a clear and understandable manner and in languages appropriate to its communities. The bill also requires hospitals to offer a discount to each qualified patient. A qualified patient is defined as an uninsured patient who has a family income of not more than 400% of the federal poverty income level and who does not receive

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
*Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

a discount through the Colorado indigent care program.

A hospital is prohibited from charging a patient for more than the cost of providing care. The bill requires each hospital to offer to screen each patient for the discount program and any other financial assistance offered by the hospital.

Each hospital is required to offer a payment plan to an eligible patient and to fulfill specific obligations before sending a bill to a collection agency for payment.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1. In Colorado Revised Statutes, add 25-3-112 as**
3 **follows:**

4 **25-3-112. Hospitals - charges for the uninsured - collections**
5 **protection - charity care information.** (1) EACH HOSPITAL SHALL MAKE
6 INFORMATION AVAILABLE TO EACH PATIENT ABOUT THE HOSPITAL'S
7 FINANCIAL ASSISTANCE, CHARITY CARE, AND PAYMENT PLAN POLICIES.
8 EACH HOSPITAL SHALL COMMUNICATE THIS INFORMATION IN A CLEAR AND
9 UNDERSTANDABLE MANNER AND IN LANGUAGES APPROPRIATE TO THE
10 COMMUNITIES AND PATIENTS THE HOSPITAL SERVES. THE HOSPITAL SHALL:

11 (a) POST THE INFORMATION CONSPICUOUSLY ON ITS WEB SITE;
12 (b) MAKE THE INFORMATION AVAILABLE IN PATIENT WAITING
13 AREAS;
14 (c) MAKE THE INFORMATION AVAILABLE TO EACH PATIENT, WHEN
15 POSSIBLE, BEFORE THE PATIENT'S DISCHARGE FROM THE HOSPITAL; AND
16 (d) INCLUDE THE INFORMATION IN EACH PATIENT'S BILLING
17 STATEMENT.

18 (2) (a) WHEN POSSIBLE, EACH HOSPITAL SHALL OFFER TO SCREEN
19 EACH UNINSURED PATIENT FOR ELIGIBILITY FOR FINANCIAL ASSISTANCE AS
20 DESCRIBED BY THIS SUBSECTION (2). EACH HOSPITAL SHALL OFFER
21 FINANCIAL ASSISTANCE FOR QUALIFIED PATIENTS ON A

1 COMMUNITY-SPECIFIC BASIS. IN DETERMINING ELIGIBILITY FOR FINANCIAL
2 ASSISTANCE, EACH HOSPITAL SHALL TAKE INTO CONSIDERATION FEDERAL,
3 STATE, AND LOCAL GOVERNMENT REQUIREMENTS.

4 (b) FOR PURPOSES OF THIS SECTION, A QUALIFIED PATIENT IS AN
5 INDIVIDUAL:

6 (I) WHO IS UNINSURED;

7 (II) WHOSE ANNUAL FAMILY INCOME IS NOT MORE THAN TWO
8 HUNDRED FIFTY PERCENT OF THE FEDERAL POVERTY GUIDELINES; AND

9 (III) WHO DOES NOT QUALIFY FOR THE "COLORADO INDIGENT
10 CARE PROGRAM" ESTABLISHED IN PART 1 OF ARTICLE 3 OF TITLE 25.5,
11 C.R.S.

12 (3) HOSPITALS SHALL LIMIT THE AMOUNTS CHARGED FOR
13 EMERGENCY OR OTHER MEDICALLY NECESSARY CARE PROVIDED TO
14 INDIVIDUALS ELIGIBLE FOR ASSISTANCE UNDER THE FINANCIAL
15 ASSISTANCE POLICY DESCRIBED IN SUBSECTION (2) OF THIS SECTION TO
16 NOT MORE THAN THE LOWEST NEGOTIATED RATE FROM A PRIVATE PAYER.

17 (4) BEFORE INITIATING COLLECTION PROCEEDINGS, A HOSPITAL
18 SHALL:

19 (a) OFFER A QUALIFIED PATIENT A REASONABLE PAYMENT PLAN;
20 AND

21 (b) ALLOW FOR AT LEAST THIRTY DAYS PAST THE DUE DATE OF
22 ANY SCHEDULED PAYMENT THAT IS NOT PAID IN FULL. A HOSPITAL MUST
23 ALLOW THE THIRTY-DAY PERIOD ONLY FOR THE FIRST LATE PAYMENT.

24 (5) NOTHING IN THIS SECTION LIMITS OR AFFECTS A HOSPITAL'S
25 RIGHT TO PURSUE THE COLLECTION OF PERSONAL INJURY, BODILY INJURY,
26 LIABILITY, UNINSURED, UNDERINSURED, MEDICAL PAYMENT
27 REHABILITATION, DISABILITY, HOMEOWNER'S, BUSINESS OWNER'S,

1 WORKERS' COMPENSATION, OR FAULT-BASED INSURANCE.

2 (6) FOR THE PURPOSES OF THIS SECTION, "HOSPITAL" MEANS A
3 HOSPITAL LICENSED OR CERTIFIED PURSUANT TO SECTION 25-3-101 (1).

4 **SECTION 2. Act subject to petition - effective date.** This act
5 takes effect at 12:01 a.m. on the day following the expiration of the
6 ninety-day period after final adjournment of the general assembly (August
7 8, 2012, if adjournment sine die is on May 9, 2012); except that, if a
8 referendum petition is filed pursuant to section 1 (3) of article V of the
9 state constitution against this act or an item, section, or part of this act
10 within such period, then the act, item, section, or part will not take effect
11 unless approved by the people at the general election to be held in
12 November 2012 and, in such case, will take effect on the date of the
13 official declaration of the vote thereon by the governor.