

Second Regular Session  
Sixty-ninth General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 14-0682.01 Kristen Forrestal x4217

SENATE BILL 14-050

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SENATE SPONSORSHIP

Aguilar,

HOUSE SPONSORSHIP

Moreno,

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Senate Committees  
Health & Human Services

House Committees

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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>.)*

Current law requires each hospital to make information regarding financial assistance available to each patient. The bill specifies the information that must be included.

Current law requires hospitals to limit the amounts charged to uninsured qualified patients to the lowest negotiated rate from a private health plan. The bill changes that limit for patients who fall below 400% of the federal poverty line to the medicare reimbursement rate plus 20%.

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.*

The bill requires the department of public health and environment to promulgate rules and to evaluate each hospital for compliance at the time of licensing and license renewal.

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

2 **SECTION 1.** In Colorado Revised Statutes, 25-3-112, **amend** (1),  
3 (2) (b) (I), and (3); **repeal** (2) (b) (II); and **add** (7) as follows:

4 **25-3-112. Hospitals - charges for the uninsured - collections**  
5 **protection - charity care information - charges for insured -**  
6 **rules.** (1) (a) Each hospital shall make information available to each  
7 patient about the hospital's financial assistance, charity care, and payment  
8 plan policies. Each hospital shall communicate this information in a clear  
9 and understandable manner and in languages appropriate to the  
10 communities and patients the hospital serves. THE INFORMATION SHALL  
11 INCLUDE:

12 (I) THE ELIGIBILITY CRITERIA FOR FINANCIAL ASSISTANCE,  
13 CHARITY CARE, AND PAYMENT PLAN POLICIES;

14 (II) THE BASIS FOR CALCULATING THE AMOUNTS CHARGED TO  
15 PATIENTS;

16 (III) THE METHOD FOR APPLYING FOR FINANCIAL ASSISTANCE AND  
17 CHARITY CARE; AND

18 (IV) THE ACTIONS THE HOSPITAL MAY TAKE IF THE PATIENT DOES  
19 NOT PAY, INCLUDING REPORTING TO COLLECTIONS AGENCIES AND  
20 COLLECTIONS ACTION.

21 (b) The hospital shall:

22 ~~(a)~~ (I) Post the information conspicuously on its web site;

23 ~~(b)~~ (II) Make the information available in patient waiting areas;

24 ~~(c)~~ (III) Make the information available to each patient, when

1 possible, before the patient's discharge from the hospital; and  
2 ~~(d) (IV) Include the information in each patient's billing statement~~  
3 INFORM EACH PATIENT ON EACH BILLING STATEMENT THAT FINANCIAL  
4 ASSISTANCE OR CHARITY CARE MAY BE AVAILABLE AND PROVIDE THE  
5 WEBSITE, EMAIL ADDRESS, AND TELEPHONE NUMBER WHERE THE  
6 INFORMATION MAY BE OBTAINED; AND  
7 (V) TAKE MEASURES TO WIDELY PUBLICIZE THE INFORMATION.  
8 (2) (b) For purposes of this section, a qualified patient is an  
9 individual:  
10 (I) Who is uninsured; AND  
11 (II) ~~Whose annual family income is not more than two hundred~~  
12 ~~fifty percent of the federal poverty guidelines; and~~  
13 (3) A hospital shall limit the amounts charged for emergency or  
14 other medically necessary care provided to individuals eligible for  
15 assistance under the financial assistance policy described in subsection  
16 (2) of this section:  
17 (a) To not more than the lowest negotiated rate from a private  
18 health plan FOR INDIVIDUALS WITH AN ANNUAL HOUSEHOLD INCOME AT OR  
19 ABOVE FOUR HUNDRED PERCENT OF THE FEDERAL POVERTY LINE; AND  
20 (b) TO NOT MORE THAN THE MEDICARE REIMBURSEMENT RATE  
21 PLUS TWENTY PERCENT FOR INDIVIDUALS WITH AN ANNUAL HOUSEHOLD  
22 INCOME BELOW FOUR HUNDRED PERCENT OF THE FEDERAL POVERTY LINE.  
23 (7) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF PUBLIC  
24 HEALTH AND ENVIRONMENT SHALL PROMULGATE RULES FOR THE  
25 IMPLEMENTATION OF THIS SECTION, INCLUDING SANCTIONS FOR  
26 HOSPITALS THAT ARE NOT IN COMPLIANCE WITH THIS SECTION. THE  
27 DEPARTMENT SHALL EVALUATE EACH HOSPITAL FOR COMPLIANCE WITH

1 THIS SECTION AT THE TIME OF LICENSURE OR CERTIFICATION AND LICENSE  
2 AND CERTIFICATION RENEWAL.

3           **SECTION 2. Act subject to petition - effective date.** This act  
4 takes effect at 12:01 a.m. on the day following the expiration of the  
5 ninety-day period after final adjournment of the general assembly  
6 (August 6, 2014, if adjournment sine die is on May 7, 2014); except that,  
7 if a referendum petition is filed pursuant to section 1 (3) of article V of  
8 the state constitution against this act or an item, section, or part of this act  
9 within such period, then the act, item, section, or part will not take effect  
10 unless approved by the people at the general election to be held in  
11 November 2014 and, in such case, will take effect on the date of the  
12 official declaration of the vote thereon by the governor.