



General Assembly

February Session, 2004

Raised Bill No. 561

LCO No. 2295

02295_____PH_

Referred to Committee on Public Health

Introduced by:
(PH)

AN ACT CONCERNING HOSPITAL BILLING PRACTICES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (a) of section 19a-509b of the general statutes,
2 as amended by section 2 of public act 03-266, is repealed and the
3 following is substituted in lieu thereof (*Effective July 1, 2004*):

4 (a) As used in this section, (1) "hospital bed fund" means any gift of
5 money, stock, bonds, financial instruments or other property made by
6 any donor for the purpose of establishing a fund to provide medical
7 care, including, but not limited to, inpatient or outpatient care, to
8 patients at a hospital. A hospital bed fund may be established by inter
9 vivos gift, bequest, subscription, solicitation, dedication or any other
10 means; (2) "hospital" means hospital as defined in section 19a-490, as
11 amended; (3) "collection agent" means any person, either employed by
12 or under contract to, a hospital, who is engaged in the business of
13 collecting payment from consumers for medical services provided by
14 the hospital, and includes, but is not limited to, attorneys performing
15 debt collection activities. "Collection agent" does not include hospital
16 employees or agents engaged in routine hospital billing processes or
17 follow-up processes to routine billing.

18 Sec. 2. Section 3 of public act 03-266 is repealed and the following is
19 substituted in lieu thereof (*Effective July 1, 2004*):

20 (a) No hospital shall refer to a collection agent, as defined in section
21 19-509b, as amended by this act, or initiate an action against an
22 individual patient or such patient's estate to collect fees arising from
23 care provided at a hospital on or after October 1, 2003, unless the
24 hospital has made a determination that such individual is an
25 uninsured patient, as defined in section 19a-673, as amended, and is
26 not eligible for the hospital bed fund.

27 (b) Nothing in this section shall [effect] affect a hospital's ability to
28 pursue collection of copayments or deductibles to the extent federal
29 laws or payor contracts require that a reasonable collection effort be
30 made, and nothing in this section shall affect a hospital's ability to
31 initiate an action against an individual patient or such patient's estate
32 to collect coinsurance, deductibles or fees arising from care provided at
33 a hospital where such coinsurance, deductibles or fees may be eligible
34 for reimbursement through awards, settlements or judgments arising
35 from claims, suits or proceedings. In addition, nothing in this section
36 shall affect a hospital's ability to initiate an action against an individual
37 patient or such patient's estate where payment or reimbursement has
38 been made, or likely is to be made, directly to the patient.

This act shall take effect as follows:	
Section 1	<i>July 1, 2004</i>
Sec. 2	<i>July 1, 2004</i>

Statement of Purpose:

To clarify the definition of "collection agent" and to allow compliance with federal laws or payor contracts.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]