



# House of Representatives

General Assembly

**File No. 218**

February Session, 2010

House Bill No. 5300

*House of Representatives, March 30, 2010*

The Committee on Insurance and Real Estate reported through REP. FONTANA, S. of the 87th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

## **AN ACT CONCERNING HOSPITAL CHARGES FOR UNINSURED PATIENTS.**

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

1 Section 1. Section 19a-673 of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective October 1, 2010*):

3 (a) As used in this section:

4 (1) "Cost of providing services" means a hospital's published  
5 charges at the time of billing, multiplied by the hospital's most recent  
6 relationship of costs to charges as taken from the hospital's most  
7 recently available annual financial filing with the Office of Health Care  
8 Access.

9 (2) "Hospital" means an institution licensed by the Department of  
10 Public Health as a short-term general hospital.

11 (3) "Poverty income guidelines" means the poverty income  
12 guidelines issued from time to time by the United States Department

13 of Health and Human Services.

14 (4) "Uninsured patient" means any person who is liable for one or  
15 more hospital charges whose income is at or below two hundred fifty  
16 per cent of the poverty income guidelines who (A) has applied and  
17 been denied eligibility for any medical or health care coverage  
18 provided under the state-administered general assistance program or  
19 the Medicaid program due to failure to satisfy income or other  
20 eligibility requirements, and (B) is not eligible for coverage for hospital  
21 services under the Medicare or CHAMPUS programs, or under any  
22 Medicaid or health insurance program of any other nation, state,  
23 territory or commonwealth, or under any other governmental or  
24 privately sponsored health or accident insurance or benefit program  
25 including, but not limited to, workers' compensation and awards,  
26 settlements or judgments arising from claims, suits or proceedings  
27 involving motor vehicle accidents or alleged negligence.

28 (b) No hospital that has provided health care services to (1) an  
29 uninsured patient, or (2) a patient who does not have health insurance  
30 coverage and whose income is above two hundred fifty per cent of the  
31 poverty income guidelines may collect from [the uninsured patient]  
32 such patients more than the cost of providing services. Any such costs  
33 shall be limited to one hundred fifteen per cent of the lowest amount  
34 such hospital receives for the relevant procedures or services from any  
35 insurer or health care center or from Medicare, whichever is less.

36 (c) Each collection agent, as defined in section 19a-509b, engaged in  
37 collecting a debt from a patient arising from services provided at a  
38 hospital shall provide written notice to such patient as to whether the  
39 hospital deems the patient an insured patient, a patient who does not  
40 have health insurance coverage or an uninsured patient and the  
41 reasons for such determination.

42 Sec. 2. Section 19a-681 of the general statutes is repealed and the  
43 following is substituted in lieu thereof (*Effective October 1, 2010*):

44 (a) Each hospital shall file with the office its current pricemaster

45 which shall include each charge in its detailed schedule of charges.

46 (b) If the billing detail by line item on a patient bill does not agree  
47 with the detailed schedule of charges on file with the office for the date  
48 of service specified on the bill, the hospital shall be subject to a civil  
49 penalty of five hundred dollars per occurrence payable to the state not  
50 later than fourteen days after the date of notification. The penalty shall  
51 be imposed in accordance with subsections (b) to (e), inclusive, of  
52 section 19a-653. The office may issue an order requiring such hospital,  
53 not later than fourteen days after the date of notification of an  
54 overcharge to a patient, to adjust the bill to be consistent with the  
55 schedule of charges on file with the office for the date of service  
56 specified on the patient bill.

57 (c) The office shall post the pricemasters filed under subsection (a)  
58 of this section on the Department of Public Health's Internet web site.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2010	19a-673
Sec. 2	October 1, 2010	19a-681

**INS**      *Joint Favorable*

---

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

---

**OFA Fiscal Note**

**State Impact:**

<b>Agency Affected</b>	<b>Fund-Effect</b>	<b>FY 11 \$</b>	<b>FY 12 \$</b>
UConn Health Center	Various - Revenue Loss	Indeterminate	Indeterminate

**Municipal Impact:** None

**Explanation**

The provisions of the bill that limit what hospitals may charge certain individuals will result in a revenue loss to the John Dempsey Hospital at the University of Connecticut Health Center (UCHC). Currently, UCHC does not collect income data on its patients relevant to the federal poverty level. Therefore, the extent of this revenue loss cannot be determined.

There is no fiscal impact to the Department of Public Health to post hospital pricemasters on its website.

**The Out Years**

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

**OLR Bill Analysis****HB 5300*****AN ACT CONCERNING HOSPITAL CHARGES FOR UNINSURED PATIENTS.*****SUMMARY:**

The law limits how much hospitals can charge uninsured patients for healthcare services. This bill extends the limit to more patients.

Under current law, the limit applies to an “uninsured patient,” that is, someone whose income is at or below 250% of the federal poverty level (FPL) who:

1. has applied and been denied eligibility for healthcare coverage under Medicaid or the State-Administered General Assistance program for failure to satisfy income or other eligibility requirements and
2. is not eligible for hospital service coverage under (a) Medicare or CHAMPUS (the federal Civilian Health and Medical Program of the Uniformed Services); (b) Medicaid; (c) any health insurance program of another nation, state, territory, or commonwealth; or (d) any other government or private health or accident insurance or benefit program. (In 2010, 250% FPL for a family of two is \$36,425.)

The bill extends the limit to any patient without health insurance coverage whose income exceeds 250% of the FPL. It also limits the costs hospitals may charge to both groups of patients to 115% of the lowest amount received for the relevant procedure or service from any insurer, health care center, or Medicare, whichever is less. (Current law limits uninsured patient charges to the cost of providing the services.)

By law, collection agents must give written notice to a patient as to

whether the hospital deems him or her as insured or uninsured and the reasons for such determination. The bill adds a “patient who does not have health insurance coverage” as a category included in this insurance determination. (Although the bill does not specify, it appears that a patient who does not have health insurance coverage means an uninsured patient whose income exceeds 250% of the FPL.)

Finally, the bill requires the Office of Health Care Access to post “pricemasters” (the detailed list of the prices hospitals charge for goods and services) filed by hospitals on the Department of Public Health website.

EFFECTIVE DATE: October 1, 2010

**COMMITTEE ACTION**

Insurance and Real Estate Committee

Joint Favorable

Yea 14    Nay 5    (03/16/2010)