
OLR Bill Analysis

sHB 5320

AN ACT CONCERNING HOSPITAL FINANCIAL ASSISTANCE.

SUMMARY

Starting October 1, 2024, this bill requires hospitals to provide financial assistance to patients, regardless of their immigration status, if they are enrolled in certain federal nutrition assistance programs and have a verified household income at or below 250% of the federal poverty level (FPL). The financial assistance must cover all medically necessary services and supplies.

The bill sets related eligibility and application requirements, including requiring the Office of Health Strategy (OHS) to create a uniform application for hospital financial assistance by January 1, 2025.

Among other things, the bill also does the following:

1. requires hospitals to include their financial assistance policies and the number of patients requesting or reasonably believed to need financial assistance as part of the information they must annually report to OHS (§ 2);
2. requires hospitals to make available a one-page plain language summary describing their financial assistance policies in each language spoken by at least 5% of the population in the hospital's service area (§ 3); and
3. requires hospitals to train staff on their financial assistance programs, including eligibility requirements and application procedures (§ 3).

The bill also makes technical and conforming changes.

EFFECTIVE DATE: Upon passage, except the provisions on the bed

fund patient summaries and annual hospital reporting requirements take effect October 1, 2024.

§§ 1 & 2 — HOSPITAL FINANCIAL ASSISTANCE

Eligibility

Starting October 1, 2024, the bill requires hospitals to provide patients financial assistance that (1) partially or fully reduces a patient’s liability for the cost of care and (2) covers all medically necessary services and supplies. They must do this, regardless of patients’ immigration status, under the following conditions:

1. the patients are enrolled in either of the following two federal assistance programs: (a) Supplemental Nutrition Assistance Program (SNAP) or (b) Special Supplemental Food Program for Women, Infants, and Children (WIC) and
2. the hospital verified the patient’s household income does not exceed 250% of the FPL (currently, 250% of the FPL is \$51,100 for a family of two) without an asset limit, using software that conforms to industry standards for electronic income verification.

The bill prohibits hospitals from requiring these patients, before receiving financial assistance, to apply for the Connecticut Medical Assistance Program (i.e., “CMAP,” which is Medicaid and HUSKY B), Medicare, or other government-funded coverage or insurance through Access Health CT, unless the hospital reasonably believes the patient will qualify for one or more of these programs.

Application

By January 1, 2025, the bill requires the OHS Health Systems Planning Unit (HSPU) to develop a uniform hospital financial assistance application, which hospitals must accept. HSPU must do this in consultation with a hospital association and post the application on its website. It may also periodically revise the application, as its executive director deems necessary. The bill requires hospitals, within 90 days after HSPU posts the application on its website, to make it available in

their patient admissions office, emergency department, social services department, and patient accounts or billing office.

Hospitals must include (1) the application's Internet link on all hospital billing statements and (2) a paper copy of the application in patients' discharge paperwork.

Under the bill, a hospital must give a patient the application form if it reasonably believes, during the admissions process or when it reviews the patient's financial resources, that the patient may have insufficient funds to pay any part of his or her hospitalization that is not covered by insurance. Hospitals must also require their collections agents to include the form in each bill and collection notice sent to patients.

Annual Report

By law, hospitals must annually file with HSPU their policies on charity care and financial assistance to the indigent and their debt collection practices. The bill adds to the information that must be included in the filing the number of patients who request or are reasonably believed to need financial assistance.

The law, unchanged by the bill, already requires hospitals to report (1) the number of applicants for charity care and financial assistance, (2) the number of approved applicants, and (3) the total and average values of charity care and financial assistance provided.

§ 3 — HOSPITAL BED FUND PATIENT SUMMARIES

Existing law requires each hospital that maintains or administers bed funds to make available to patients a one-page plain language summary in English and Spanish on its financial assistance policy. The bill requires hospitals to also do the following:

1. make the summary available in each language spoken by at least 5% of the population that lives in the hospital's service area and
2. include in the summary an internet link to or paper copy of the financial assistance application.

COMMITTEE ACTION

Public Health Committee

Joint Favorable Substitute

Yea 24 Nay 13 (03/11/2024)