Senate

General Assembly

File No. 8

January Session, 2025

Substitute Senate Bill No. 1192

Senate, February 25, 2025

The Committee on Public Health reported through SEN. ANWAR of the 3rd Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING HOSPITAL FINANCIAL ASSISTANCE.

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

Section 1. (NEW) (*Effective July 1, 2025*) (a) As used in this section, (1) "hospital" has the same meaning as provided in section 19a-490 of the general statutes; and (2) "hospital financial assistance" means any program administered by a hospital that reduces, in whole or in part, a patient's liability for the cost of providing services, as defined in section 19a-673 of the general statutes.

(b) The Office of the Healthcare Advocate shall, within available appropriations, contract with a vendor to develop an online hospital financial assistance portal for use by patients and family members. Such portal shall serve as a navigation tool to help patients and family members identify and apply for hospital financial assistance at hospitals in the state. The portal may include, but need not be limited to, (1) technical assistance and tools that streamline the application process for hospital financial assistance, (2) a screening tool to help determine whether patients may be eligible for hospital financial assistance, and

(3) information to assist patients and family members in avoiding future medical debt.

(c) The Office of the Healthcare Advocate may, (1) in consultation with the Office of Policy and Management, publish on the Office of the Healthcare Advocate's Internet web site information regarding the state's medical debt erasure initiative authorized pursuant to section 48 of public act 23-204, as amended by section 1 of public act 24-81, and (2) in consultation with relevant organizations, develop recommendations concerning such initiative that may assist patients and family members in avoiding future medical debt, including, but not limited to, methods to streamline the application process for hospital financial assistance.

(d) On and after July 1, 2026, any hospital maintaining a financial assistance program shall provide the Office of the Healthcare Advocate with the (1) links for each Internet web site for such program, and (2) telephone number and electronic mail address for the hospital's financial assistance referral contact. If a hospital revises its hospital financial assistance application form, changes its financial assistance referral contact or establishes a new hospital financial assistance program, the hospital shall notify the Office of the Healthcare Advocate of such revisions, changes or new program and provide said office with any new links for each Internet web site or the telephone number and electronic mail address of the new referral contact for such program not later than thirty days after making such revisions or changes or establishing a new program.

This act shall take effect as follows and shall amend the following sections:		
Section 1	*July 1, 2025*	New section

PH *Joint Favorable Subst.*

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:

Agency Affected	Fund-Effect	FY 26 $	FY 27 $
Healthcare Advocate, Off.	IF - Cost	See Below	See Below

Note: IF=Insurance Fund

Municipal Impact: None

Explanation

The bill results in a one-time cost to the Office of the Healthcare Advocate (OHA) of at least $50,000 to the Insurance Fund as it requires OHA to contract with a vendor to develop an online hospital financial assistance portal for patients and family members. The contract cost will depend on the features and functionality included in the portal. There may also be ongoing costs for portal maintenance. The bill does not specify a deadline regarding an operational portal so it is unclear in which fiscal year the initial cost will be incurred.

The bill additionally requires hospitals maintaining a financial assistance program to submit certain information to OHA, which has no fiscal impact.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to the timing of OHA's contract with a vendor and the need for ongoing portal maintenance costs.

OLR Bill Analysis

sSB 1192

AN ACT CONCERNING HOSPITAL FINANCIAL ASSISTANCE.

SUMMARY

This bill requires the Office of the Healthcare Advocate (OHA), within available appropriations, to contract with a vendor to develop an online hospital financial assistance portal for patients and family members.

Under the bill, the portal must serve as a navigation tool to help patients and family members identify and apply for hospital financial assistance at Connecticut hospitals that would partially or fully reduce patients' liability for the cost of care. At a minimum, the portal may include:

1. technical assistance and tools that streamline the application process for assistance,
2. a screening tool to help determine whether patients may be eligible for assistance, and
3. information to help patients and family members avoid future medical debt.

The bill also authorizes OHA to (1) consult with the Office of Policy and Management and publish information about the state's medical debt erasure initiative on the OHA website (see BACKGROUND) and (2) develop, in consultation with relevant organizations, recommendations on the initiative that may help patients and family members avoid future medical debt, including ways to streamline the hospital financial assistance application process.

Starting July 1, 2026, hospitals that offer financial assistance programs

must give OHA contact information for their programs (i.e., website links, email addresses, and phone numbers). If a hospital revises the program's application form or contact information or establishes a new program, it must notify OHA and give the office any new program contact information within 30 days after doing so.

EFFECTIVE DATE: July 1, 2025

BACKGROUND

Medical Debt Erasure Initiative

PA 23-204, as amended by PA 24-81, allocated $6.5 million in federal American Rescue Plan Act (ARPA) funds for the state to enter a partnership with Undue Medical Debt, a national nonprofit organization. Undue Medical Debt uses these funds to negotiate with hospitals and other health care providers to eliminate large, bundled portfolios of certain medical debt.

To qualify for medical debt erasure, patients must have (1) income at or below 400% of the federal poverty level (e.g., $84,600 for a family of two in 2025) or (2) medical debt that is at least 5% of their income. Patients do not apply for the debt relief. Instead, they are notified by Undue Medical Debt if their debt has been identified for erasure.

During the initiative's first round in December 2024, the state invested approximately $100,000 in ARPA funds to acquire approximately $30 million in qualifying medical debt.

COMMITTEE ACTION

Public Health Committee

Joint Favorable Substitute
Yea 32 Nay 0 (02/10/2025)