

Second Regular Session  
Sixty-eighth General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 12-0373.02 Kristen Forrestal x4217

SENATE BILL 12-134

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SENATE SPONSORSHIP

**Aguilar**, Boyd, Carroll, Foster, Nicholson

HOUSE SPONSORSHIP

(None),

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Senate Committees

Health and 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>.)*

The bill requires each hospital to make available to patients, and to communicate to each patient, information about the hospital's charity program and discount program in a clear and understandable manner and in languages appropriate to its communities. The bill also requires hospitals to offer a discount to each qualified patient. A qualified patient is defined as an uninsured patient who has a family income of not more than 400% of the federal poverty income level and who does not receive

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.*

a discount through the Colorado indigent care program.

A hospital is prohibited from charging a patient for more than the cost of providing care. The bill requires each hospital to offer to screen each patient for the discount program and any other financial assistance offered by the hospital.

Each hospital is required to offer a payment plan to an eligible patient and to fulfill specific obligations before sending a bill to a collection agency for payment.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 25-3-112 as  
3 follows:

4 **25-3-112. Hospitals - charges for the uninsured - collections**  
5 **protection - charity care information.** (1) EACH HOSPITAL SHALL MAKE  
6 INFORMATION AVAILABLE TO EACH PATIENT ABOUT THE HOSPITAL'S  
7 FINANCIAL ASSISTANCE AND CHARITY CARE PROGRAM, INCLUDING THE  
8 DISCOUNT PROGRAM DESCRIBED IN THIS SECTION. EACH HOSPITAL SHALL  
9 COMMUNICATE THIS INFORMATION IN A CLEAR AND UNDERSTANDABLE  
10 MANNER AND IN LANGUAGES APPROPRIATE TO THE COMMUNITIES AND  
11 PATIENTS THE HOSPITAL SERVES. THE HOSPITAL SHALL POST THE  
12 INFORMATION CONSPICUOUSLY ON ITS WEB SITE, MAKE THE INFORMATION  
13 AVAILABLE IN PATIENT WAITING AREAS, GIVE EACH PATIENT THE  
14 INFORMATION BEFORE THE PATIENT'S DISCHARGE FROM THE HOSPITAL,  
15 AND INCLUDE THE INFORMATION IN THE PATIENT'S BILLING STATEMENTS.

16 (2) EACH HOSPITAL SHALL OFFER A DISCOUNT PROGRAM FOR  
17 QUALIFIED PATIENTS. A QUALIFIED PATIENT IS A PATIENT WHO IS  
18 UNINSURED AND HAS A FAMILY INCOME OF NOT MORE THAN FOUR  
19 HUNDRED PERCENT OF THE FEDERAL POVERTY INCOME GUIDELINES AND  
20 DOES NOT RECEIVE A DISCOUNT THROUGH THE COLORADO INDIGENT CARE  
21 PROGRAM.

1           (3) A HOSPITAL SHALL NOT REQUIRE A QUALIFIED PATIENT TO PAY  
2 MORE THAN THE HOSPITAL'S COST OF PROVIDING CARE. THE HOSPITAL  
3 SHALL ESTIMATE THE COST OF PROVIDING CARE BY MULTIPLYING THE  
4 HOSPITAL'S USUAL TOTAL CHARGES FOR A SERVICE BY ITS OVERALL  
5 COST-TO-CHARGE RATIO, CALCULATED BY DIVIDING TOTAL COSTS BY  
6 TOTAL CHARGES AS REPORTED ON WORKSHEET C OF ITS MOST RECENT  
7 MEDICARE CMS 2552-96 COST REPORT OR A SUCCESSOR TO THE CMS  
8 2552-96 COST REPORT.

9           (4) EACH HOSPITAL SHALL OFFER TO SCREEN EACH UNINSURED  
10 PATIENT FOR ELIGIBILITY FOR THE DISCOUNT PROGRAM OFFERED BY THE  
11 HOSPITAL PURSUANT TO THIS SECTION AND ANY OTHER FINANCIAL  
12 ASSISTANCE PROGRAM OR CHARITY CARE PROGRAM OFFERED BY THE  
13 HOSPITAL. THE HOSPITAL SHALL REQUEST EACH PATIENT TO SIGN A FORM  
14 THAT CONFIRMS IN WRITING THAT HE OR SHE HAS BEEN OFFERED THE  
15 OPPORTUNITY TO BE SCREENED FOR AND PROVIDED INFORMATION ABOUT  
16 THE DISCOUNT PROGRAM AND ANY OTHER FINANCIAL ASSISTANCE  
17 PROGRAM OR CHARITY CARE PROGRAM OFFERED BY THE HOSPITAL. THE  
18 HOSPITAL SHALL ENSURE THAT THE INFORMATION CONTAINED IN THE  
19 FORM IS COMMUNICATED IN A CLEAR AND UNDERSTANDABLE MANNER AND  
20 IN LANGUAGES APPROPRIATE TO THE COMMUNITIES AND PATIENTS THE  
21 HOSPITAL SERVES.

22           (5) EACH HOSPITAL SHALL OFFER A PAYMENT PLAN TO A  
23 QUALIFIED PATIENT. THE HOSPITAL SHALL NOT CHARGE INTEREST THAT  
24 EXCEEDS THREE PERCENT PER ANNUM ON A PAYMENT PLAN, AND THE  
25 TOTAL ANNUAL AMOUNT REQUIRED TO BE PAID ON THE PAYMENT PLAN  
26 MUST NOT EXCEED FIVE PERCENT OF THE PATIENT'S ANNUAL INCOME.

27           (6) BEFORE INITIATING COLLECTION PROCEEDINGS, A HOSPITAL

1 SHALL:

2 (a) CONFIRM IN WRITING THAT THE PATIENT RECEIVED THE  
3 HOSPITAL'S FINANCIAL ASSISTANCE AND CHARITY CARE INFORMATION,  
4 INCLUDING INFORMATION ABOUT THE DISCOUNT PROGRAM ESTABLISHED  
5 IN THIS SECTION, AND HAD THE OPPORTUNITY TO BE SCREENED FOR THE  
6 DISCOUNT PROGRAM AND ANY OTHER FINANCIAL ASSISTANCE PROGRAM  
7 OR CHARITY CARE PROGRAM OFFERED BY THE HOSPITAL;

8 (b) OFFER A QUALIFIED PATIENT A PAYMENT PLAN PURSUANT TO  
9 SUBSECTION (5) OF THIS SECTION; AND

10 (c) ALLOW FOR AT LEAST ONE HUNDRED FIFTY DAYS PAST THE DUE  
11 DATE OF THE LAST SCHEDULED PAYMENT.

12 (7) EACH HOSPITAL IS SUBJECT TO REVIEW BY THE DEPARTMENT  
13 REGARDING COMPLIANCE WITH THIS SECTION UPON THE APPLICATION FOR  
14 A LICENSE OR LICENSE RENEWAL PURSUANT TO SECTION 25-3-102.

15 **SECTION 2. Act subject to petition - effective date.** This act  
16 takes effect at 12:01 a.m. on the day following the expiration of the  
17 ninety-day period after final adjournment of the general assembly (August  
18 8, 2012, if adjournment sine die is on May 9, 2012); except that, if a  
19 referendum petition is filed pursuant to section 1 (3) of article V of the  
20 state constitution against this act or an item, section, or part of this act  
21 within such period, then the act, item, section, or part will not take effect  
22 unless approved by the people at the general election to be held in  
23 November 2012 and, in such case, will take effect on the date of the  
24 official declaration of the vote thereon by the governor.