

Assembly Bill (AB) 532: Fair Billing Policies — What Hospitals Need to Know

To help hospitals comply with AB 532, which takes effect on January 1, 2022, CHA has compiled the following details. On December 23, the California Department of Public Health released [All Facilities Letter 21-54](#), which announces the chaptering of [AB 532 \(Statutes of 2021, Chapter 465\)](#).

Existing law requires hospitals to:

- Maintain a written policy for discount payment and charity care policies and post them in locations visible to the public.
- Negotiate the terms of a discount payment plan with an eligible patient.
- Provide patients with written notice about the hospital's discount payment and charity care policies.
- Upon request of a person without health coverage, provide a written estimate of the amount a person without health coverage may pay for health care services and provide application forms for financial assistance or charity care.

AB 532 adds the following requirements:

- Notice requirements — written patient notices about discount payment and charity care policies must include:
 - Internet address of the Health Consumer Alliance (<https://healthconsumer.org>) and a statement that there are organizations that will help the patient understand the billing and payment process.
 - Information about Covered California.
 - Information about Medi-Cal presumptive eligibility, if the hospital participates in the presumptive eligibility program.
 - Internet address for the hospital's list of shoppable services, as required by federal law.
 - Notice provided at the time of service, if patient is conscious and able to receive the notice. Otherwise, the hospital must provide the notice during the discharge process. If the patient is not admitted, the notice must be provided when the patient leaves the facility. If the patient leaves without receiving the notice, the hospital must mail it within 72 hours of providing services.
- Automatic provision of estimate and financial assistance application — the statute requires hospitals to automatically provide an individual with an estimate and an application form for financial assistance or charity care, without need for a specific request from the patient.