

Information on AB 1020 for Reference

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Patient Notices: Accessibility

HCAI requires notices:

- Easy to read and understandable
- Use of sans serif font in at least 12-point size with section headings in a larger font size or bold/underlined to distinguish different sections
- Plain, straightforward language
- Be offered in threshold languages
- All notices and billing statements must have statement re Hospital Bill Complaint Program

Patient Notices

HCAI requires notices:

- Discharge notice, eligibility determination letter, and good bye letter to include tagline sheet with statement provided in English and top 15 languages spoken in California
- Include statement regarding Hospital Bill Complaint Program

Patient Notices: Postings (1)

Notice of financial assistance policy must be clearly and conspicuously posted in visible locations, including:

- Emergency department
- Billing office
- Admissions office
- Other outpatient settings, including observation units

Also, it must be prominently displayed on the hospital's website with a link to the policy itself

Patient Notices: Postings (2)

- Format requirements
 - Sans serif font
 - 11x 17
 - White background and black text
 - Plain, straightforward language
- Content requirements
 - “Help Paying Your Bill”
 - “How to Apply”
 - “Hospital Bill Complaint Program”
 - “More Help”
 - How to access if you have disability or need the notice in another language
- HCAI must be permitted to enter the hospital during M-F business hours to inspect postings

Website Requirements

- Must maintain internet webpage titled “Help Paying Your Bill” including at least:
 - Eligibility requirements
 - Instructions on how to apply
 - Link to the discount payment and charity care policies and application(s)
 - Office where the patient may go for more information
- Must be accessible through a link that is prominently displayed on website footer, on any webpage where the patient may find information about paying a bill, and in the hospital website’s header or within one click of the hospital’s drop-down menu from the hospital website’s header
 - Text sizing requirement to be consistent with rest of website (at least 12 point size sans serif font)
 - Noticeable
 - Must have Hospital Bill Complaint Program language

Patient Notice #1/Discharge Notice (1)

Hospitals must provide written notice about availability of discount and charity care policies, including information about eligibility and contact information. This notice *must include*:

- Internet address for the Health Consumer Alliance (<https://healthconsumer.org>)
- Explanation of organizations that could help the patient understand the billing and payment processes
- Information regarding Covered California and Medi-Cal presumptive eligibility, if applicable.
- Internet address for the federally mandated hospital's list of shoppable services that contains the discounted cash prices, payer-specific negotiated charges, and de-identified minimum and maximum negotiated charges.
- Tagline sheet with statement re: accessibility in 15 languages

Patient Notice #1 (2)

- Notice is to be provided
 - When patient is conscious AND at time of service OR
 - During discharge process or when the patient leaves the facility OR
 - Mailed within 72 hours of services
- Notice must be provided in hardcopy
- Must maintain a contemporaneous record that written notice was provided to the patient and retain that record

Notice B: (Patients without Health Insurance) (1)

Each hospital must provide a clear and conspicuous notice to each patient who has not provided proof of coverage by a third party at the time care is provided or upon discharge when the hospital bills the patient. This must include:

- A statement of charges for services rendered by the hospital
- A request that the patient inform the hospital if the patient has health insurance coverage, Medicare, Medi-Cal, or other coverage.
- A statement that, if the patient does not have health insurance coverage, the patient may be eligible for Medicare, Medi-Cal, Covered California, CCS or other state- or county-funded health coverage, or charity care.
- A statement indicating how patients may obtain applications for Medi-Cal, Covered CA, or other state or county-funded health coverage and that the hospital will provide these applications.

Notice B: (Patients without Health Insurance) (2)

- Provide a referral to a local consumer assistance center housed at legal services offices
- If patient does not indicate coverage by a third-party payor or requests a discounted price or charity care, the hospital shall provide an application for the Medi-Cal or other state- or county-funded health coverage programs (prior to discharge)
- Information regarding financial aid application, including
 - Statement that indicates if the patient lacks, or has inadequate, insurance, and meets certain low- and moderate-income requirements, the patient may qualify for discounted payment or charity care
 - The name and telephone number of a hospital employee or office from whom the patient may obtain information about the financial assistance policy and how to apply
 - A statement that an application for health coverage and hospital charity/discount care, neither precludes eligibility for the other

Eligibility Determination Letters

HCAI requires:

- Clear statement of the hospital's determination of the patient's eligibility
- If denial, a clear statement explaining why the patient was denied
- If approved, a clear explanation of the reduced bill and instructions on how the patient may obtain additional information regarding a reasonable payment plan
- Name of the hospital office, contact name, and contact information where the patient may appeal the hospital's decision
- Information about the Hospital Bill Complaint Program
- Information on Health Consumer Alliance
- Tagline sheet with statement re: accessibility in 15 languages

Notice #2: (Good-Bye Letter)

Required notice before assigning a patient debt to collection or selling to debt buyer, which must include:

- Date or dates of service of the bill
- Name of the entity the bill is being assigned or sold to
- How to obtain an itemized hospital bill from the hospital.
- Name/plan type of the patient’s health coverage or a statement that the hospital does not have that information.
- Application for the hospital’s charity care and financial assistance.
- Date or dates for the notice sent to patient about applying for financial assistance and/or the financial assistance application sent to patient (including the date for decision on application)
- Tagline sheet with statement re: accessibility in 15 languages

Complaint Process

- Complaints submitted via HCAI website
- Hospital must respond within 30 calendar days, including hospital's position and copies of all relevant documents and information
- HCAI to give preliminary notice that hospital out of compliance
 - 30 calendar days to respond; HCAI to issue final determination.
- 30 calendar day appeal timeframe. If no appeal or within 30 days of final determination:
 - Reimburse patient plus interest; provide proof of patient reimbursement and pay all assessed penalties within 30 calendar days. Failure to do so results in penalty of \$1,000 per day

Extensions

- Requested via website (most responses due within 30 days, after which \$500 per day penalty)
- Should describe hospital's actions to obtain the information or records and when receipt is expected
- HCAI to consider: (1) complexity of required response; (2) hospital's history of cooperativeness; (3) necessity for third party assistance in obtaining records; and (4) other factors showing good cause

Penalties (Non-Complaint)

Violation	Penalty
Failure to file policy by due date	\$500 for each calendar day after the due date
Failure to file response to HCAI	\$500 for each calendar day after due date
Major noncompliance deficiency (negatively impacts patient eligibility for discount payment or charity care programs)	\$25,000
Moderate noncompliance deficiency (deviates from the requirement, but does not directly impact patient eligibility for discount payment or charity care programs but has the potential to impact a patient's ability to receive discount payment or charity care programs)	\$10,000
Minor noncompliance deficiency (functions nearly as intended, but not as well as if all provisions had been met)	\$5,000

Penalties (Complaint Related)

- Base penalty for financial harm: \$25,000. Otherwise, base penalty \$12,500.
- Base penalty adjusted upward of 20% if hospital's policies, postings, or screening practices not in compliance
- Compliance history
 - -5% if no records of violations within the three-year period immediately prior to the violation
 - +5% if violations within the three-year period immediately prior to the violation
 - +50% if prior violation in 3 year period is similar in nature and current violation occurred after hospital was notified of the Department's penalty determination for the prior violation.
- +20% if deficiency was willful violation
- -20% for factors beyond the hospital's control
- -20% for prompt correction if criteria met