

SENATE No.

The Commonwealth of Massachusetts

PRESENTED BY:

Joanne M. Comerford

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act to address medical debt through hospital financial assistance reform.

PETITION OF:

NAME:

Joanne M. Comerford

DISTRICT/ADDRESS:

Hampshire, Franklin and Worcester

SENATE No.

[Pin Slip]

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Fourth General Court
(2025-2026)**

An Act to address medical debt through hospital financial assistance reform.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Chapter 118E of the General Laws, as appearing in the 2022 Official
2 Edition, is hereby amended by inserting after section 69A the following section:-

3 Section 69B. (a) As used in this section, the following words shall have the following
4 meanings unless the context clearly requires otherwise:

5 (i) “Bad debt”, as defined in section 64 of chapter 118E.

6 (ii) "Charity care", free or reduced-cost health care services provided by hospitals to
7 eligible persons in accordance with this section.

8 (iii) “Debt buyer”, an individual or entity that is engaged in the business of purchasing
9 medical debt for collection purposes, whether it collects the debt itself or hires a third party for
10 collection or an attorney for litigation in order to collect such debt. Debt buyers purchasing
11 medical debt for purposes of forgiving patient debt are excluded from this definition.

12 (iv) "Eligible person", any low- or moderate-income person who meets the criteria set
13 forth in the uniform application for a financial assistance policy and the household income
14 eligibility as set forth in subsection (b) of this section.

15 (v) "Financial assistance policy", a policy administered by a hospital describing how the
16 hospital will provide financial assistance, which includes free or reduced-cost health care
17 services, to persons who meet the criteria for financial assistance as determined in this section.

18 (vi) "Hospital", an acute hospital as defined in section 64 of chapter 118 and including
19 any facilities that provide outpatient health services and are operated under the common control
20 or ownership of a hospital.

21 (vii) "Medical hardship", a person whose household income is not more than 600 per cent
22 of the federal poverty level whose out-of-pocket medical costs in the past 12 months
23 accumulated to more than 10 per cent of the person's gross household income.

24 (viii) "Medically necessary services", health care services including diagnostic testing,
25 preventive services and after care that are appropriate to the patient's diagnosis or condition.

26 (b) Hospitals shall develop, implement and maintain a financial assistance policy for free
27 or discounted care for emergency and medically necessary services available to all eligible
28 persons at any point after such service is rendered, including during the collections process,
29 pursuant to the following:

30 (i) All eligible persons whose household income is not more than 200 per cent of the
31 federal poverty level, as calculated pursuant to the regulations of the executive office, or who are

32 experiencing medical hardship as defined in this section, shall be entitled to free care for the full
33 amount of the patient responsibility portion of their hospital bill;

34 (ii) All eligible persons whose household income is between 201 and 300 per cent of the
35 federal poverty level, as calculated pursuant to the regulations of the executive office, shall be
36 entitled to a 75 per cent discount for the full amount of the patient responsibility portion of their
37 hospital bill;

38 (iii) All eligible persons whose household income is between 301 and 350 per cent of the
39 federal poverty level, as calculated pursuant to the regulations of the executive office, shall be
40 entitled to a 50 per cent discount for the full amount of the patient responsibility portion of their
41 hospital bill; and

42 (iv) All eligible persons whose household income is between 351 and 400 per cent of the
43 federal poverty level, as calculated pursuant to the regulations of the executive office, shall be
44 entitled to a 25 per cent discount for the full amount of the patient responsibility portion of their
45 hospital bill.

46 (c) When determining eligibility for a financial assistance policy, hospitals shall not
47 consider the following:

48 (i) the eligible person's immigration status;

49 (ii) the total cost of services provided; or

50 (iii) contract language between a provider and payor that would otherwise limit a
51 hospital's ability to offer free or discounted care to an eligible person under this section. Any
52 such contract language shall be considered void.

53 (d) Written and verbal notification of a hospital’s financial assistance policy shall be
54 provided during the intake and registration process as well as when a person is discharged from
55 the hospital.

56 (e) Each hospital shall post and prominently display notice of their financial assistance
57 policy in any language that is spoken by the lesser of 1,000 individuals or 5 per cent of the
58 community served. Notice must be displayed in at least the following locations:

59 (i) areas where patients are admitted or registered;

60 (ii) emergency departments, if applicable; and

61 (iii) financial service or billing areas that are accessible to patients.

62 (f) Each hospital shall make current versions of the financial assistance policy, a plain
63 language summary of the policy and the uniform application form, as determined by subsection
64 (i), available on the hospital's website, online patient portals and electronic or paper billing
65 statements in any language that is spoken by the lesser of 1,000 individuals or 5 per cent of the
66 community served.

67 (g) Billing statements and other written communications concerning billing or collection
68 of a hospital bill must include the following or a substantially similar statement prominently
69 displayed on the first page of the billing statement in both English and the second most spoken
70 language in the hospital's service area:

71 You may qualify for free care or a discount on your hospital bill, even if you have
72 insurance. Please contact our financial assistance office at [website] and [phone number].

73 (h) A hospital shall issue notice upon submission of a completed financial assistance
74 policy application that the applicant may disregard any bills until the hospital has rendered a
75 decision on the application. A hospital shall also issue notice of any denial and or approval of an
76 application for the financial assistance policy with information on how to appeal the denial and
77 shall establish an appeals process under which it will evaluate the denial of an application.

78 (i) The executive office and the health policy commission, in consultation with the health
79 safety net office, the office of the attorney general, Massachusetts Health and Hospital
80 Association, Inc., Health Care For All, Inc., a community organization representing low-income
81 individuals, a legal services organization representing low-income individuals and any other
82 representative as determined necessary by the executive office of health and human services,
83 shall develop the following:

84 (i) a uniform financial assistance policy application to be used by each hospital required
85 under this section to offer a financial assistance policy;

86 (ii) guidelines for training relevant staff on the uniform financial assistance policy
87 application and financial policies and the use of interpreter services for the purpose of financial
88 counseling. Relevant staff should include anyone who performs functions relating to registration,
89 admissions or billing whether employed by the hospital or as a part of a third-party contract to
90 perform these functions; and

91 (iii) standards for presumptive eligibility for financial assistance policies based on a
92 person's eligibility for other state programs.

93 (j) Hospitals must report annually to the center for health information and analysis the
94 following aggregated data broken down by age, gender, race, ethnicity, primary language spoken
95 and insurance status, as practicable:

96 (i) the number of people that have applied for a financial assistance policy;

97 (ii) the number of financial assistance policy applications denied or approved, or deemed
98 incomplete;

99 (iii) financial reporting data including aggregate charity care, bad debt and services
100 eligible for or reimbursed by the health safety net; and

101 (iv) the amount of bad debt sold to a debt buyer for collections purposes; and

102 (v) any other relevant data deemed necessary.

103 (k) The health policy commission, pursuant to data collected under subsection (j) shall
104 provide an annual report to the joint committee on health care financing and the senate and house
105 committees on ways and means on the use of financial assistance policies and the impact on
106 patients and hospitals. Annual reports shall be posted publicly on the health policy commission's
107 website.

108 SECTION 2. The requirements in subsection (b) of section 1 shall take effect 1 year after
109 the effective date of this act.

110 SECTION 3. The requirements in subsection (i) of section 1 shall be completed not later
111 than 1 year after the effective date of this act.