

SENATE FILE NO. SF0126

Hospital bill installment payment plans.

Sponsored by: Senator(s) Meier and Scott and  
Representative(s) Harvey

A BILL

for

1 AN ACT relating to public health and safety; creating a  
2 pilot program for the installment payment of hospital bills  
3 as specified; providing eligibility criteria; providing for  
4 payment of interest on installment payment plans by the  
5 state; granting rulemaking authority; providing  
6 definitions; providing appropriations; and providing for an  
7 effective date.

8

9 *Be It Enacted by the Legislature of the State of Wyoming:*

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11 **Section 1.** W.S. 35-2-913 is created to read:

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13 **35-2-913. Hospital bill pilot installment payment**  
14 **plan established.**

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1           (a) The department of health shall administer or  
2 contract for a third party to administer a pilot program in  
3 Laramie County to facilitate patients' payment on an  
4 installment basis of hospital bills or any uninsured  
5 amounts under any public or private health benefit plan as  
6 provided in this section.

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8           (b) The installment payment plan established by this  
9 section shall be subject to the following:

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11           (i) Eligibility shall be limited to patients  
12 whose household income is less than four hundred percent  
13 (400%) of the federal poverty level. Applicants whose  
14 income is greater than three hundred percent (300%) of the  
15 federal poverty level shall be required to demonstrate that  
16 they have purchased health insurance with a deductible of  
17 not more than twenty-five thousand dollars (\$25,000.00);

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19           (ii) Participating hospitals shall inform  
20 uninsured patients upon admission of the availability of  
21 installment payment plans as provided in this section;

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1           (iii) Payment plans may extend for up to five  
2 (5) years, with monthly payments made by the patient  
3 directly to the hospital;

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5           (iv) Monthly payments shall not exceed the  
6 lesser of fifteen percent (15%) of the patient's monthly  
7 gross household income or twenty percent (20%) of the  
8 unpaid hospital charges;

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10          (v) In calculating a patient's unpaid balance,  
11 hospital charges shall not exceed the amount payable by the  
12 Wyoming Medical Assistance and Services Act;

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14          (vi) A hospital participating in a payment plan  
15 pursuant to this section shall maintain a charity care  
16 program consistent with internal revenue service  
17 requirements for nonprofit hospitals;

18  
19          (vii) The installment payment agreement between  
20 the hospital and patient shall be in writing and shall  
21 recite the patient's unpaid hospital charges and the terms  
22 of the payment plan and shall be signed by the patient, or  
23 in the case of a minor or legally incompetent person, the  
24 patient's legal representative;

1

2 (viii) A patient who is in compliance with a  
3 payment plan shall not be liable to pay and shall not be  
4 charged interest by a hospital for the charges that are the  
5 subject of the payment plan;

6

7 (ix) Upon successful completion of an  
8 installment payment plan, the hospital shall discharge the  
9 patient of any further liability for the balance of all  
10 unpaid hospital charges recited in the payment plan;

11

12 (x) If a patient fails to make payments as  
13 provided in the payment plan for sixty (60) days, the  
14 hospital may pursue collection of the entire balance due as  
15 of the date of the default and the department shall have no  
16 further obligation to the hospital under subsection (b) of  
17 this section.

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19 (c) A participating hospital shall provide a  
20 quarterly report to the department of health which  
21 identifies all active payment plans pursuant to this  
22 section and the cumulative amount of simple interest that  
23 would have accumulated on the patients' unpaid balances  
24 using the average rate paid on United States ten (10) year

1 treasury bills for the previous calendar year. The  
2 department shall, upon verification of the interest  
3 calculation and subject to legislative appropriation, remit  
4 that amount of interest to the participating hospital on a  
5 quarterly basis.

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7 (d) The department shall adopt rules and regulations  
8 to implement this section.

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10 (e) Any hospital licensed pursuant to this article  
11 that does not offer payment plans to patients as provided  
12 in this section shall not be eligible for any state-funded  
13 program providing funds to the hospital for any otherwise  
14 uncompensated care. This subsection shall not be construed  
15 to prohibit a hospital's participation in the Medicaid  
16 program.

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18 (f) A hospital shall not commence a collection action  
19 against a patient who is in compliance with a payment plan  
20 as provided in this section. However, nothing in this  
21 section shall be construed to preclude a hospital from  
22 pursuing reimbursement and any enforcement remedy or  
23 remedies from private health benefit plans, third party

1 liability settlements, tortfeasors or other parties legally  
2 responsible for a patient's hospital charges.

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4 (g) Nothing in this section shall be construed to  
5 limit or eliminate any protections a patient may have as a  
6 consumer under federal and state debt collection laws.

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8 (h) For purposes of this section:

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10 (i) "Collection action" means the commencement  
11 of any legal process or any referral of a bill to a  
12 collection agency or law firm to collect payment for  
13 services from a patient or a patient's guarantor for  
14 hospital services;

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16 (ii) "Hospital" means as defined in W.S.  
17 35-2-901(a)(viii), licensed pursuant to this article and  
18 operating in Laramie County;

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20 (iii) "Patient" means a person who has received  
21 health care at a hospital or a person financially  
22 responsible for that person;

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1           (iv) "Private health benefit plan" means as  
2 defined in W.S. 26-1-102(a)(xxxiii).

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4           (j) This section is repealed effective July 1, 2014.  
5 No new patients shall be eligible to participate in the  
6 pilot program established by this section after June 30,  
7 2011.

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9           **Section 2.**

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11           (a) There is appropriated one hundred fifty thousand  
12 dollars (\$150,000.00) from the general fund to the  
13 department of health. This appropriation shall be for the  
14 period beginning with the effective date of this act and  
15 ending June 30, 2010. This appropriation shall only be  
16 expended for the purpose of paying interest to hospitals as  
17 provided in W.S. 35-2-913 created by this act.  
18 Notwithstanding any other provision of law, this  
19 appropriation shall not be transferred or expended for any  
20 other purpose and any unexpended, unobligated funds  
21 remaining from this appropriation shall revert as provided  
22 by law on June 30, 2010.

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1           (b) There is appropriated fifty thousand dollars  
2   (\$50,000.00) from the general fund to the department of  
3   health. This appropriation shall be for the period  
4   beginning with the effective date of this act and ending  
5   June 30, 2010. This appropriation shall only be expended  
6   for the purpose of administering the hospital bill  
7   installment payment plan created by W.S. 35-2-913.  
8   Notwithstanding any other provision of law, this  
9   appropriation shall not be transferred or expended for any  
10  other purpose and any unexpended, unobligated funds  
11  remaining from this appropriation shall revert as provided  
12  by law on June 30, 2010.

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14           **Section 3.** This act is effective July 1, 2009.

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(END)