



Support Senate Bill 24-116: Updates to Hospital Discounted Care

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Bill Sponsors: Senator Janet Buckner & Representative Iman Jodeh

What is Hospital Discounted Care?

Hospital Discounted Care protects low- to moderate-income patients against unaffordable hospital bills and medical debt. Throughout the state, Colorado residents who meet certain income requirements can receive discounts on their hospital bills. This 2021 law established the first statewide hospital charity care requirements, unifying approaches that had been highly variable across Colorado.

What does Hospital Discounted Care do?

For Patients

- Creates a standardized, statewide process for patients to find out whether they qualify for public coverage programs or discounts on their bills.
- Establishes monthly payment plans that are scaled to eligible patients' monthly incomes.
- Limits a payment plan to no more than 36 monthly payments, or 3 years.
- Provides protections around medical bill collection practices.
- Ensures that all communication (written or verbal) is delivered to patients in their preferred language.

For the facilities and larger health system

- Standardizes and simplifies the screening process for discounted care eligibility
- Through manageable payment plans, allows facilities to recoup a portion of patient costs and reduce the rate of default.
- Helps inform eligible patients about public coverage options. When eligible patients enroll in comprehensive coverage, providers gain access to a reliable and ongoing source of reimbursement, avoiding the specter of bad debt.

Quotes from advocates

- “When I went to the hospital I did not know my insurance coverage had lapsed. When I got my bills I was surprised and shocked. Ultimately, with Hospital Discounted Care, I saved \$1,700. Now just knowing Hospital Discounted Care exists I feel a lot more comfortable now... gives me peace of mind” - Amber, Garfield County
- Before receiving discounted care: “I thought I was going to have to quit my dream job, I thought I would be in debt for years over literally falling over at a roller rink. My original bill was over \$10,000, which is my life savings. I paid maybe \$200, which was a miracle” - Maya, Jefferson Country

Who does Hospital Discounted Care apply to?

Statewide, HDC applies to all Colorado residents with household incomes at or below 250% of the Federal Poverty Level. A person who attests that they are a resident of Colorado can qualify, regardless of documentation or lawful residency status. Patients who are homeless automatically qualify for Hospital Discounted Care.

Why was SB24-116 introduced?

In 2021, a wide-ranging coalition worked to pass HB21-1198: Health Care Billing Requirements for Indigent Patients, or Hospital Discounted Care. The law took effect in September of 2022, just 16 months before the launch of the 2024 legislative session. As with any new large-scale effort, the roll-out of HB21-1198 has helped stakeholders and the state identify opportunities to enhance the program's effectiveness. With coalition support, sponsors of the 2021 legislation, Sen. Janet Buckner and Rep. Iman Jodeh are bringing SB24-116 to address concerns of both patients and health care facilities.

What does SB24-116 do?

- Creates an alternative pathway for rural health clinics to offer discounted care that better reflects their internal billing and financial systems.
- Clarifies terminology and processes for both health care facilities and the Colorado Department of Health Care Policy and Financing.
- Facilitates faster enrollment into Medicaid for patients who meet eligibility requirements.

Hospital Discounted Care in Colorado going forward:

Hospital Discounted Care created landmark protections for patients in Colorado, strengthened the state's ability to enroll Coloradans in public coverage, and increased consistency across hospital charity care offerings. While SB24-116 will make important adjustments through the legislative process, we also know that day-to-day engagement outside the legislative sphere by state staff, patients, advocates, and facilities promises to bring continuing improvements to this vital program.

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