

## SENATE BILL No. 525

By Committee on Public Health and Welfare

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9 AN ACT concerning the fair hospital charges act.  
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11 *Be it enacted by the Legislature of the State of Kansas:*  
12 Section 1. Sections 1 through 5, and amendments thereto, shall be  
13 known and may be cited as the fair hospital charges act.  
14 Sec. 2. As used in sections 1 through 5, and amendments thereto:  
15 (a) “Act” means the fair hospital charges act.  
16 (b) “Eligible self-pay patient” means any self-pay patient whose  
17 household income is equal to or less than 300% of the federal poverty  
18 guidelines and who is not eligible for or enrolled in an employer-spon-  
19 sored group health insurance plan.  
20 (c) “Health care goods” includes all goods supplied to a patient in  
21 connection with any health care services for which compensation is or  
22 may be charged to such patient.  
23 (d) “Health care services” means any medically necessary act of di-  
24 agnosis, treatment or care provided to a patient for which compensation  
25 is or may be charged to such patient.  
26 (e) “Hospital” means any medical care facility defined in K.S.A. 65-  
27 425, and amendments thereto, and is a not-for-profit organization that is  
28 exempt from federal income taxation pursuant to section 501(c)(3) of the  
29 internal revenue code of 1986, as amended.  
30 (f) “Self-pay patient” means any patient who receives health care  
31 goods or services for which insurance or government benefits are una-  
32 vailable or insufficient.  
33 Sec. 3. (a) No hospital shall seek to collect an amount for health care  
34 goods or health care services supplied to an eligible self-pay patient that  
35 exceeds the amount the individual hospital’s highest volume private payer  
36 would pay for the same goods and services by more than 25%.  
37 (b) Any invoice or other statement issued to a patient shall promi-  
38 nently disclose the amount the individual hospital’s highest volume pri-  
39 vate payer would pay for the same goods and services listed thereon.  
40 (c) Any invoice or other statement issued to a patient shall promi-  
41 nently contain the following notice:  
42 “Notice to eligible self-pay patients: If you can demonstrate that your  
43 household income is equal to or less than 300% of current federal poverty

1 guidelines, you may not be required to pay more than 125% of the in-  
2 surance reimbursement amount for subject goods and services. Please  
3 contact hospital representative for details.”

4 Sec. 4. Any hospital shall adopt reasonable procedures for explaining  
5 the limitations of this act to its patients and confirming whether any pa-  
6 tient who claims to be an eligible self-pay patient meets the standard. No  
7 hospital shall commence collection activities against any patient without  
8 first making a reasonable, good faith inquiry to determine whether the  
9 patient is an eligible self-pay patient.

10 Sec. 5. Any violation of this act by a hospital shall be deemed an  
11 unconscionable act and practice within the meaning of K.S.A. 50-627,  
12 and amendments thereto, and subject to the penalties authorized under  
13 the Kansas consumer protection act, K.S.A. 50-623 et seq., and amend-  
14 ments thereto.

15 Sec. 6. This act shall take effect and be in force from and after its  
16 publication in the statute book.