

OFFICE OF THE HEALTH CARE ADVOCATE
Vermont Legal Aid

H. 287 – Patient Financial Assistance and Medical Debt Reduction

The HCA has heard from hundreds of Vermonters across the state who have a clear and consistent message: medical debt makes it harder for them and their families to get the care they need. Many Vermonters told us they regularly defer or outright avoid seeking necessary medical care out of real fear of getting a bill they cannot afford.

The proposed bill, H.287, seeks to address these issues by establishing a standardized statewide definition of income, residency, location, household size and other common Patient Financial Assistance policy requirements across the state. It also proposes setting a minimum eligibility standard for these assistance policies.

H.287 will accomplish the following:

- Standardize income, residency and other key criteria requirements to allow individuals who live in Vermont at the time they received health care services to be eligible
- Expand and standardize the number and type of financial documents and materials that can be used to determine a patient's income and eligibility for PFA
- Create appeals process for patients to process wrongful PFA denials or inadequate PFA
- Require that patients receive easy-to-read materials about how to access PFA
- Require that PFA policies be publicized widely
- Require oral and written translations of PFA materials to be available upon request

Eligibility:

- Patients with household income at or below 300 percent of the federal poverty level (FPL) will be eligible for a 100 percent discount from charges;
- Patients with household income between 300 and 500 percent FPL will be eligible for a minimum of a 30 percent discount from charges;
- For all patients with household income below 500 percent FPL, a limit on the total amount due from the patient during any 12-month period of an amount equal to not more than 100 percent FPL for the applicable household size; and
- For all patients, regardless of household income, catastrophic assistance in the event that the large health care facility's medical bills for a patient's care exceed 20 percent of the patient's household income, in which case the facility shall reduce the amount due from the patient to 20 percent of the patient's household income.

