APPROVED
JULY 1, 2025
BY GOVERNOR

CHAPTER
488
PUBLIC LAW

STATE OF MAINE

IN THE YEAR OF OUR LORD

TWO THOUSAND TWENTY-FIVE

S.P. 755 - L.D. 1937

An Act to Require Hospitals and Hospital-affiliated Providers to Provide Financial Assistance Programs for Medical Care

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 22 MRSA §1715, as amended by PL 2017, c. 475, Pt. A, §29, is further amended to read:

§1715. Access requirements applicable to certain health care providers

1. Access requirements. Any person, including, but not limited to, an affiliated interest as defined in former section 396-L, that is subject to the requirements of this subsection, shall provide the services listed in paragraph C to individuals who are eligible for charity care in accordance with a charity care policy adopted by the affiliate or provider that is consistent with ~~rules~~ requirements applicable to hospitals under section ~~1716~~ 1716-A and any rules adopted pursuant to section 1716-A. A person is subject to this subsection if that person:

A. Is either a direct provider of major ambulatory service, as defined in former section 382, subsection 8-A, or is or has been required to obtain a certificate of need under section 329 or former section 304 or 304-A;

B. Provides outpatient services as defined in former section 382, subsection 9-A; and

C. Provides one or more of the following services:

(1) Imaging services, including, but not limited to, magnetic resonance imaging, computerized tomography, mammography and radiology. For purposes of this section, imaging services do not include:

(a) Screening procedures that are not related to the diagnosis or treatment of a specific condition; or

(b) Services when:

(i) The services are owned by a community health center, a physician or group of physicians;

(ii) The services are offered solely to the patients of that center, physician or group of physicians; and

(iii) Referrals for the purpose of performing those services are not accepted from other physicians;

(2) Laboratory services performed by a hospital or by a medical laboratory licensed ~~in accordance with the Maine Medical Laboratory Commission,~~ by the department or licensed by an equivalent out-of-state licensing authority, excluding those licensed laboratories owned by community health centers, by a physician or by a group of physicians ~~where~~ at which the laboratory services are offered solely to the patients of that center, physician or group of physicians;

(3) Cardiac diagnostic services, including, but not limited to, cardiac catheterization and angiography but excluding electrocardiograms and electrocardiograph stress testing;

(4) Lithotripsy services;

(5) Services provided by free-standing ambulatory surgery facilities certified to participate in the Medicare program; or

(6) Any other service performed in an out-patient setting requiring the purchase of medical equipment costing in the aggregate $500,000 or more and for which the charge per unit of service is $250 or more.

2. Enforcement. The requirements of subsection 1 are enforced through the following mechanisms.

A. Any person who knowingly violates any provision of this section or any valid order or rule made or adopted pursuant to section ~~1716~~ 1716-A, or who willfully fails, neglects or refuses to perform any of the duties imposed under this section, commits a civil violation for which a forfeiture of not less than $200 and not more than $500 per patient may be adjudged with respect to each patient denied access unless specific penalties are elsewhere provided. Any forfeiture imposed under this section may not exceed $5,000 in the case of the first judgment under this section against the provider, $7,500 in the case of a 2nd judgment against the provider or $10,000 in the case of the 3rd or subsequent judgment against the provider. The Attorney General is authorized to prosecute the civil violations.

B. Upon application of the Attorney General or any affected patient, the Superior Court or District Court has full jurisdiction to enforce the performance by providers of health care of all duties imposed upon them by this section and any valid rules adopted pursuant to section ~~1716~~ 1716-A.

C. In any civil action under this section, the court, in its discretion, may allow the prevailing party, other than the Attorney General, reasonable attorney's fees and costs and the Attorney General is liable for attorney's fees and costs in the same manner as a private person.

D. It is an affirmative defense to any legal action brought under this section that the person subject to this section denied access to services on the grounds that the economic viability of the facility or practice would be jeopardized by compliance with this section.

Sec. 2. 22 MRSA §1716, as enacted by PL 1995, c. 653, Pt. B, §7 and affected by §8 and enacted by c. 696, Pt. A, §36, is repealed.

Sec. 3. 22 MRSA §1716-A is enacted to read:

§1716-A. Charity care and financial assistance programs provided by hospitals

This section applies to financial assistance programs provided by hospitals to qualifying patients, including program requirements specific to charity care.

1. Definitions. As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Charity care" means free health care services provided by hospitals to patients in accordance with the requirements under subsection 2.

B. "Family income" means the cumulative income of a patient and the patient's family. "Family income" does not include the income of any individual residing in a patient's household who is not a member of the patient's family. For the purposes of this paragraph, "family" means a group of 2 or more persons related by birth, marriage or adoption who reside together and among whom there are legal responsibilities for support. All such related persons are considered one family.

C. "Federal poverty level" has the same meaning as in section 3762, subsection 1, paragraph C.

D. "Financial assistance program" means a program administered by a hospital to provide patients with free or reduced-cost health care services and includes, but is not limited to, charity care.

E. "Income" means modified adjusted gross income as determined using the methodology described in 42 Code of Federal Regulations, Section 435.603(e).

F. "State resident" means a person:

(1) Living in the State with the intent to remain in the State indefinitely; or

(2) Who enters the State with a permanent, temporary, seasonal or other job commitment or who is seeking employment.

"State resident" does not include a person who is in the State temporarily as a tourist or visitor.

2. Hospital to provide charity care. A hospital shall, in accordance with rules adopted by the department, provide free health care services to eligible patients who are state residents in accordance with this section. Upon admission of a patient, or in cases of emergency admission before discharge of a patient, a hospital shall investigate the coverage of the patient by any insurance or state or federal programs of medical assistance. A hospital shall provide free, medically necessary services for patients whose family income is equal to or less than 200% of the federal poverty level.

3. Applications and eligibility requirements for financial assistance programs generally. The following requirements apply to financial assistance programs provided by a hospital, including charity care except as otherwise provided in subsection 4. A hospital, in accordance with rules adopted by the department:

A. May use an application form developed by the department pursuant to subsection 12;

B. May not require notarization of any application materials or supporting documents required for an application. However, a hospital may include on an application for a financial assistance program:

(1) A requirement for an applicant to attest to the accuracy of the information submitted;

(2) A statement that any information submitted that is determined to be false will result in a denial of financial assistance and that the applicant will bear financial responsibility for charges for services provided by the hospital; and

(3) A statement informing the applicant that knowingly submitting false information is unlawful;

C. Shall accept documentation specified by the department by rule that may be used as proof that the applicant is a state resident;

D. Shall determine eligibility based upon the applicant's family income at the time the application is submitted;

E. Shall, within 15 days of receiving an application, notify the applicant to clearly explain what additional information or documentation, if any, is necessary to complete the application. The hospital shall provide the patient with a reasonable amount of time that is no less than 30 days following notification to the patient of any information needed to complete the application before denying the application based on incomplete information. The hospital shall determine eligibility and inform the patient of the eligibility determination within 45 days from the date a completed application is submitted; and

F. Shall provide interpretation services to patients with limited English proficiency and patients who are deaf or hard of hearing. This requirement applies to patients applying for or receiving assistance under a financial assistance program.

4. Applications and eligibility requirements specific to charity care. In addition to the requirements of subsection 3, and notwithstanding any provision of subsection 3 to the contrary, the following requirements apply to charity care. A hospital, in accordance with rules adopted by the department:

A. May not solicit from an applicant for charity care provided in accordance with this section information regarding any assets or income that are not used to calculate modified adjusted gross income as described in 42 Code of Federal Regulations, Section 435.603(e);

B. Shall provide versions of the charity care application and the summary described in subsection 5, paragraph A translated into any language spoken by 5% of the population of the State or 1,000 people in the State, whichever is less, as well as any additional languages spoken by 5% of the community served by the hospital or 1,000 people in the community served by the hospital, whichever is less;

C. Shall determine that an applicant is unable to pay for hospital services and is eligible for charity care when the family income of the patient, as calculated by either of the

methods described in subparagraphs (1) and (2), is equal to or less than 200% of the federal poverty level. Eligibility may be calculated by:

(1) Multiplying by 4 the patient's family income for the 3 months preceding the determination of eligibility; or

(2) Using the patient's actual family income for the 12 months preceding the determination of eligibility.

If one method of calculation is inapplicable, the other method must be applied prior to determining an applicant's eligibility for charity care;

D. Shall provide each applicant who requests charity care and is denied it, in whole or in part, a written and dated statement of the reasons for the denial when the denial is made; and

E. Shall provide to an applicant who is denied charity care, in whole or in part, information regarding the right to request a fair hearing from the department regarding the patient's eligibility for charity care.

5. Notice and publication requirements. In accordance with rules adopted by the department, a hospital shall widely publicize its financial assistance programs within the community served by the hospital, including by:

A. Publishing a summary of the financial assistance programs written in plain language, including a summary of services not covered by financial assistance programs;

B. Providing, in conspicuous locations within the hospital, including admission, registration and waiting areas, information regarding how patients can access physical copies of the plain language summary under paragraph A, the financial assistance program application and any application instructions;

C. Posting a full, accessible and downloadable version of the financial assistance program application on the hospital's publicly accessible website;

D. Including on all plain language summaries and financial assistance program application instructions, excluding billing statements except as otherwise provided in paragraph E and subsection 6, information regarding the hospital's financial assistance program and information regarding the availability of no-cost assistance with applying for financial assistance and health coverage programs through the Health Insurance Consumer Assistance Program established in Title 24-A, section 4326; and

E. Providing on all billing statements sent to a patient information on the availability of financial assistance, including how to apply for the financial assistance program, the address of a publicly accessible website from which a patient may download a copy of the application and a telephone number that a patient may call to request a paper copy of the application.

6. Individual written notice of charity care availability. A hospital shall provide a patient with individual written notice of the availability of charity care according to the following.

A. With respect to inpatient services, the hospital shall provide individual written notice of the availability of charity care to each patient upon admission, or in the case of emergency admission before discharge.

B. With respect to outpatient services, the hospital shall either include with the patient's bill a copy of an individual notice of the availability of charity care or provide a copy of the individual notice at the time service is provided.

The individual notice provided pursuant to this subsection must include the information required pursuant to subsection 5, paragraph D, a telephone number to request a paper charity care application, the website address where a patient can submit an online application pursuant to subsection 10, the income guidelines to qualify for charity care and any other information specified by the department by rule.

7. Patient notified of noncovered services; consequences for failing to notify. In accordance with rules adopted by the department, a hospital shall inform a patient who is determined to be eligible for financial assistance if any part of a medical service, treatment, procedure or test provided or administered to the patient in the hospital is not covered by the hospital's financial assistance programs. A hospital may not bill a patient for a medical service, treatment, procedure or test if the hospital failed to provide the patient with advance notice that a medical service, treatment, procedure or test is not covered under the hospital's financial assistance programs. A hospital may bill a patient's health insurance carrier for a medical service, treatment, procedure or test for which the hospital is prohibited from billing the patient under this subsection.

8. Reasonable payment plans; maximum out-of-pocket payments. In accordance with rules adopted by the department, a hospital shall offer a patient with a documented family income that does not exceed 400% of the federal poverty level a payment plan that requires monthly out-of-pocket payments that do not exceed 4% of the patient's monthly family income that is not exempt from attachment or garnishment under state law.

9. Bill disputes. A hospital shall include on a billing statement sent to a patient information regarding how to dispute a charge. If the contact information for disputing a charge is distinct from the contact information for paying or otherwise settling a bill, the contact information for the individual or entity charged with handling disputed charges must be provided.

10. Online application for charity care. A hospital shall, by July 1, 2028, provide an online option through which an applicant may file an application for charity care. The online option must provide for an e-mail response to the applicant that the application has been received. The hospital shall provide an option for a patient to request that an application be mailed to the patient.

11. Enforcement. This subsection governs enforcement of this section.

A. The department shall:

(1) Establish a process for a patient to submit a complaint of hospital noncompliance with this section;

(2) Conduct a review within 30 days of receiving a complaint from a patient regarding noncompliance with this section; and

(3) Require a corrective action of a hospital, if the department determines that the hospital is not in compliance with this section, which may include:

(a) Measures to inform the patient about the noncompliance; and

(b) Adjusting any amount billed to the patient in violation of this section.

B. If the department determines that a hospital knowingly or willfully violated this section or engaged in a pattern of noncompliance with this section, the department may, through the Office of the Attorney General, bring a civil action against the hospital for a penalty not to exceed $1,000.

12. Application developed by department. The department shall develop an application for patients to apply for financial assistance programs, including charity care, consistent with the requirements of subsections 3 and 4, as applicable. The department shall translate any application it develops into any language spoken by 5% of the population of the State or 1,000 people in the State, whichever is less.

13. Rulemaking. The department shall adopt rules to carry out the purposes of this section. Rules adopted pursuant to this section must be consistent with the requirements of the United States Internal Revenue Code of 1986, Section 501(r) and any federal regulations implementing those requirements. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

Sec. 4. 22 MRSA §4313, sub-§1, as amended by PL 1995, c. 696, Pt. A, §40, is further amended to read:

1. Emergency care. In the event of an admission of an eligible person to the hospital, the hospital shall notify the overseer of the liable municipality within 5 business days of the person's admission. ~~In no event may hospital services to a person who~~ If the person meets the financial eligibility ~~guidelines adopted pursuant to section 1716~~ requirements for charity care under section 1716-A, hospital services may not be billed to the ~~patient~~ person or to a municipality.

Sec. 5. 32 MRSA §11013, sub-§11, as enacted by PL 2021, c. 245, Pt. E, §1, is amended to read:

11. Collection action prohibited on debt from medical expenses if eligible for ~~free or~~ charity care. If a debt collector has been notified, orally or in writing, by a creditor or the consumer of the consumer's actual or potential qualification for ~~free or~~ charity care under ~~guidelines adopted pursuant to~~ Title 22, section ~~1716~~ 1716-A, a debt collector may not collect or attempt to collect a debt for medical expenses against a consumer who has been determined to be qualified for ~~free or~~ charity care under ~~guidelines adopted pursuant to~~ Title 22, section ~~1716~~ 1716-A or against a consumer who would have been determined to be qualified for ~~free or~~ charity care under ~~guidelines adopted pursuant to~~ Title 22, section ~~1716~~ 1716-A but did not apply for good cause. If the notification is provided to a debt collector, the debt collector shall suspend collection efforts until the creditor has notified the debt collector and the consumer that the consumer is not qualified for ~~free or~~ charity care and, in that case, the debt collector may renew debt collection efforts.

Sec. 6. Department of Health and Human Services to adopt rules. By June 30, 2026, the Department of Health and Human Services shall adopt rules pursuant to the Maine Revised Statutes, Title 22, section 1716-A, subsection 13 to implement the

requirements of this Act. The rules must include a provision limiting a patient's right to request an administrative hearing to within 60 days after the date of the written notification of the action under section 1716-A that the patient wishes to appeal.

Sec. 7. Appropriations and allocations. The following appropriations and allocations are made.

HEALTH AND HUMAN SERVICES, DEPARTMENT OF

Division of Licensing and Certification Z036

Initiative: Establishes one Comprehensive Health Planner II position, effective July 1, 2026, to develop program applications and implement the department's enforcement requirements for charity care and other financial assistance programs required of hospitals, including investigating patient complaints, taking corrective actions and providing staff support for any necessary legal action. The initiative also provides funding for related All Other costs.

GENERAL FUND	**2025-26**	**2026-27**
POSITIONS - LEGISLATIVE COUNT	0.000	1.000
Personal Services	$0	$37,721
All Other	$0	$2,467
GENERAL FUND TOTAL	$0	$40,188

OTHER SPECIAL REVENUE FUNDS	**2025-26**	**2026-27**
Personal Services	$0	$73,223
All Other	$0	$6,599
OTHER SPECIAL REVENUE FUNDS TOTAL	$0	$79,822

Sec. 8. Effective date. This Act takes effect July 1, 2026.