

2147.

HOSPITAL REIMBURSEMENT LAW — SECTIONS 6308-7 TO 6308-15 G. C.—REGISTRAR OF MOTOR VEHICLES—MAY PAY HOSPITAL CLAIM, ONLY ACTUAL BILL OF PATIENT, “PER DIEM COST” AS MAXIMUM RATE.

SYLLABUS:

In the payment of a claim made by a hospital under the provisions of Sections 6308-7 to 6308-15, inclusive, of the General Code, the Registrar of Motor Vehicles may pay only the actual bill of the patient, using the per diem cost of the hospital as a maximum rate.

Columbus, Ohio, April 6, 1940.

Hon. Cylon W. Wallace, Registrar, Bureau of Motor Vehicles,
Columbus, Ohio.

Dear Sir:

This will acknowledge receipt of your request for my opinion as follows:

“Your opinion is respectfully requested regarding the following:

When a claim is presented by a hospital under Sections 6308-7 to 6308-15, inclusive, and the patient's actual account is less than the amount determined in accordance with the per diem cost certified, which amount should be used by the Registrar as a basis for settlement under the above sections of the General Code?

Section 6308-12 of the General Code states that the amount of a reimbursable claim shall be determined in accordance with the per diem cost certified, less any amount collected from the patient, and the amount so ascertained shall be paid.

Section 6308-13 recognizes the right of the registrar to disapprove a claim with respect to the amount thereof.

Section 6308-14 states the procedure to be followed if a patient, with respect to whom a claim has been paid, or any other person chargeable by law with his care and support, becomes able to pay. This section further requires that unless the amount previously paid by the state has been fully paid, the hospital shall collect such amount or the balance thereof from such patient or other person chargeable by law with his care and support and in default of such collection shall file an action against such patient or other person chargeable by law with his care and support for the

recovery of the sum so paid, as balance thereof. Obviously, this section assumes that the charges billed the patient for services received from the hospital will not exceed the amount of the claim as determined by Section 6308-12, since the hospital would have no legal right to collect an amount in excess of its actual account.

In many instances, the amount of the claim determined in accordance with Section 6308-12 exceeds the amount of the charges actually billed the patient for the services rendered. In some instances, this excess amounts to hundreds of dollars.

It is quite possible that a hospital might be able to collect a very large percentage of an account from a patient, yet file a claim for an amount many times this unpaid remainder due to the fact that the amount of the claim based on the per diem cost might be greatly in excess of the patient's account."

By virtue of the so-called Hospital Reimbursement Law (Sections 6308-7 to 6308-15, inclusive, of the General Code), hospitals are entitled to receive from the Registrar of Motor Vehicles payment of claims for services rendered to patients injured in motor vehicle accidents and who are indigent within the meaning of the act. These provisions were embodied in House Bill No. 80, enacted by the 90th General Assembly and entitled, "An Act to provide reimbursement for hospitals on account of expenses of the care of indigent persons injured in motor vehicle accidents * * *." You have presented the question as to whether the amount to be paid by the Registrar of Motor Vehicles should be based on the per diem cost of a hospital or on the actual bill of the patient.

Section 6308-8, General Code, provides:

"Within thirty days after this act shall take effect the director of health shall certify in duplicate to the registrar of motor vehicles and the auditor of state, respectively, the name, address and per diem cost of all hospitals in the state as determined by uniform annual report. Thereafter from time to time said director of health shall in like manner certify any additions to or subtractions from said list or any changes in such per diem costs which may occur. All claims made under this act shall be audited and paid in accordance with the per diem costs so certified and in effect at the time the charge shall have been incurred."

Section 6308-7, General Code, provides in part:

"'Per diem cost' means the per diem cost of caring for a patient in a hospital as determined by the uniform annual report submitted to the state of Ohio, department of health. The rate certified shall not exceed the sum of six dollars per day. If no annual report has been filed with the state department of health as required by section 1236-6 of the General Code no rate shall be certified."

By virtue of the above provisions, all claims made under the provisions of the Hospital Reimbursement Law shall be paid in accordance with the per diem cost of the hospital. Such cost is determined by the Director of Health from annual reports submitted by the hospitals and the rates so ascertained are certified to the Registrar of Motor Vehicles.

Section 6308-10, General Code, provides in part:

“At the time of making any monthly report each hospital may present a statement of its claim for reimbursement for the cost of the case of each indigent patient, which claim has matured within the month covered by the report then due or within any previous month. Each such claim shall be made in the form prescribed by the registrar of motor vehicles and shall show the following:

1. The name of the person to whom care has been given.
2. The number of days' care, with the dates of reception into the hospital and discharge or other termination of care.
3. The amount of claim.
4. A statement under oath, showing the effort made by the hospital to collect the amount of the claim from the indigent patient, and the amount, if any, collected from such patients, or any other person on his account.”

Section 6308-12, General, provides:

“When and if the registrar of motor vehicles shall have determined that a claim presented to him under the provisions of this act by a hospital which has complied with said provisions is made in respect of an indigent patient as evidenced by his findings under Section 5 of this act, he shall determine the amount of such claim in accordance with the per diem cost of such hospital as certified to him under the provisions of this act less any amount collected from the patient, and shall pay the amount so ascertained to the claimant from the funds appropriated for that purpose. The registrar of motor vehicles may make monthly payments to each hospital entitled to receive the same covering all claims audited and approved by him within the preceding month.”

Under the provisions of the preceding section, the Registrar of Motor Vehicles is required to determine the amount of the particular claim in accordance with the per diem cost of the hospital, less any amount collected from the patient and shall pay the amount so ascertained to the hospital.

Section 6308-14, General Code, provides:

“Whenever it shall come to the knowledge of the managing officer of a hospital which has received payment of a claim under the provisions of this act that the patient in respect of whom such claim has been paid, or any other person chargeable by law with his care and support has paid, or is or has become able to pay the

amount thereof, such managing officer shall notify the registrar of motor vehicles thereof, and, if such hospital shall thereafter make a monthly report and/or a claim for reimbursement under the provisions of this act, a reference to such paid claim in such form as the registrar of motor vehicles shall prescribe, showing the name of the patient and the amount paid, shall be incorporated in or attached to such report or claim. Whenever the registrar of motor vehicles shall otherwise acquire knowledge of facts showing that a patient in respect of whom a payment has been made as provided in this act, or any other person chargeable by law with his care and support has paid, or is or has become able to pay such amount thereof, he shall notify the hospital which has received such payment by letter addressed to the managing officer thereof, giving a brief statement of the facts thus coming to his knowledge and specifying the amount of such paid claim, the date of its prior payment, and the name of the person from whom the same may be recovered.

Within one month after such managing officer shall have given the notice herein required, or such hospital shall have received such notice from the registrar of motor vehicles, such hospital shall, unless the amount specified therein has been fully paid, collect such amount or the balance thereof from such patient or other person chargeable by law with his care or support and in default of such collection, file an action against such patient or other person chargeable by law with his care and support for the recovery of the sum so paid, or balance thereof. Such hospital shall in its monthly reports, or otherwise, advise the registrar of motor vehicles as to the collection of such amount, or as to the filing of such action and the proceedings therein; and, in the event of recovery of judgment therein, and if the amount of such judgment is not realized, shall show by certified copies of the proceedings that all legal remedies for the satisfaction of such judgment have been exhausted.

When notice has been given as required by this section, the registrar of motor vehicles shall deduct the amount of the prior payment made to the hospital affected thereby from any payment or payments, to be made to such hospital under the provisions of this act on or after two months from the date of such notice, unless such hospital shall have advised the registrar of motor vehicles as herein provided that an action has been filed for the recovery of such amount from the patient or other person chargeable by law with his care and support, that such action has not been finally determined, and that there is reasonable ground for delay; or unless such hospital shall so advise the registrar of motor vehicles that such action has been prosecuted to final judgment and that all legal remedies for the satisfaction of such judgment have been exhausted without realizing the amount thereof."

It will be seen that the hospital, upon receiving notice that the patient, or someone chargeable with his care or support is able to pay, is required to collect from the patient or the person chargeable with his support, by legal action or otherwise, the amount received by it from the Registrar of Motor

Vehicles in behalf of that patient. Therefore, if the hospital is required to collect from the patient, or someone chargeable with his support, the amount paid to it by the Registrar, obviously the amount charged to the Registrar in the first instance can in no event be in excess of the amount owing to the hospital by the patient. If such were not the case, and if the amount paid by the Registrar exceeded the charge to the patient, the hospital could not comply with the terms of the above section. It is inconceivable that a court would render judgment in an action for more than the amount due a litigant. It, therefore, seems axiomatic that the hospital may only be paid an amount equal to the charge for the hospitalization of the patient.

As hereinbefore pointed out, the purpose of the act was to "reimburse" hospitals for the expense of caring for indigent persons injured in motor vehicle accidents. That the title of an act may be considered in the construction of a statute is pointed out in 37 O. J. at pages 683 and 684, wherein it is said:

"The title of an act may be utilized for determining the purpose which induced the enactment of the law, which may be considered in arriving at a correct interpretation of its terms."

According to Webster's New International Dictionary, the word "reimburse" means, "to pay back" or to "repay." Obviously, if the Legislature intended that hospitals should be reimbursed, then they are entitled to receive only the actual cost of caring for each patient.

In providing for the manner of making a claim, Section 6308-10, supra, refers to the claim as a "claim for reimbursement for the cost of the care of each indigent patient." Clearly, the reference is to the actual bill of the patient because a claim in excess of the actual cost would not constitute reimbursement.

Therefore, in specific answer to your inquiry, I am of the opinion that in the payment of a claim made by a hospital under the provisions of Sections 6308-7 to 6308-15, inclusive, of the General Code, the Registrar of Motor Vehicles may pay only the actual bill of the patient, using the per diem cost of the hospital as a maximum rate.

Respectfully,

THOMAS J. HERBERT,
Attorney General.