

# SENATE BILL 514

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CF HB 565

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By: **Senators Feldman, Augustine, Carter, Hettleman, Kelley, Lee, and Pinsky**

Introduced and read first time: January 22, 2021

Assigned to: Finance

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## A BILL ENTITLED

1 AN ACT concerning

2 **Health Facilities – Hospitals – Medical Debt Protection**

3 FOR the purpose of specifying the method for calculating family income to be used for  
4 certain purposes under a certain hospital financial assistance policy; requiring a  
5 hospital to submit annually a certain report to the Health Services Cost Review  
6 Commission at a certain time; requiring the Commission to post certain information  
7 on its website; altering the required contents of a hospital's policy on the collection  
8 of debts owed by patients; requiring a hospital to provide a refund of certain amounts  
9 collected from a patient or the guarantor of a patient who was found eligible for  
10 reduced-cost care on the date of service; establishing certain prohibitions on  
11 hospitals that charge interest fees on hospital bills; requiring a hospital to provide  
12 in writing to certain patients information about the availability of a certain  
13 installment payment plan; requiring a hospital to provide certain information to a  
14 patient, the patient's family, an authorized representative, or the patient's legal  
15 guardian at certain times; prohibiting a certain payment plan from requiring a  
16 patient to make certain monthly payments and imposing certain penalties; requiring  
17 a hospital to determine certain adjusted monthly income in a certain manner under  
18 certain circumstances; requiring a certain payment plan to have a certain repayment  
19 period; establishing that certain patients are deemed to be compliant with a certain  
20 payment plan under certain circumstances; requiring a hospital to demonstrate that  
21 it attempted in good faith to meet certain requirements before the hospital takes  
22 certain actions; altering and specifying certain time periods during which and the  
23 circumstances under which a hospital is prohibited from taking a certain action;  
24 prohibiting a hospital from reporting certain information about certain patients to a  
25 consumer reporting agency; prohibiting a hospital from taking certain actions  
26 against certain patients under certain circumstances; requiring a hospital to provide  
27 certain instructions to a consumer reporting agency under certain circumstances;  
28 repealing a certain authorization for a hospital to hold a certain lien; prohibiting a  
29 hospital from requesting a certain lien in a certain action; prohibiting a hospital from  
30 filing an action or giving a certain notice to a patient for nonpayment of debt until

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 after a certain time period; prohibiting a hospital from taking certain actions if the  
 2 hospital files a certain action; prohibiting a hospital from requesting a certain writ  
 3 to garnish certain wages or filing a certain action under certain circumstances;  
 4 prohibiting a hospital from filing a certain action if a certain debt is below a certain  
 5 amount; prohibiting a hospital from making a certain claim against an estate of a  
 6 deceased patient; prohibiting a hospital from filing a certain action against a certain  
 7 patient or until certain conditions are met; prohibiting a hospital from delegating  
 8 certain collection activity to a debt collector to collect a certain amount of debt;  
 9 prohibiting certain individuals from being held liable for a certain debt; authorizing  
 10 a certain individual to consent to assume a certain liability under certain  
 11 circumstances; requiring a hospital to send a certain written notice of intent at least  
 12 a certain period of time before filing a certain action; providing for the manner of  
 13 delivery, content, and structure of a certain notice of intent; requiring a certain  
 14 complaint to include a certain affidavit and be accompanied by certain documents;  
 15 requiring that a hospital require a debt collector to have certain responsibility for  
 16 meeting certain requirements under certain circumstances; requiring the  
 17 Commission to prepare a certain annual report; requiring that a certain report be  
 18 made available to the public in a certain manner and submitted to certain  
 19 committees of the General Assembly; altering certain references by changing  
 20 “outside collection agency” to “debt collector”; making conforming changes; and  
 21 generally relating to hospital debt collection policies.

22 BY repealing and reenacting, without amendments,  
 23 Article – Health – General  
 24 Section 19–214.1(b)(1)  
 25 Annotated Code of Maryland  
 26 (2019 Replacement Volume and 2020 Supplement)

27 BY repealing and reenacting, with amendments,  
 28 Article – Health – General  
 29 Section 19–214.1(b)(2)(i) and (ii) and 19–214.2  
 30 Annotated Code of Maryland  
 31 (2019 Replacement Volume and 2020 Supplement)

32 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
 33 That the Laws of Maryland read as follows:

34 **Article – Health – General**

35 19–214.1.

36 (b) (1) The Commission shall require each acute care hospital and each chronic  
 37 care hospital in the State under the jurisdiction of the Commission to develop a financial  
 38 assistance policy for providing free and reduced–cost care to patients who lack health care  
 39 coverage or whose health care coverage does not pay the full cost of the hospital bill.

40 (2) The financial assistance policy shall provide, at a minimum:

1 (i) Free medically necessary care to patients with family income at  
2 or below 200% of the federal poverty level, **CALCULATED AT THE TIME OF SERVICE OR**  
3 **UPDATED, AS APPROPRIATE, TO ACCOUNT FOR ANY CHANGE IN FINANCIAL**  
4 **CIRCUMSTANCES OF THE PATIENT THAT OCCURS WITHIN 240 DAYS AFTER THE**  
5 **INITIAL HOSPITAL BILL IS PROVIDED;**

6 (ii) Reduced-cost medically necessary care to low-income patients  
7 with family income above 200% of the federal poverty level, **CALCULATED AT THE TIME**  
8 **OF SERVICE OR UPDATED, AS APPROPRIATE, TO ACCOUNT FOR ANY CHANGE IN**  
9 **FINANCIAL CIRCUMSTANCES OF THE PATIENT THAT OCCURS WITHIN 240 DAYS**  
10 **AFTER THE INITIAL HOSPITAL BILL IS PROVIDED,** in accordance with the mission and  
11 service area of the hospital;

12 19-214.2.

13 (a) **(1)** Each hospital **ANNUALLY** shall submit to the Commission[, at]:

14 **(I)** **AT** times prescribed by the Commission, the hospital's policy on  
15 the collection of debts owed by patients; **AND**

16 **(II)** **A REPORT INCLUDING:**

17 **1. THE TOTAL NUMBER OF PATIENTS BY RACE OR**  
18 **ETHNICITY, GENDER, AND ZIP CODE OF RESIDENCE AGAINST WHOM THE HOSPITAL,**  
19 **OR A DEBT COLLECTOR USED BY THE HOSPITAL, FILED AN ACTION TO COLLECT A**  
20 **DEBT OWED ON A HOSPITAL BILL;**

21 **2. THE TOTAL NUMBER OF PATIENTS BY RACE OR**  
22 **ETHNICITY, GENDER, AND ZIP CODE OF RESIDENCE WITH RESPECT TO WHOM THE**  
23 **HOSPITAL HAS AND HAS NOT REPORTED OR CLASSIFIED A BAD DEBT; AND**

24 **3. THE TOTAL DOLLAR AMOUNT OF THE COSTS OF**  
25 **HOSPITAL SERVICES PROVIDED TO PATIENTS BUT NOT COLLECTED BY THE**  
26 **HOSPITAL FOR PATIENTS COVERED BY INSURANCE AND PATIENTS WITHOUT**  
27 **INSURANCE.**

28 **(2)** **THE COMMISSION SHALL POST THE INFORMATION SUBMITTED**  
29 **UNDER PARAGRAPH (1) OF THIS SUBSECTION ON ITS WEBSITE.**

30 (b) The policy **SUBMITTED UNDER SUBSECTION (A)(1) OF THIS SECTION**  
31 shall:

32 (1) Provide for active oversight by the hospital of any contract for collection

1 of debts on behalf of the hospital;

2 (2) Prohibit the hospital from selling any debt;

3 (3) Prohibit the charging of interest on bills incurred by self-pay patients  
4 before a court judgment is obtained;

5 (4) Describe in detail the consideration by the hospital of patient income,  
6 assets, and other criteria;

7 **(5) PROHIBIT THE HOSPITAL FROM REPORTING TO A CONSUMER**  
8 **REPORTING AGENCY OR FILING A CIVIL ACTION TO COLLECT A DEBT WITHIN 180**  
9 **DAYS AFTER THE INITIAL BILL IS PROVIDED;**

10 ~~[(5)]~~ **(6)** Describe the hospital's procedures for collecting a debt;

11 ~~[(6)]~~ **(7)** Describe the circumstances in which the hospital will seek a  
12 judgment against a patient;

13 ~~[(7)]~~ **(8)** In accordance with subsection (c) of this section, provide for a  
14 refund of amounts collected from a patient or the guarantor of a patient who was ~~[later]~~  
15 found to be eligible for free **OR REDUCED-COST** care ~~[on the date of service]~~ **MORE THAN**  
16 **240 DAYS AFTER THE FIRST POSTDISCHARGE BILL WAS PROVIDED;**

17 ~~[(8)]~~ **(9)** If the hospital has obtained a judgment against or reported  
18 adverse information to a consumer reporting agency about a patient who ~~[later]~~ was found  
19 to be eligible for free **OR REDUCED-COST** care ~~[on the date of the service]~~ **MORE THAN**  
20 **180 DAYS AFTER THE FIRST POSTDISCHARGE BILL WAS PROVIDED** for which the  
21 judgment was awarded or the adverse information was reported, require the hospital to  
22 seek to vacate the judgment or strike the adverse information; ~~[and]~~

23 ~~[(9)]~~ **(10)** Provide a mechanism for a patient to:

24 (i) Request the hospital to reconsider the denial of free or  
25 reduced-cost care; ~~[and]~~

26 (ii) File with the hospital a complaint against the hospital or ~~[an~~  
27 outside collection agency] **A DEBT COLLECTOR** used by the hospital regarding the  
28 handling of the patient's bill; **AND**

29 **(III) ALLOW THE PATIENT AND THE HOSPITAL TO MUTUALLY**  
30 **AGREE TO MODIFY THE TERMS OF A PAYMENT PLAN OFFERED UNDER SUBSECTION**  
31 **(E) OF THIS SECTION OR ENTERED INTO WITH THE PATIENT; AND**

32 **(11) PROHIBIT THE HOSPITAL FROM COLLECTING ADDITIONAL FEES**

1 IN AN AMOUNT THAT EXCEEDS THE COST OF THE HOSPITAL SERVICE FOR WHICH  
2 THE MEDICAL DEBT IS OWED ON A BILL FOR A PATIENT WHO IS ELIGIBLE FOR FREE  
3 OR REDUCED-COST CARE UNDER THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY.

4 (c) (1) Beginning October 1, 2010, a hospital shall provide for a refund of  
5 amounts exceeding \$25 collected from a patient or the guarantor of a patient who, within a  
6 2-year period after the date of service, was found to be eligible for free OR REDUCED-COST  
7 care on the date of service.

8 (2) A hospital may reduce the 2-year period under paragraph (1) of this  
9 subsection to no less than 30 days after the date the hospital requests information from a  
10 patient, or the guarantor of a patient, to determine the patient's eligibility for free OR  
11 REDUCED-COST care at the time of service, if the hospital documents the lack of  
12 cooperation of the patient or the guarantor of a patient in providing the requested  
13 information.

14 (3) If a patient is enrolled in a means-tested government health care plan  
15 that requires the patient to pay out-of-pocket for hospital services, a hospital's refund  
16 policy shall provide for a refund that complies with the terms of the patient's plan.

17 (D) IF A HOSPITAL CHARGES INTEREST FEES ON A HOSPITAL BILL, THE  
18 HOSPITAL MAY NOT:

19 (1) CHARGE INTEREST IN EXCESS OF AN EFFECTIVE RATE OF SIMPLE  
20 INTEREST OF 1.5% PER ANNUM ON THE UNPAID PORTION OF A HOSPITAL BILL;

21 (2) CHARGE INTEREST OR FEES ON ANY DEBT INCURRED ON OR  
22 AFTER THE DATE OF SERVICE BY A PATIENT WHO IS ELIGIBLE FOR FREE OR  
23 REDUCED-COST CARE UNDER § 19-214.1 OF THIS SUBTITLE; OR

24 (3) BEGIN ACCRUAL OF INTEREST OR LATE PAYMENT CHARGES  
25 UNTIL 180 DAYS AFTER THE DATE OF THE LATER OF:

26 (i) THE END OF EACH REGULAR BILLING PERIOD; OR

27 (ii) THE PATIENT'S DISCHARGE.

28 (E) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, A HOSPITAL  
29 SHALL PROVIDE IN WRITING TO EACH PATIENT WHO INCURS MEDICAL DEBT  
30 INFORMATION ABOUT THE AVAILABILITY OF AN INSTALLMENT PAYMENT PLAN FOR  
31 THE DEBT.

32 (2) A HOSPITAL SHALL PROVIDE THE INFORMATION UNDER  
33 PARAGRAPH (1) OF THIS SUBSECTION TO THE PATIENT, THE PATIENT'S FAMILY, THE

1 PATIENT'S AUTHORIZED REPRESENTATIVE, OR THE PATIENT'S LEGAL GUARDIAN:

2 (I) BEFORE THE PATIENT IS DISCHARGED;

3 (II) WITH THE HOSPITAL BILL;

4 (III) ON REQUEST; AND

5 (IV) IN EACH WRITTEN COMMUNICATION TO THE PATIENT  
6 REGARDING COLLECTION OF HOSPITAL DEBT.

7 (3) (I) A PAYMENT PLAN OFFERED UNDER THIS SUBSECTION MAY  
8 NOT:

9 1. REQUIRE THE PATIENT TO MAKE MONTHLY  
10 PAYMENTS THAT EXCEED 5% OF THE INDIVIDUAL PATIENT'S FEDERAL OR STATE  
11 ADJUSTED GROSS MONTHLY INCOME; OR

12 2. IMPOSE PENALTIES OR FEES FOR PREPAYMENT OR  
13 EARLY PAYMENT.

14 (II) IF THE PATIENT DOES NOT SUBMIT TAX DOCUMENTATION  
15 TO BE USED FOR DETERMINING A PAYMENT PLAN, A HOSPITAL SHALL DETERMINE A  
16 PATIENT'S ADJUSTED GROSS MONTHLY INCOME BY FOLLOWING STANDARDS FOR  
17 THE DETERMINATION OF INCOME THAT ARE DEVELOPED BY THE COMMISSION IN  
18 REGULATIONS.

19 (4) A PAYMENT PLAN UNDER THIS SUBSECTION SHALL HAVE A  
20 REPAYMENT PERIOD THAT IS NOT LESS THAN THE LONGER OF:

21 (I) 36 MONTHS; OR

22 (II) A TIME PERIOD THAT WOULD ENSURE THAT PAYMENTS ARE  
23 GREATER THAN ACCRUED INTEREST.

24 (5) A PATIENT SHALL BE DEEMED TO BE COMPLIANT WITH A  
25 PAYMENT PLAN IF THE PATIENT MAKES AT LEAST 11 SCHEDULED MONTHLY  
26 PAYMENTS WITHIN A 12-MONTH PERIOD.

27 (6) A HOSPITAL SHALL DEMONSTRATE THAT IT ATTEMPTED IN GOOD  
28 FAITH TO MEET THE REQUIREMENTS OF THIS SUBSECTION BEFORE THE HOSPITAL:

29 (I) FILES AN ACTION TO COLLECT A DEBT OWED ON A HOSPITAL

1 **BILL BY A PATIENT; OR**

2 **(II) DELEGATES COLLECTION ACTIVITY TO A DEBT COLLECTOR**  
3 **FOR A DEBT OWED ON A HOSPITAL BILL BY A PATIENT.**

4 **[(d)] (F) (1)** For at least **[120] 180** days after **[issuing an initial patient bill]**  
5 **THE FIRST POSTDISCHARGE BILL WAS PROVIDED**, a hospital may not report adverse  
6 information about a patient to a consumer reporting agency or commence civil action  
7 against a patient for nonpayment **[unless the hospital documents the lack of cooperation of**  
8 **the patient or the guarantor of the patient in providing information needed to determine**  
9 **the patient's obligation with regard to the hospital bill].**

10 (2) A hospital shall report the fulfillment of a patient's payment obligation  
11 within 60 days after the obligation is fulfilled to any consumer reporting agency to which  
12 the hospital had reported adverse information about the patient.

13 **(3) A HOSPITAL MAY NOT REPORT ADVERSE INFORMATION TO A**  
14 **CONSUMER REPORTING AGENCY REGARDING A PATIENT WHO AT THE TIME OF**  
15 **SERVICE WAS UNINSURED OR ELIGIBLE FOR FREE OR REDUCED-COST CARE UNDER**  
16 **§ 19-214.1 OF THIS SUBTITLE.**

17 **(4) A HOSPITAL MAY NOT REPORT ADVERSE INFORMATION ABOUT A**  
18 **PATIENT TO A CONSUMER REPORTING AGENCY, COMMENCE A CIVIL ACTION**  
19 **AGAINST A PATIENT FOR NONPAYMENT, OR DELEGATE COLLECTION ACTIVITY TO A**  
20 **DEBT COLLECTOR:**

21 **(I) IF THE HOSPITAL WAS INFORMED BY THE PATIENT OR THE**  
22 **INSURANCE CARRIER THAT AN APPEAL OR A REVIEW OF A HEALTH INSURANCE**  
23 **DECISION IS PENDING, AND UNTIL 60 DAYS AFTER THE APPEAL IS COMPLETE; OR**

24 **(II) UNTIL 60 DAYS AFTER THE HOSPITAL HAS COMPLETED A**  
25 **REQUESTED RECONSIDERATION OF THE DENIAL OF FREE OR REDUCED-COST CARE.**

26 **(5) IF A HOSPITAL HAS REPORTED ADVERSE INFORMATION ABOUT A**  
27 **PATIENT TO A CONSUMER REPORTING AGENCY, THE HOSPITAL SHALL INSTRUCT**  
28 **THE CONSUMER REPORTING AGENCY TO DELETE THE ADVERSE INFORMATION**  
29 **ABOUT THE PATIENT:**

30 **(I) IF THE HOSPITAL WAS INFORMED BY THE PATIENT OR THE**  
31 **INSURANCE CARRIER THAT AN APPEAL OR A REVIEW OF A HEALTH INSURANCE**  
32 **DECISION IS PENDING, AND UNTIL 60 DAYS AFTER THE APPEAL IS COMPLETE; OR**

33 **(II) UNTIL 60 DAYS AFTER THE HOSPITAL HAS COMPLETED A**  
34 **REQUESTED RECONSIDERATION OF THE DENIAL OF FREE OR REDUCED-COST CARE.**

1            **[(e)] (G)**    (1)    A hospital may not force the sale or foreclosure of a patient's  
2 primary residence to collect a debt owed on a hospital bill.

3            (2)    [If a hospital holds a lien on a patient's primary residence, the hospital  
4 may maintain its position as a secured creditor with respect to other creditors to whom the  
5 patient may owe a debt] **A HOSPITAL MAY NOT REQUEST A LIEN AGAINST A PATIENT'S  
6 PRIMARY RESIDENCE IN AN ACTION TO COLLECT DEBT OWED ON A HOSPITAL BILL.**

7            **(3) (I)    A HOSPITAL MAY NOT FILE AN ACTION AGAINST A PATIENT  
8 TO COLLECT A DEBT OWED ON A HOSPITAL BILL OR GIVE NOTICE TO A PATIENT  
9 UNDER SUBSECTION (I) OF THIS SECTION UNTIL AFTER 180 DAYS AFTER THE FIRST  
10 POSTDISCHARGE BILL WAS PROVIDED.**

11            **(II)    IF A HOSPITAL FILES AN ACTION TO COLLECT THE DEBT  
12 OWED ON A HOSPITAL BILL, THE HOSPITAL MAY NOT REQUEST THE ISSUANCE OF OR  
13 OTHERWISE KNOWINGLY TAKE ACTION THAT WOULD CAUSE A COURT TO ISSUE:**

14                    1.    **A BODY ATTACHMENT AGAINST A PATIENT; OR**

15                    2.    **AN ARREST WARRANT AGAINST A PATIENT.**

16            **(4)    A HOSPITAL MAY NOT REQUEST A WRIT OF GARNISHMENT OF  
17 WAGES OR FILE AN ACTION THAT WOULD RESULT IN AN ATTACHMENT OF WAGES  
18 AGAINST A PATIENT TO COLLECT DEBT OWED ON A HOSPITAL BILL IF THE PATIENT  
19 IS ELIGIBLE FOR FREE OR REDUCED-COST CARE UNDER § 19-214.1 OF THIS  
20 SUBTITLE.**

21            **(5)    A HOSPITAL MAY NOT FILE AN ACTION AGAINST A PATIENT TO  
22 COLLECT A DEBT OWED ON A HOSPITAL BILL IN AN AMOUNT OF \$1,000 OR LESS.**

23            **(6)    A HOSPITAL MAY NOT MAKE A CLAIM AGAINST THE ESTATE OF A  
24 DECEASED PATIENT TO COLLECT A DEBT OWED ON A HOSPITAL BILL.**

25            **(7)    A HOSPITAL MAY NOT FILE AN ACTION TO COLLECT A DEBT OWED  
26 ON A HOSPITAL BILL BY A PATIENT:**

27                    **(I)    WHO WAS UNINSURED AT THE TIME SERVICE WAS  
28 PROVIDED; OR**

29                    **(II)    UNTIL THE HOSPITAL DETERMINES WHETHER THE PATIENT  
30 IS ELIGIBLE FOR FREE OR REDUCED-COST CARE UNDER § 19-214.1 OF THIS  
31 SUBTITLE.**



1           **(8) A HOSPITAL MAY NOT DELEGATE COLLECTION ACTIVITY TO A**  
2 **DEBT COLLECTOR FOR DEBT OWED ON A HOSPITAL BILL BY A PATIENT THAT IS**  
3 **\$1,000 OR LESS.**

4           **(H) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, A**  
5 **SPOUSE OR ANOTHER INDIVIDUAL MAY NOT BE HELD LIABLE FOR THE DEBT OWED**  
6 **ON A HOSPITAL BILL OF AN INDIVIDUAL WHO IS AT LEAST 18 YEARS OLD.**

7           **(2) AN INDIVIDUAL MAY VOLUNTARILY CONSENT TO ASSUME**  
8 **LIABILITY FOR THE DEBT OWED ON A HOSPITAL BILL OF ANY OTHER INDIVIDUAL IF**  
9 **THE CONSENT IS:**

10                   **(I) MADE ON A SEPARATE DOCUMENT SIGNED BY THE**  
11 **INDIVIDUAL;**

12                   **(II) NOT SOLICITED IN AN EMERGENCY ROOM OR DURING AN**  
13 **EMERGENCY SITUATION; AND**

14                   **(III) NOT REQUIRED AS A CONDITION OF PROVIDING ANY**  
15 **EMERGENCY OR NONEMERGENCY HEALTH CARE SERVICES.**

16           **(I) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, AT LEAST 45**  
17 **DAYS BEFORE FILING AN ACTION AGAINST A PATIENT TO COLLECT ON THE DEBT**  
18 **OWED ON A HOSPITAL BILL, A HOSPITAL SHALL SEND WRITTEN NOTICE OF THE**  
19 **INTENT TO FILE AN ACTION TO THE PATIENT.**

20           **(2) THE NOTICE REQUIRED UNDER PARAGRAPH (1) OF THIS**  
21 **SUBSECTION SHALL:**

22                   **(I) BE SENT TO THE PATIENT BY CERTIFIED MAIL AND**  
23 **FIRST-CLASS MAIL;**

24                   **(II) BE IN SIMPLIFIED LANGUAGE AS DETERMINED IN**  
25 **REGULATIONS ADOPTED BY THE COMMISSION AND IN AT LEAST 10 POINT TYPE;**

26                   **(III) INCLUDE:**

27                   1.   **THE NAME AND TELEPHONE NUMBER OF:**

28                   A.   **THE HOSPITAL;**

29                   B.   **IF APPLICABLE, THE DEBT COLLECTOR; AND**

1                   **C. AN AGENT OF THE HOSPITAL AUTHORIZED TO MODIFY**  
2 **THE TERMS OF THE PAYMENT PLAN, IF ANY;**

3                   **2. THE AMOUNT REQUIRED TO CURE THE NONPAYMENT**  
4 **OF DEBT, INCLUDING PAST DUE PAYMENTS, PENALTIES, AND FEES;**

5                   **3. A STATEMENT RECOMMENDING THAT THE PATIENT**  
6 **SEEK DEBT COUNSELING SERVICES;**

7                   **4. TELEPHONE NUMBERS AND INTERNET ADDRESSES**  
8 **OF NONPROFIT AND GOVERNMENT RESOURCES, INCLUDING THE HEALTH**  
9 **EDUCATION ADVOCACY UNIT IN THE OFFICE OF THE ATTORNEY GENERAL,**  
10 **AVAILABLE TO ASSIST PATIENTS EXPERIENCING MEDICAL DEBT;**

11                   **5. AN EXPLANATION OF THE HOSPITAL'S FINANCIAL**  
12 **ASSISTANCE POLICY;**

13                   **6. AN EXPLANATION OF THE STATE MEDICAL DEBT**  
14 **COLLECTION PROCESS AND TIMELINE;**

15                   **7. AN EXPLANATION OF THE PATIENT'S RIGHT TO**  
16 **APPEAL TO THE PATIENT'S INSURANCE CARRIER, THE MARYLAND INSURANCE**  
17 **ADMINISTRATION, OR THE HOSPITAL FOR ANY DENIED REIMBURSEMENT OR**  
18 **ACCESS TO FREE OR REDUCED-COST CARE, AND THE NEED TO INFORM THE**  
19 **HOSPITAL IF AN APPEAL IS IN PROCESS; AND**

20                   **8. ANY OTHER RELEVANT INFORMATION PRESCRIBED**  
21 **BY THE COMMISSION; AND**

22                   **(IV) BE PROVIDED IN THE PATIENT'S PREFERRED LANGUAGE**  
23 **OR, IF NO PREFERRED LANGUAGE IS SPECIFIED, EACH LANGUAGE SPOKEN BY A**  
24 **LIMITED ENGLISH PROFICIENT POPULATION THAT CONSTITUTES 5% OF THE**  
25 **POPULATION WITHIN THE JURISDICTION IN WHICH THE HOSPITAL IS LOCATED AS**  
26 **MEASURED BY THE MOST RECENT FEDERAL CENSUS.**

27                   **(3) THE NOTICE REQUIRED UNDER THIS SUBSECTION SHALL BE**  
28 **ACCOMPANIED BY:**

29                   **(i) AN APPLICATION FOR FINANCIAL ASSISTANCE UNDER THE**  
30 **HOSPITAL'S FINANCIAL ASSISTANCE POLICY, ALONG WITH INSTRUCTIONS FOR**  
31 **COMPLETING THE APPLICATION FOR FINANCIAL ASSISTANCE, AND THE TELEPHONE**  
32 **NUMBER TO CALL TO CONFIRM RECEIPT OF THE APPLICATION;**

1                   **(II) THE AVAILABILITY OF A PAYMENT PLAN TO SATISFY THE**  
2 **MEDICAL DEBT THAT IS THE SUBJECT OF THE HOSPITAL DEBT COLLECTION ACTION;**  
3 **AND**

4                   **(III) THE INFORMATION SHEET REQUIRED UNDER § 19–214.1(F)**  
5 **OF THIS SUBTITLE.**

6           **(J) A COMPLAINT BY A HOSPITAL IN AN ACTION TO COLLECT A DEBT OWED**  
7 **ON A HOSPITAL BILL BY A PATIENT SHALL:**

8                   **(1) INCLUDE AN AFFIDAVIT STATING:**

9                   **(I) THE DATE ON WHICH THE 180–DAY PERIOD REQUIRED**  
10 **UNDER SUBSECTION (G)(3) OF THIS SECTION ELAPSED AND THE NATURE OF THE**  
11 **NONPAYMENT;**

12                   **(II) THAT A NOTICE OF INTENT TO FILE AN ACTION UNDER**  
13 **SUBSECTION (I) OF THIS SECTION:**

14                   1. **WAS SENT TO THE PATIENT AND THE DATE ON WHICH**  
15 **THE NOTICE WAS SENT; AND**

16                   2. **ACCURATELY REFLECTED THE CONTENTS REQUIRED**  
17 **TO BE INCLUDED IN THE NOTICE;**

18                   **(III) THAT THE HOSPITAL PROVIDED:**

19                   1. **THE PATIENT WITH A COPY OF THE INFORMATION**  
20 **SHEET ON THE FINANCIAL ASSISTANCE POLICY IN ACCORDANCE WITH SUBSECTION**  
21 **(I)(3)(II) OF THIS SECTION; AND**

22                   2. **ORAL NOTICE OF THE FINANCIAL ASSISTANCE**  
23 **POLICY;**

24                   **(IV) THAT THE HOSPITAL MADE A DETERMINATION REGARDING**  
25 **WHETHER THE PATIENT IS ELIGIBLE FOR THE HOSPITAL’S FINANCIAL ASSISTANCE**  
26 **POLICY IN ACCORDANCE WITH § 19–214.1 OF THIS SUBTITLE; AND**

27                   **(V) THAT THE HOSPITAL MADE A GOOD–FAITH EFFORT TO**  
28 **MEET THE REQUIREMENTS OF SUBSECTION (E) OF THIS SECTION; AND**

29                   **(2) BE ACCOMPANIED BY:**

1                   **(I) THE ORIGINAL OR A CERTIFIED COPY OF THE HOSPITAL**  
2 **BILL;**

3                   **(II) A STATEMENT OF THE REMAINING DUE AND PAYABLE DEBT**  
4 **SUPPORTED BY AN AFFIDAVIT OF THE PLAINTIFF, THE HOSPITAL, OR THE AGENT OR**  
5 **ATTORNEY OF THE PLAINTIFF OR HOSPITAL;**

6                   **(III) A COPY OF THE MOST RECENT HOSPITAL BILL SENT TO THE**  
7 **PATIENT;**

8                   **(IV) IF THE DEFENDANT IS ELIGIBLE FOR FEDERAL SERVICE**  
9 **MEMBERS CIVIL RELIEF ACT BENEFITS, AN AFFIDAVIT THAT THE HOSPITAL IS IN**  
10 **COMPLIANCE WITH THE ACT;**

11                   **(V) A COPY OF THE NOTICE OF INTENT TO FILE AN ACTION ON A**  
12 **HOSPITAL BILL;**

13                   **(VI) DOCUMENTATION THAT THE PATIENT HAS ACKNOWLEDGED**  
14 **RECEIPT OF A COPY OF THE INFORMATION REQUIRED TO BE PROVIDED BY THE**  
15 **HOSPITAL UNDER SUBSECTION (I)(3) OF THIS SECTION; AND**

16                   **(VII) DOCUMENTATION THAT THE HOSPITAL HAS PROVIDED**  
17 **WRITTEN AND ORAL NOTICE OF THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY TO**  
18 **THE PATIENT.**

19           **[(f)] (K)** If a hospital delegates collection activity to [an outside collection  
20 agency] **A DEBT COLLECTOR**, the hospital shall:

21                   (1) Specify the collection activity to be performed by the [outside collection  
22 agency] **DEBT COLLECTOR** through an explicit authorization or contract;

23                   (2) Require the [outside collection agency] **DEBT COLLECTOR** to abide by  
24 the hospital's credit and collection policy;

25                   (3) Specify procedures the [outside collection agency] **DEBT COLLECTOR**  
26 must follow if a patient appears to qualify for financial assistance; and

27                   (4) Require the [outside collection agency] **DEBT COLLECTOR** to:

28                           (i) In accordance with the hospital's policy, provide a mechanism for  
29 a patient to file with the hospital a complaint against the hospital or the [outside collection  
30 agency] **DEBT COLLECTOR** regarding the handling of the patient's bill; [and]

31                           (ii) Forward the complaint to the hospital if a patient files a

1 complaint with the [collection agency] DEBT COLLECTOR; AND

2 (III) ALONG WITH THE HOSPITAL, BE JOINTLY AND SEVERALLY  
3 RESPONSIBLE FOR MEETING THE REQUIREMENTS OF THIS SECTION.

4 [(g)] (L) (1) The board of directors of each hospital shall review and approve  
5 the financial assistance and debt collection policies of the hospital at least every 2 years.

6 (2) A hospital may not alter its financial assistance or debt collection  
7 policies without approval by the board of directors.

8 [(h)] (M) The Commission shall review each hospital's implementation of and  
9 compliance with the hospital's policies and the requirements of this section.

10 (N) (1) THE COMMISSION SHALL PREPARE AN ANNUAL MEDICAL DEBT  
11 COLLECTION REPORT THAT IS BASED ON SPECIAL AUDIT PROCEDURE  
12 REQUIREMENTS FOR HOSPITALS RELATED TO MEDICAL DEBT.

13 (2) THE REPORT REQUIRED UNDER PARAGRAPH (1) OF THIS  
14 SUBSECTION SHALL BE:

15 (I) MADE AVAILABLE TO THE PUBLIC FREE OF CHARGE; AND

16 (II) SUBMITTED TO THE SENATE FINANCE COMMITTEE AND  
17 THE HOUSE HEALTH AND GOVERNMENT OPERATIONS COMMITTEE IN  
18 ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE.

19 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
20 October 1, 2021.