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HOUSE BILL NO. 566

Offered January 12, 2022

Prefiled January 11, 2022

A *BILL to amend the Code of Virginia by adding in Article 3 of Chapter 22 of Title 23.1 a section numbered 23.1-2213.1 and by adding in Chapter 24 of Title 23.1 a section numbered 23.1-2429, relating to public hospitals; medical debt collection practices.*

Patron—Hudson

Committee Referral Pending

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Article 3 of Chapter 22 of Title 23.1 a section numbered 23.1-2213.1 and by adding in Chapter 24 of Title 23.1 a section numbered 23.1-2429 as follows:

§ 23.1-2213.1. Financial assistance; payment plans; Financial Assistance Ombudsman Office.

A. The Medical Center shall make a payment plan available to every person who incurs a debt to the Medical Center related to medical treatment provided by the Medical Center or an affiliated facility. Such payment plan shall be provided to the person in writing and shall take into account the combined total amount owed to the Medical Center for medical treatment by all members of the person's household. Monthly payments made to satisfy a debt owed to the Medical Center pursuant to such payment plan shall not exceed an amount that is equal to five percent of the household's total monthly income, and the first payment shall not be due until a date that is at least 90 days after the date on which medical treatment for which the debt is owed was provided or the date on which the person was discharged, whichever occurs later. A person who has made at least 10 payments required by a payment plan in a 12-month period shall be deemed to be in compliance with the provisions of the payment plan. The Medical Center shall not charge interest on amounts owed or fees for late or missed payments to a person who is in compliance with a payment plan entered into in accordance with this subsection.

B. The Medical Center shall notify each person to whom medical services are provided, in writing, of the availability of a payment plan for the payment of debt owed to the Medical Center for such medical treatment at the time the medical treatment is provided or the person is discharged, whichever occurs later. Such written information shall also be included together with any billing statement provided to the person and each written communication regarding collection of the debt provided to the person.

C. The Medical Center shall make billing statements, communications regarding financial assistance, and information about payment plans available to persons with limited English proficiency by making such information available (i) in writing in each language that is spoken by five percent of the population in the area served by the Medical Center, as determined by the U.S. Census Bureau data for the service area, and (ii) orally through an oral interpretation service, for any language, upon request.

Every billing statement and written communication provided to a patient shall include a statement indicating that (a) the document contains important information about financial assistance and (b) translation services are available upon request. Such written statements shall be provided in each of the 10 languages, other than English, that are most frequently spoken by individuals with limited English proficiency in the Medical Center's service area, as determined by the U.S. Census Bureau data for the service area.

Written and oral translations of information required to be provided pursuant to this subsection shall be provided free of charge to the person.

D. The Medical Center shall not sell medical debt owed to the Medical Center to any person, except that the Medical Center may sell such medical debt to an organization that purchases medical debt for the purpose of paying such debt in full on behalf of the debtor.

E. The Medical Center shall not initiate any extraordinary collection action, including any action to garnish an individual's wages or place a lien on an individual's primary residence or vehicle, to collect amounts owed for treatment provided by the Medical Center or an affiliated facility.

F. The Medical Center shall establish a Financial Assistance Ombudsman Office to assist patients and others with issues related to financial assistance, payment plans, and debt collection.

§ 23.1-2429. Financial assistance; payment plans; Financial Assistance Ombudsman Office.

A. The Authority shall make a payment plan available to every person who incurs a debt to the Authority related to medical treatment provided by the Authority or an affiliated facility. Such payment plan shall be provided to the person in writing and shall take into account the combined total amount

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59 owed to the Authority for medical treatment by all members of the person's household. Monthly
60 payments made to satisfy a debt owed to the Authority pursuant to such payment plan shall not exceed
61 an amount that is equal to five percent of the household's total monthly income, and the first payment
62 shall not be due until a date that is at least 90 days after the date on which medical treatment for
63 which the debt is owed was provided or the date on which the person was discharged, whichever occurs
64 later. A person who has made at least 10 payments required by a payment plan in a 12-month period
65 shall be deemed to be in compliance with the provisions of the payment plan. The Authority shall not
66 charge interest on amounts owed or fees for late or missed payments to a person who is in compliance
67 with a payment plan entered into in accordance with this subsection.

68 B. The Authority shall notify each person to whom medical services are provided, in writing, of the
69 availability of a payment plan for the payment of debt owed to the Authority for such medical treatment
70 at the time the medical treatment is provided or the person is discharged, whichever is later. Such
71 written information shall also be included together with any billing statement provided to the person
72 and each written communication regarding collection of the debt provided to the person.

73 C. The Authority shall make billing statements, communications regarding financial assistance, and
74 information about payment plans available to persons with limited English proficiency by making such
75 information available (i) in writing in each language that is spoken by five percent of the population in
76 the area served by the Authority, as determined by the U.S. Census Bureau data for the service area,
77 and (ii) orally through an oral interpretation service, for any language, upon request.

78 Every billing statement and written communication provided to a patient shall include a statement
79 indicating that (a) the document contains important information about financial assistance and (b)
80 translation services are available upon request. Such written statements shall be provided in each of the
81 10 languages, other than English, that are most frequently spoken by individuals with limited English
82 proficiency in the Authority's service area, as determined by the U.S. Census Bureau data for the service
83 area.

84 Written and oral translations of information required to be provided pursuant to this subsection shall
85 be provided free of charge to the person.

86 D. The Authority shall not sell medical debt owed to the Authority to any person, except that the
87 Authority may sell such medical debt to an organization that purchases medical debt for the purpose of
88 paying such debt in full on behalf of the debtor.

89 E. The Authority shall not initiate any extraordinary collection action, including any action to
90 garnish an individual's wages or place a lien on an individual's primary residence or vehicle, to collect
91 amounts owed for treatment provided by the Authority or an affiliated facility

92 F. The Authority shall establish a Financial Assistance Ombudsman Office to assist patients and
93 others with issues related to financial assistance, payment plans, and debt collection.