

HEALTH CARE DEBT COLLECTION NOTICE AMENDMENTS

2019 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Kelly B. Miles

Senate Sponsor: _____

LONG TITLE

General Description:

This bill amends provisions relating to health care debt collection.

Highlighted Provisions:

This bill:

▶ permits a health care provider to provide certain notices regarding health care debt collections by first class mail **→** or by email under certain circumstances **←** .

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

31A-26-313, as enacted by Laws of Utah 2018, Chapter 203

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **31A-26-313** is amended to read:

31A-26-313. Health care collection actions -- Notification required.

(1) As used in this section:

(a) (i) "Collection action" means any action taken to recover funds that are past due or accounts that are in default:



- 28 (A) for health care services; and
- 29 (B) that directly results in an adverse report to a credit bureau.
- 30 (ii) "Collection action" includes using the services of a collection agency to engage in
- 31 collection action.
- 32 (iii) "Collection action" does not include:
- 33 (A) billing or invoicing for funds that are not past due or accounts that are not in
- 34 default; or
- 35 (B) providing the notice required in this section.
- 36 (b) "Credit bureau" means a consumer reporting agency as defined in 15 U.S.C. Sec.
- 37 1681a.
- 38 (c) "Text message" means a real time or near real time message that consists of text
- 39 and is transmitted to a device identified by a telephone number.
- 40 (2) (a) Before engaging in a collection action, a health care provider:
- 41 (i) shall, after the day on which the period of time for an insurer to pay or deny a claim
- 42 without penalty, described in Section 31A-26-301.6, expires, send a notice described in
- 43 Subsection (3) to the insured by certified mail with return receipt requested, priority mail, first
- 44 class mail, ~~H~~→ **email**, ←~~H~~ or text message; and
- 45 (ii) for a Medicare beneficiary or retiree 65 years of age or older, shall, after the date
- 46 that Medicare determines Medicare's liability for the claim, send a notice described in
- 47 Subsection (3) to the insured by certified mail with return receipt requested, priority mail, first
- 48 class mail, or text message.
- 49 (b) A health care provider may not engage in a collection action before the date
- 50 described in Subsection (3)(b) for that collection action.
- 51 (3) The notice described in Subsection (2)(a) shall state:
- 52 (a) the amount that the insured owes;
- 53 (b) the date by which the insured must pay the amount owed that is:
- 54 (i) at least 45 days after the day on which the health care provider sends the notice; or
- 55 (ii) if the insured is a Medicare beneficiary or retiree 65 years of age or older, at least
- 56 60 days after the day on which the health care provider sends the notice;
- 57 (c) that if the insured fails to timely pay the amount owed, the health care provider or a
- 58 third party may make a report to a credit bureau or use the services of a collection agency; and