

HOUSE No. 1222

The Commonwealth of Massachusetts

PRESENTED BY:

John J. Mahoney

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act to ensure uniform and transparent reporting of medical debt data.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>John J. Mahoney</i>	<i>13th Worcester</i>	<i>1/19/2023</i>

HOUSE No. 1222

By Representative Mahoney of Worcester, a petition (accompanied by bill, House, No. 1222) of John J. Mahoney for legislation to establish an electronic system of public reporting for providers as a prerequisite condition for advancing overdue medical bills to debt collection agencies. Health Care Financing.

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Third General Court
(2023-2024)**

An Act to ensure uniform and transparent reporting of medical debt data.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Chapter 12C of the General Laws, as appearing in the 2020 Official
2 Edition, is hereby amended by inserting in 1 the following new definitions: -

3 “Medical debt”, any debt owed for goods or services provided by a medical facility, a
4 provider of health care or a provider of emergency medical services including the financing or an
5 extension of credit by a third party for the sole purpose of purchasing goods or services provided
6 by a medical facility, a provider of health care or a provider of emergency medical services.

7 “Significant medical debt”, any medical debt owed by an individual exceeding \$200.

8 SECTION 2. Chapter 12C of the General Laws, as appearing in the 2020 Official
9 Edition, is hereby amended by inserting after section 24 the following new section:-

10 “SECTION 25. Uniform medical debt reporting system.

11 (a) The center shall coordinate with the public health council, the boards of registration
12 for
13 providers, the commission board, and the state finance and governance board to develop
14 a uniform and interoperable electronic system of public reporting for providers as a prerequisite
15 condition for advancing overdue medical bills to a debt collection agency.

16 (b) The uniform medical debt reporting system shall include information designed to
17 advise on policy relating to medical debt. The uniform medical debt reporting system shall also
18 ensure a comprehensive and transparent analysis of demographic data as it relates to medical
19 debt including, but not limited to, rates of medical debt carried in the following demographics:
20 (1) race; (2) sex, gender identity, and sexual orientation; (2) disability status; (3) criminal record;
21 (4) health status; (5) family and individual income level; (6) education; (7) nation of origin; (8)
22 region of residence in the commonwealth; (8) individual and family health insurance status; (8)
23 veteran status; (9) age group; (10) chronic condition status; (11) education level; (12) primary
24 language; and (13) times between procedures and reporting of debt to a collection agency.

25 (c) The purpose of the uniform medical debt reporting system is to reduce the adverse
26 effects of medical debt and to protect patients in matters related to medical creditors, medical
27 debt buyers, and medical debt collectors with respect to such debt. As such, the center shall
28 collect and analyze data on all aspects related to the purposes of this section including, but not
29 limited to, trends of medical debt assignment and collection per provider; rates of medical debt
30 qualifying as “significant” as defined in chapter 12C, section 1; the relative concentration of
31 individual and family debt per person as compared to the total amount of medical debt in the
32 commonwealth; any risks associated with masking medical debt data; the impact of medical debt

33 data on public health and welfare; and dating relating to the rate at which those carrying medical
34 debts successfully settle such debt.

35 (d) The center may centralize the uniform medical debt reporting system or create a
36 central portal for public access to the medical debt data and information. The uniform medical
37 debt reporting system shall be accessible to other state agencies and authorities including, but not
38 limited to, the commission, the secretary for the executive office of health and human services,
39 the department of public health, and the state finance and governance board.

40 (e) The center shall promptly make available to the secretary of the executive office of
41 health and human services all data pursuant to paragraph (a) of this section prior to a provider
42 sending such debt information to a collection agency.”

43 (f) The center shall coordinate with the commission, through its oversight and control of
44 the Healthcare Payment Reform Fund pursuant to chapter 6D, section 7, to receive
45 reimbursement funds for the purposes of executing the uniform medical debt reporting system as
46 established in this section.

47 SECTION 3. Section 52 of chapter 93 of the General Laws, as appearing in the 2022
48 Official Edition, is hereby amended by inserting after clause (6) the following clause:-

49 (7) Information concerning medical debt arising from the receipt of health care services.

50 SECTION 4. Said section 52 of said chapter 93 of the General Laws, as so appearing is
51 further

52 amended by striking subsection (b) and inserting in place thereof the following
53 subsection:-

54 (b) Except for subsection (7), the provisions of subsection (a) are not applicable in the
55 case of any consumer credit report to be used in connection with –

56 (1) a credit transaction involving, or which may reasonably be expected to involve, a
57 principal amount of fifty thousand dollars or more; or

58 (2) the underwriting of life insurance involving, or which may reasonably be expected to
59 involve, a face amount of fifty thousand dollars or more.

60 SECTION 5. Chapter 93, section 52 of the General Laws, as appearing in the 2020
61 Official Edition, hereby amended by inserting after subsection (a)(6) the following new
62 subsection:-

63 (7) Medical debt which has:

64 (a) not yet been reported to the secretary of the executive office of health and human
65 services pursuant to chapter 12C, section 25, subsection c;

66 (b) already been fully paid or settled; or

67 (c) existed for less than one year from the date of first acquisition.

68 SECTION 6. Chapter 6D, section 7 of the General Laws, as appearing in the 2020
69 Official Edition, hereby amended by inserting after subsection (d)(v) and before subsection
70 (d)(vi), which shall now be amended as subsection (d)(vii), the following new subsection:-

71 (vi) to reimburse the center for health information analysis on all funds expended for the
72 purposes of executing the uniform medical debt reporting system established in chapter 12C,
73 section 25.