

SENATE CHAMBER

STATE OF OKLAHOMA

DISPOSITION

FLOOR AMENDMENT

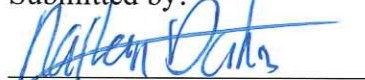
No. 1

COMMITTEE AMENDMENT

(Date)

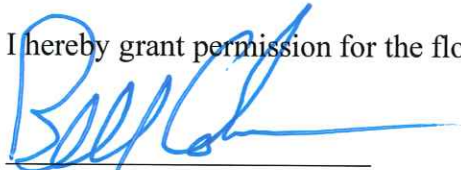
I move to amend Senate Bill No. 732 by substituting the attached floor substitute (Request #2025) for the title, enacting clause and entire body of the measure.

Submitted by:

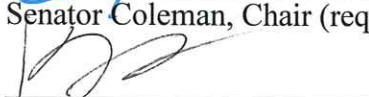


Senator Dahm

I hereby grant permission for the floor substitute to be adopted.



Senator Coleman, Chair (required)



Senator Thompson (Kristen)

Senator Brooks



Senator Burns

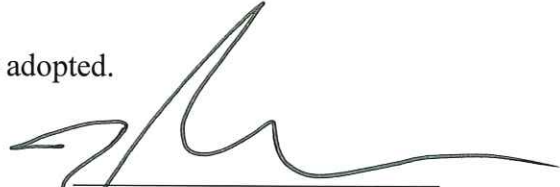


Senator Haste



Senator Jett

Senator Treat, President Pro Tempore



Senator Newhouse



Senator Prieto



Senator Pugh



Senator Seifried



Senator Weaver

Senator Young

Senator McCortney, Majority Floor Leader

Note: Business and Commerce committee majority requires seven (7) members' signatures.

Dahm-DC-FS-SB732

3/20/2023 11:02 AM

1

(Floor Amendments Only)

Date and Time Filed: 3-20-23 3:56 pm *fd*

Untimely

Amendment Cycle Extended

Secondary Amendment

1 STATE OF OKLAHOMA

2 1st Session of the 59th Legislature (2023)

3 FLOOR SUBSTITUTE
4 FOR

5 SENATE BILL NO. 732

6 By: Dahm and Jett of the Senate

7 and

8 Sneed of the House

9 FLOOR SUBSTITUTE

10 [hospitals - collection actions - exception -
11 lawsuit - price transparency laws - compliance
12 standards - codification - effective date]

13
14 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

15 SECTION 1. NEW LAW A new section of law to be codified
16 in the Oklahoma Statutes as Section 1-725.11 of Title 63, unless
17 there is created a duplication in numbering, reads as follows:

18 As used in this act, unless the context otherwise requires:

19 1. "Collection action" means any of the following actions taken
20 with respect to a debt for items and services that were purchased
21 from or provided to a patient by a hospital on a date during which
22 the hospital was not in material compliance with hospital price
23 transparency laws:

1 a. attempting to collect a debt from a patient or patient
2 guarantor by referring the debt, directly or
3 indirectly, to a debt collector, a collection agency,
4 or other third party retained by or on behalf of the
5 hospital,

6 b. suing the patient or patient guarantor or enforcing an
7 arbitration or mediation clause in any hospital
8 documents, including contracts, agreements,
9 statements, or bills, or

10 c. directly or indirectly causing a report to be made to
11 a consumer reporting agency;

12 2. a. "Collection agency" means any:

13 (1) person who engages in a business, the principal
14 purpose of which is the collection of debts, or

15 (2) person who:

16 (a) regularly collects or attempts to collect,
17 directly or indirectly, debts owed or due or
18 asserted to be owed or due to another,

19 (b) takes assignment of debts for collection
20 purposes, or

21 (c) directly or indirectly solicits for
22 collection debts owed or due or asserted to
23 be owed or due to another.

24 b. Collection agency does not include:

- 1 (1) any officer or employee of a creditor while, in
2 the name of the creditor, collecting debts for
3 such creditor,
- 4 (2) any person while acting as a collection agency
5 for another person, both of whom are related by
6 common ownership or affiliated by corporate
7 control, if the person acting as a collection
8 agency does so only for creditors to whom it is
9 so related or affiliated and if the principal
10 business of the person is not the collection of
11 debts,
- 12 (3) any officer or employee of the United States or
13 any state to the extent that collecting or
14 attempting to collect any debt is in the
15 performance of the officer's or employee's
16 official duties,
- 17 (4) any person while serving or attempting to serve
18 legal process on any other person in connection
19 with the judicial enforcement of any debt,
- 20 (5) any person collecting or attempting to collect
21 any debt owed or due or asserted to be owed or
22 due to another to the extent that:

- 1 (a) the activity is incidental to a bona fide
2 fiduciary obligation or a bona fide escrow
3 arrangement,
4 (b) the activity concerns a debt that was
5 extended by the person,
6 (c) the activity concerns a debt that was not in
7 default at the time it was obtained by the
8 person, or
9 (d) the activity concerns a debt obtained by the
10 person as a secured party in a commercial
11 credit transaction involving the creditor,
12 or
13 (6) any person whose principal business is the making
14 of loans or the servicing of debt not in default
15 and who acts as a loan correspondent, seller and
16 servicer for the owner, or holder of a debt that
17 is secured by a deed of trust on real property,
18 whether or not the debt is also secured by an
19 interest in personal property.

20 c. Notwithstanding the provisions of subparagraph b of
21 this paragraph, collection agency includes any person
22 who, in the process of collecting the person's own
23 debts, uses another name that would indicate that a
24

1 third person is collecting or attempting to collect
2 such debts;

3 3. a. "Consumer reporting agency" means any person that, for
4 monetary fees or dues or on a cooperative nonprofit
5 basis, regularly engages, in whole or in part, in the
6 practice of assembling or evaluating consumer credit
7 information or other information on consumers for the
8 purpose of furnishing consumer reports to third
9 parties. Consumer reporting agency includes any
10 person defined in 15 U.S.C, Section 1681a(f) or a
11 credit services organization as defined in Section 132
12 of Title 24 of the Oklahoma Statutes.

13 b. Consumer reporting agency does not include any
14 business entity that provides check verification or
15 check guarantee services only;

16 4. a. "Debt" means any obligation or alleged obligation of a
17 consumer to pay money arising out of a transaction,
18 whether or not the obligation has been reduced to
19 judgment.

20 b. Debt does not include a debt for business, investment,
21 commercial, or agricultural purposes or a debt
22 incurred by a business;
23
24

1 5. "Debt collector" means any person employed or engaged by a
2 collection agency to perform the collection of debts owed or due or
3 asserted to be owed or due to another;

4 6. "Federal Centers for Medicare and Medicaid Services" or
5 "CMS" means the Centers for Medicare and Medicaid Services in the
6 United States Department of Health and Human Services;

7 7. "Hospital" means, consistent with 45 CFR 180.20, a hospital
8 licensed by the State Department of Health under Section 1-702 of
9 Title 63 of the Oklahoma Statutes;

10 8. "Hospital price transparency laws" means Section 2718(e) of
11 the "Public Health Service (PHS) Act", P.L. 78-410, as amended, and
12 rules adopted by the United States Department of Health and Human
13 Services implementing Section 2718(e); and

14 9. "Items and services" or "items or services" means items and
15 services as defined in 45 CFR 180.20.

16 SECTION 2. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 1-725.12 of Title 63, unless
18 there is created a duplication in numbering, reads as follows:

19 A. 1. Except as provided in paragraph 2 of this subsection, on
20 and after the effective date of this act, a hospital that is not in
21 material compliance with hospital price transparency laws on the
22 date that items or services are purchased from or provided to a
23 patient by the hospital shall not initiate or pursue a collection
24

1 action against the patient or patient guarantor for a debt owed for
2 the items or services.

3 2. This act applies, on and after August 1, 2024, to critical
4 access hospitals licensed by the State Department of Health pursuant
5 to 42 CFR 485 Subpart F.

6 B. If a patient has evidence indicating that a hospital was not
7 in material compliance with hospital price transparency laws on a
8 date on or after the effective date of this act, that items or
9 services were purchased by or provided to the patient, and the
10 hospital takes a collection action against the patient or patient
11 guarantor, the patient or patient guarantor may file suit to
12 determine if the hospital was materially out of compliance with the
13 hospital price transparency laws and rules and regulations on the
14 date of service and if the noncompliance is related to the items or
15 services. The hospital shall not take a collection action against
16 the patient or patient guarantor while the lawsuit is pending.

17 C. A hospital that has been found by a judge or jury,
18 considering compliance standards issued by the federal Centers for
19 Medicare and Medicaid Services, to be materially out of compliance
20 with hospital price transparency laws and rules and regulations:

21 1. Shall refund the payer any amount of the debt the payer has
22 paid and shall pay a penalty to the patient or patient guarantor in
23 an amount equal to the total amount of the debt;

24

1 2. Shall dismiss or cause to be dismissed any court action with
2 prejudice and pay any reasonable attorney fees and costs incurred by
3 the patient or patient guarantor relating to the action; and

4 3. Shall remove or cause to be removed from the patient's or
5 patient guarantor's credit report any report made to a consumer
6 reporting agency relating to the debt.

7 D. Nothing in this act:

8 1. Prohibits a hospital from billing a patient, patient
9 guarantor, or third-party payer, including a health insurer, for
10 items or services provided to the patient; or

11 2. Requires a hospital to refund any payment made to the
12 hospital for items or services provided to the patient, so long as
13 no collection action is taken in violation of this act.

14 SECTION 3. This act shall become effective January 1, 2024.

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16 59-1-2025 DC 3/20/2023 7:40:38 PM