

SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE STATEMENT OF ESTIMATED FISCAL IMPACT

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This fiscal impact statement is produced in compliance with the South Carolina Code of Laws and House and Senate rules. The focus of the analysis is on governmental expenditure and revenue impacts and may not provide a comprehensive summary of the legislation.

Introduced on March 4, 2021 **Bill Number:** H.4030

McKnight Author: Subject: Medical Debt

House Medical, Military, Public, and Municipal Affairs Requestor:

RFA Analyst(s): Payne

Impact Date: March 16, 2021

Fiscal Impact Summary

This bill prohibits medical service and care entities from reporting and pursuing medical debts from individuals unless the entity can demonstrate the person liable for the debt was presented with and agreed to the total cost prior to receiving services.

The fiscal impact of this bill is pending, contingent upon a response from the Department of Revenue and the Medical University of South Carolina Hospital Authority.

Explanation of Fiscal Impact

Introduced on March 4, 2021 **State Expenditure**

This bill prohibits a medical service or care entity from reporting a health care expense debt to a credit bureau, or from pursuing collection activities and other adverse financial actions, unless the entity is able to demonstrate the person liable for the debt was presented with and agreed to the total cost of all health care services provided, prior to receiving the services. The total cost for services must include services provided directly by the medical service or care entity, as well as any authorized service provided by an outside third party within the facility. The bill also prohibits a medical service or care entity from reporting a debt or pursuing collections for medical services provided due to complications from previous services. Failure to comply with the provisions of the bill is grounds for dismissal of any collection suit or garnishment proceeding against an applicable debtor.

The fiscal impact of this bill is pending, contingent upon a response from the Department of Revenue and the Medical University of South Carolina Hospital Authority.

State Revenue

N/A

Local Expenditure & Revenue

N/A

Frank A. Rainwater, Executive Director