To provide immediate relief for patients from certain medical debt collection efforts during and immediately after the COVID-19 public health emergency.

IN THE SENATE OF THE UNITED STATES

introduced the following bill; which was read twice and referred to the Committee on ________________

A BILL

To provide immediate relief for patients from certain medical debt collection efforts during and immediately after the COVID-19 public health emergency.

1 Be it enacted by the Senate and House of Representa-
2 tives of the United States of America in Congress assembled,
3
4 SECTION 1. SHORT TITLE.
5 This Act may be cited as the “COVID-19 Medical Debt Collection Relief Act of 2020”.
6
7 SEC. 2. RELIEF FROM MEDICAL DEBT COLLECTION.
8 (a) DEFINITIONS.—In this section:
9 (1) COVERED PERIOD.—The term “covered pe-
10 riod” means the period beginning on February 1, 2020, and ending on the date that is the later of—
(A) the end of the incident period with respect to the emergency involving Federal primary responsibility determined to exist by the President under section 501(b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5191(b)) with respect to the coronavirus disease 2019 (COVID–19); or

(B) 18 months after the date of enactment of this Act.

(2) COVERED PROVIDER.—The term “covered provider” means any entity or individual that—

(A) provides health care services to patients; and

(B) has applied for or accepted any Federal funds for COVID-19 health care costs or financial relief, including funds allocated under the Families First Coronavirus Response Act (Public Law 116-127), the CARES Act (Public Law 116-136), or any other Federal law that allocates COVID-19 relief funding.

(3) EXTRAORDINARY COLLECTION ACTIONS.—The term “extraordinary collection actions” means the actions described in sections 1.50-1(r) through 6(b) of title 26, Code of Federal Regulations.
(4) Medical Debt.—The term “medical debt” means a debt arising from the receipt of medical services, products, or devices.

(5) Secretary.—The term “Secretary” means the Secretary of Health and Human Services.

(b) Suspension of Collection Activities.—A covered provider and agents operating on behalf of covered providers shall suspend all extraordinary collection actions relating to the collection of a medical debt relating to a patient during the covered period.

(c) Suspension of Repayment Plans.—

(1) In General.—With respect to a patient who has entered into a repayment plan with a covered provider relating to a medical debt, such provider shall suspend such repayment plan upon the request of the patient or the patient’s guardian for the duration of the covered period, and ensure the application of reasonable forbearance and repayment options when such repayments resume. Such options may include maintaining the same payment schedule with respect to the medical debt by extending the repayment period by the same period of time that payments were suspended under the previous sentence.
(2) INTEREST AND FEES.—Interest or fees shall not accrue during the period in which a payment plan is suspended under paragraph (1).

(d) APPLICATION OF CERTAIN CONSUMER PROTECTIONS.—

(1) IN GENERAL.—Medical debt incurred during the period beginning on February 1, 2020, and ending on the date that is 60 days after the lifting of the state of emergency for COVID-19-related testing and treatment (as determined by the Secretary) shall be subject to the following consumer protections:

(A) A one-year extension of Federal and State health insurance appeal deadlines, including the deadlines set forth in section 2719 of the Public Health Service Act (42 U.S.C. 300gg-19) and sections 2590.715 through 2179 of title 29, Code of Federal Regulations, and the appeal and grievance deadlines for the denials of Medicare or Medicaid claims under titles XVIII and XIX of the Social Security Act (42 U.S.C. 1395 and 1396 et seq.).

(B) A prohibition on the accrual and collection of fees and interest related to the medical debts involved.
(C) A prohibition on any extraordinary collection actions as described in sections 1.50-1(r) through 6(b) of title 26, Code of Federal Regulations.

(2) COVID-19 RELATED TESTING AND TREATMENT.—For purposes of paragraph (1), the term “COVID-19-related testing and treatment” includes items and services (including in-person or telehealth visits in which such items and services are furnished) that are furnished—

(A) to an individual who has been diagnosed with (or after the provision of such items and services is diagnosed with) COVID-19 to treat or mitigate the effects of COVID-19; and

(B) to an individual who is presumed by a health care provider to have COVID-19 but is never diagnosed as such.

(e) PENALTIES.—Except as provided in this section, a covered provider or its agent that fails to comply with any provision of this section with respect to a patient shall be liable to such patient for damages in an amount equal to the sum of—

(1) any actual damages sustained by such patient as a result of such failure to comply;

(2) in the case of an action commenced—
(A) by an individual, any additional damages as the court may permit, but not to exceed $1,000 for each failure to comply; or

(B) by a class of patients—

(i) such amount for each named plaintiff as could be recovered under paragraph (1) and subparagraph (A); and

(ii) such amount as the court may allow for all other class members, without regard to a minimum individual recovery, not to exceed the lesser of $2,000,000 or 1 percent of the annual net income of the covered provider; and

(3) in the case of any successful action under this section, the costs of the action, together with a reasonable attorney’s fee as determined appropriate by the court.