

CHAPTER 153

CONSUMER AND COMMERCIAL TRANSACTIONS

HOUSE BILL 04-1285

BY REPRESENTATIVE(S) Johnson R., Marshall, Fairbank, Hall, King, Lundberg, Sinclair, Stengel, Boyd, Cadman, Hoppe, Jahn, McFadyen, Merrifield, Paccione, Salazar, Weddig, and Welker;
also SENATOR(S) Kester, Fitz-Gerald, Gordon, Groff, Hanna, Keller, May R., Sandoval, Teck, Veiga, and Windels.

AN ACT

CONCERNING DISCLOSURE OF OUTSTANDING DEBT BY A HEALTH CARE PROVIDER PRIOR TO SUCH DEBT GOING TO COLLECTIONS.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. Article 20 of title 6, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PART to read:

**PART 2
NOTIFICATION OF DEBT BY A HEALTH CARE PROVIDER**

6-20-201. Definitions. FOR THE PURPOSES OF THIS PART 2, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "COLLECTION AGENCY" SHALL HAVE THE SAME MEANING AS IN SECTION 12-14-103 (2), C.R.S.

(2) "HEALTH CARE PROVIDER" INCLUDES A LICENSED HEALTH CARE FACILITY PURSUANT TO ARTICLE 3 OF TITLE 25, C.R.S., AND ANY OTHER HEALTH CARE PROVIDER.

6-20-202. Notice to patient of debt. (1) (a) WHEN A PERSON HAS HEALTH BENEFIT COVERAGE TO PROVIDE PAYMENT FOR CARE OR TREATMENT RENDERED BY A HEALTH CARE PROVIDER AND THE PERSON HAS NOTIFIED THE HEALTH CARE PROVIDER OF COVERAGE, AND THE HEALTH COVERAGE PLAN AS DEFINED IN SECTION 10-16-102 (22.5), C.R.S., PAYS ONLY A PORTION OF THE DEBT, THE HEALTH CARE PROVIDER SHALL MAIL WRITTEN NOTICE TO THE LAST-KNOWN ADDRESS OF THE PERSON RESPONSIBLE FOR PAYMENT OF THE DEBT AT LEAST THIRTY DAYS BEFORE ANY

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

COLLECTION ACTIVITY ON ANY AMOUNT DUE AND OWING THE HEALTH CARE PROVIDER.

(b) THE NOTICE REQUIRED BY PARAGRAPH (a) OF THIS SUBSECTION (1) SHALL INCLUDE THE AMOUNT DUE AND OWING; THE NAME, ADDRESS, AND TELEPHONE NUMBER OF THE HEALTH CARE PROVIDER; WHERE PAYMENT MAY BE MADE; THE DATE OF SERVICE; AND THE LAST DATE THE HEALTH CARE PROVIDER WILL ACCEPT PAYMENT PRIOR TO THE DEBT BEING SUBMITTED TO A COLLECTION AGENCY OR REPORTING ADVERSE INFORMATION TO A CONSUMER REPORTING AGENCY FOR THE DEBT FOR WHICH NOTICE WAS PROVIDED.

(2)(a) IF THE HEALTH CARE PROVIDER FAILS TO PROVIDE THE PERSON WITH NOTICE OF SUCH DEBT AND ALL OTHER INFORMATION REQUIRED BY SUBSECTION (1) OF THIS SECTION, THE HEALTH CARE PROVIDER SHALL NOT PURSUE ANY RIGHTS TO COLLECT SUCH OUTSTANDING AMOUNT EITHER THROUGH A COLLECTION AGENCY OR BY ANY FURTHER EFFORTS OF THE HEALTH CARE PROVIDER TO COLLECT THE DEBT. IN ADDITION, THE HEALTH CARE PROVIDER MAY NOT REPORT ADVERSE INFORMATION TO A CONSUMER REPORTING AGENCY FOR THE DEBT FOR WHICH NOTICE WAS PROVIDED WITHOUT PROVIDING NOTICE TO THE PERSON PURSUANT TO SUBSECTION (1) OF THIS SECTION. THE HEALTH CARE PROVIDER SHALL ASSIST THE PERSON IN CORRECTING ANY ADVERSE CREDIT INFORMATION BECAUSE OF THE HEALTH CARE PROVIDER'S FAILURE TO PROVIDE NOTICE PURSUANT TO SUBSECTION (1) OF THIS SECTION.

(b) NOTWITHSTANDING ANY PROVISION OF THIS SECTION TO THE CONTRARY, A HEALTH CARE PROVIDER MAY REMEDY A FAILURE TO GIVE NOTICE BY PROVIDING A WRITTEN REPORT TO THE COLLECTION AGENCY TO WITHHOLD ANY COLLECTION EFFORTS AND WITHHOLDING ANY OF THE HEALTH CARE PROVIDER'S OWN COLLECTION EFFORTS UNTIL THE PROVIDER COMPLIES WITH THE NOTICE AND TIME REQUIREMENTS PURSUANT TO SUBSECTION (1) OF THIS SECTION.

(c) NOTHING IN THIS SUBSECTION (2) SHALL BE CONSTRUED TO REQUIRE A HEALTH CARE PROVIDER TO PERFORM ADDITIONAL ATTEMPTS TO NOTIFY A PERSON OF THE PERSON'S PORTION OF THE DEBT OTHER THAN MAILING THE NOTICE REQUIRED PURSUANT TO SUBSECTION (1) OF THIS SECTION TO THE PERSON'S LAST-KNOWN ADDRESS AND MAINTAINING A RECORD OF SUCH MAILING.

SECTION 2. Effective date - applicability. (1) This act shall take effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly that is allowed for submitting a referendum petition pursuant to article V, section 1 (3) of the state constitution (August 4, 2004, if adjournment sine die is on May 5, 2004); except that, if a referendum petition is filed against this act or an item, section, or part of this act within such period, then the act, item, section, or part, if approved by the people, shall take effect on the date of the official declaration of the vote thereon by proclamation of the governor.

(2) The provisions of this act shall apply to amounts due and owing on or after the applicable effective date of this act.

Approved: April 13, 2004