



# KNOW YOUR RIGHTS: MEDICAL DEBT

New Florida law limits medical debt collection and sets rules on price transparency in healthcare.

## What is medical debt?

- Unpaid or past due medical or dental bills can turn into medical debt.
- Other types of debt, such as credit cards, bank loans, or borrowing from family or friends that were used to pay off medical bills.

## Why does it matter?

- High and sometimes unexpected costs of health care have led 4 out of 10 U.S. adults into medical debt.
- At \$8.2 billion, Floridians have the second-highest total of health care debt in the country.
- While anyone can be burdened with medical debt, people with low income, the uninsured, people of color, and people with disabilities are at higher risk.

## How can medical debt impact you?

- By damaging a person's credit score, medical debt leads to higher interest rates on loans and hinders housing and employment opportunities.
- Debt can force individuals to cut back on necessities and delay major purchases.
- Medical debt contributes to hesitancy towards the healthcare system and services. Avoiding or delaying care then results in negative health outcomes.

## New Protections for Floridians

- Hospitals can no longer sue a patient to collect a medical debt if the debt is more than 3 years old.
- Personal property can no longer be seized as a result of a medical debt lawsuit against a patient.
- Healthcare facilities are now required to:
  - post on their websites a consumer-friendly list of standard charges.
  - provide a cost estimate to the patient & patient's insurer.
  - establish an internal grievance process for patients to dispute charges.
- Healthcare facilities must follow certain steps before: selling debt to a collection agency, before reporting the debt to a credit reporting agency, or before denying care because a debt is owed.
- Health insurers are now required to provide their members with advanced explanation of benefits for scheduled services.

