**South Carolina General Assembly**

124th Session, 2021-2022

**H. 4030**

**STATUS INFORMATION**

General Bill

Sponsors: Reps. McKnight, Wooten, Caskey, Kimmons and Trantham

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Introduced in the House on March 4, 2021

Currently residing in the House Committee on **Medical, Military, Public and Municipal Affairs**

Summary: Medical debt

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

3/4/2021 House Introduced and read first time ([House Journal‑page 32](file:///h:\hj\20210304.docx))

3/4/2021 House Referred to Committee on **Medical, Military, Public and Municipal Affairs** ([House Journal‑page 32](file:///h:\hj\20210304.docx))

View the latest [legislative information](http://www.scstatehouse.gov/billsearch.php?billnumbers=4030&session=124&summary=B) at the website

**VERSIONS OF THIS BILL**

[3/4/2021](file:///p:\pprever\2021-22\4030_20210304.docx)

**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 44‑7‑327 SO AS TO PROHIBIT MEDICAL SERVICE OR CARE ENTITIES FROM REPORTING HEALTH CARE EXPENSE DEBT TO A CREDIT BUREAU OR FROM PURSUING COLLECTION ACTIVITIES, WITH EXCEPTIONS, AND FOR OTHER PURPOSES.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Article 3, Chapter 7, Title 44 of the 1976 Code is amended by adding:

“Section 44‑7‑327. (A)(1) A medical service or care entity, or any agent of such an entity, is prohibited from reporting a health care expense debt to a credit bureau or from pursuing collection activities or any other adverse financial action, unless the entity or agent is able to demonstrate that the person liable for the medical debt was presented with and agreed to the total cost of all health care services to be provided prior to agreeing to receive the services.

(2) The total cost must include all services performed by the medical service or care entity and its staff, as well as any authorized services provided by a contractor, affiliate, or any other third party who provided services in the facility, and the total cost to be billed must include out‑of‑network providers.

(3) The total cost of service must be presented to the patient separately from all other forms, information, and paperwork, and must be written in a readable font in plain language and be prominently and conspicuously displayed on the first page of the document in which it is contained.

(B) A medical service or care entity, or any agent of such an entity, is prohibited from reporting a health care expense debt to a credit bureau or from pursuing collection activities or any other adverse financial action for health care services provided due to complications from the services originally intended or rendered.

(C) Failure to comply with the provisions of this section is grounds for dismissal of any collection suit or garnishment proceeding and may be asserted as an affirmative defense to any such action.

(D) For purposes of this section, ‘medical service or care entity’ includes, but is not limited to, a medical care corporation, health care corporation, hospital service association, medical service corporation, health care maintenance organization, not‑for‑profit hospital, insurer, insurance company, or any other third‑party payer of medical expenses.”

SECTION 2. This act takes effect upon approval by the Governor.

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