

By Senator Rodriguez

40-01249-26

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A bill to be entitled

An act relating to medical debt; amending s. 395.3011, F.S.; revising the definition of the term "extraordinary collection action"; defining the terms "medical debt collector" and "medical debt creditor"; prohibiting medical debt creditors and medical debt collectors from engaging in specified activities to collect medical debt; deleting applicability; specifying limitations on the amount of interest a debtor may be charged for medical debt; providing that certain debtors may not be charged any interest or late fees on their medical debt; providing that such interest rates apply to judgments on medical debt; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Section 395.3011, Florida Statutes, is amended to read:

395.3011 Billing and collection activities.-

(1) As used in this section, the term:

(a) "Extraordinary collection action" means any of the following actions taken by a licensed facility against an individual in relation to obtaining payment of a bill for care:

1.(a) Selling the individual's debt to another party, except if, before the sale, the medical creditor has entered into a legally binding written agreement with the medical debt collector which includes all of the following terms:

a. Prohibits the medical debt collector from engaging in

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30 any prohibited collection action as specified in subsection (2);

31 b. Prohibits the medical debt collector from charging
32 interest on the debt in excess of that authorized under
33 subsection (4);

34 c. Allows the debt to be returned or recalled by the
35 medical debt creditor upon a determination by the medical debt
36 creditor or medical debt collector that the debtor is eligible
37 for financial assistance; and

38 d. If the debtor is determined to be eligible for financial
39 assistance and the debt is not returned to or recalled by the
40 medical debt creditor, requires the medical debt collector to
41 adhere to procedures specified in the agreement which ensure
42 that the debtor does not pay, and has no obligation to pay, the
43 medical debt collector and the medical debt creditor, in total,
44 more than he or she is personally responsible for paying in
45 compliance with the law.

46 2. Filing a debt collection lawsuit.

47 (b) "Medical debt collector" means a third party, separate
48 from the medical debt creditor, that is hired to recoup, or is
49 sold, unpaid medical bills.

50 (c) "Medical debt creditor" means the party that is owed
51 money for medical services.

52 (2) A medical debt creditor or medical debt collector may
53 not engage in any of the following activities to collect debts
54 owed for health care services:

55 (a) Causing or threatening an individual's arrest.

56 (b) Causing or threatening an individual to be subject to a
57 writ of body attachment or similar instrument of law.

58 (c) Obtaining or threatening to obtain a lien on an

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59 individual's real property.

60 (d) Foreclosing or threatening to foreclose on an
61 individual's real property.

62 (e) Garnishing or threatening to garnish wages or state
63 income tax refunds.

64 (f) Using state or federal tax offsets to seize tax refunds
65 or tax credits.

66 (g) Attaching, seizing, or threatening to attach or seize a
67 consumer's bank account.

68 (h) Furnishing or threatening to furnish information about
69 the medical debt to a consumer reporting agency Reporting
70 adverse information about the individual to consumer credit
71 reporting agencies or credit bureaus.

72 (e) Deferring, denying, or requiring a payment before
73 providing medically necessary care because of the individual's
74 nonpayment of one or more bills for previously provided care
75 covered under the facility's financial assistance policy.

76 (d) Actions that require a legal or judicial process,
77 including, but not limited to:

- 78 1. Placing a lien on the individual's property;
- 79 2. Foreclosing on the individual's real property;
- 80 3. Attaching or seizing the individual's bank account or
81 any other personal property;
- 82 4. Commencing a civil action against the individual;
- 83 5. Causing the individual's arrest; or
- 84 6. Garnishing the individual's wages.

85 (3) (2) A facility may not engage in an extraordinary
86 collection action against an individual to obtain payment for
87 services:

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88 (a) Before the facility has made reasonable efforts to
89 determine whether the individual is eligible for assistance
90 under its financial assistance policy for the care provided and,
91 if eligible, before a decision is made by the facility on the
92 patient's application for such financial assistance.

93 (b) Before the facility has provided the individual with an
94 itemized statement or bill.

95 (c) During an ongoing grievance process as described in s.
96 395.301(6) or an ongoing appeal of a claim adjudication.

97 (d) Before billing any applicable insurer and allowing the
98 insurer to adjudicate a claim.

99 (e) For 30 days after notifying the patient in writing, by
100 certified mail, or by other traceable delivery method, that a
101 collection action will commence absent additional action by the
102 patient. ~~This paragraph does not apply to a sale of debt~~
103 ~~governed by a contract executed by the facility, which provides~~
104 ~~that the debt may not incur interest or fees and that no other~~
105 ~~extraordinary collection actions are taken by the purchaser of~~
106 ~~the debt which could otherwise be taken by the licensed~~
107 ~~facility, as described in subsection (1), and that the debt will~~
108 ~~be returned to the facility if the debt buyer determines the~~
109 ~~individual is eligible for assistance under the facility's~~
110 ~~financial assistance policy.~~

111 (f) While the individual:

112 1. Negotiates in good faith the final amount of a bill for
113 services rendered; or

114 2. Complies with all terms of a payment plan with the
115 facility.

116 (4) (a) Unless a debtor is eligible for financial

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117 assistance, and notwithstanding any agreement to the contrary,
118 interest on medical debt may not exceed 2 percent per annum.
119 Debtors eligible for financial assistance may not be charged any
120 interest or late fees.

121 (b) The rate of interest provided in paragraph (a) also
122 applies to any judgments on medical debt, notwithstanding any
123 agreement to the contrary.

124 Section 2. This act shall take effect July 1, 2026.