

1 STATE OF OKLAHOMA

2 2nd Session of the 59th Legislature (2024)

3 SENATE BILL 1745

By: Boren

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5
6 AS INTRODUCED

7 An Act relating to hospitals; defining terms;
8 prohibiting hospitals from taking certain collection
9 actions against patients; providing exception;
10 providing for codification; and providing an
11 effective date.

12 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

13 SECTION 1. NEW LAW A new section of law to be codified
14 in the Oklahoma Statutes as Section 1-725.11 of Title 63, unless
15 there is created a duplication in numbering, reads as follows:

16 As used in this act, unless the context otherwise requires:

17 1. "Collection action" means any of the following actions taken
18 with respect to a debt for items and services that were purchased
19 from or provided to a patient by a hospital on a date during which
20 the hospital was not in material compliance with hospital price
21 transparency laws:

- 22 a. attempting to collect a debt from a patient or patient
23 guarantor by referring the debt, directly or
24 indirectly, to a debt collector, a collection agency,

1 or other third party retained by or on behalf of the
2 hospital,

3 b. suing the patient or patient guarantor or enforcing an
4 arbitration or mediation clause in any hospital
5 documents, including contracts, agreements,
6 statements, or bills, or

7 c. directly or indirectly causing a report to be made to
8 a consumer reporting agency;

9 2. a. "Collection agency" means any:

10 (1) person who engages in a business, the principal
11 purpose of which is the collection of debts, or

12 (2) person who:

13 (a) regularly collects or attempts to collect,
14 directly or indirectly, debts owed or due or
15 asserted to be owed or due to another,

16 (b) takes assignment of debts for collection
17 purposes, or

18 (c) directly or indirectly solicits for
19 collection debts owed or due or asserted to
20 be owed or due to another.

21 b. Collection agency does not include:

22 (1) any officer or employee of a creditor while, in
23 the name of the creditor, collecting debts for
24 such creditor,

1 (2) any person while acting as a collection agency
2 for another person, both of whom are related by
3 common ownership or affiliated by corporate
4 control, if the person acting as a collection
5 agency does so only for creditors to whom it is
6 so related or affiliated and if the principal
7 business of the person is not the collection of
8 debts,

9 (3) any officer or employee of the United States or
10 any state to the extent that collecting or
11 attempting to collect any debt is in the
12 performance of the officer's or employee's
13 official duties,

14 (4) any person while serving or attempting to serve
15 legal process on any other person in connection
16 with the judicial enforcement of any debt,

17 (5) any person collecting or attempting to collect
18 any debt owed or due or asserted to be owed or
19 due to another to the extent that:

20 (a) the activity is incidental to a bona fide
21 fiduciary obligation or a bona fide escrow
22 arrangement,

23 (b) the activity concerns a debt that was
24 extended by the person,

1 (c) the activity concerns a debt that was not in
2 default at the time it was obtained by the
3 person, or

4 (d) the activity concerns a debt obtained by the
5 person as a secured party in a commercial
6 credit transaction involving the creditor,
7 or

8 (6) any person whose principal business is the making
9 of loans or the servicing of debt not in default
10 and who acts as a loan correspondent, seller and
11 servicer for the owner, or holder of a debt that
12 is secured by a deed of trust on real property,
13 whether or not the debt is also secured by an
14 interest in personal property.

15 c. Notwithstanding the provisions of subparagraph b of
16 this paragraph, collection agency includes any person
17 who, in the process of collecting the person's own
18 debts, uses another name that would indicate that a
19 third person is collecting or attempting to collect
20 such debts;

21 3. a. "Debt" means any obligation or alleged obligation of a
22 consumer to pay money arising out of a transaction,
23 whether or not the obligation has been reduced to
24 judgment.

1 b. Debt does not include a debt for business, investment,
2 commercial, or agricultural purposes or a debt
3 incurred by a business;

4 4. "Debt collector" means any person employed or engaged by a
5 collection agency to perform the collection of debts owed or due or
6 asserted to be owed or due to another;

7 5. "Hospital" means, consistent with 45 C.F.R., Section 180.20,
8 a hospital licensed by the State Department of Health under Section
9 1-702 of Title 63 of the Oklahoma Statutes; and

10 6. "Items and services" or "items or services" means items and
11 services as defined in 45 C.F.R., Section 180.20.

12 SECTION 2. NEW LAW A new section of law to be codified
13 in the Oklahoma Statutes as Section 1-725.12 of Title 63, unless
14 there is created a duplication in numbering, reads as follows:

15 A. On and after the effective date of this act, no debt
16 collector shall initiate or pursue a collection action against the
17 patient or patient guarantor for a debt owed for the items or
18 services purchased from or provided to a patient by the hospital to
19 a collection agency.

20 B. Nothing in this act:

21 1. Prohibits a hospital from billing a patient, patient
22 guarantor, or third-party payer, including a health insurer, for
23 items or services provided to the patient; or

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2. Requires a hospital to refund any payment made to the hospital for items or services provided to the patient, so long as no collection action is taken in violation of this act.

SECTION 3. This act shall become effective November 1, 2024.

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