

144.588 CERTIFICATION OF EXPERT REVIEW.

Subdivision 1. **Requirement; action to collect medical debt or garnish wages or bank accounts.** (a) In an action against a patient or guarantor for collection of medical debt owed to a hospital or for garnishment of the patient's or guarantor's wages or bank accounts to collect medical debt owed to a hospital, the hospital must serve on the defendant with the summons and complaint an affidavit of expert review certifying that:

(1) unless the patient declined to participate, the hospital complied with the requirements in section 144.587;

(2) there is a reasonable basis to believe that the patient owes the debt;

(3) all known third-party payors have been properly billed by the hospital, such that any remaining debt is the financial responsibility of the patient, and the hospital will not bill the patient for any amount that an insurance company is obligated to pay;

(4) the patient has been given a reasonable opportunity to apply for charity care, if the facts and circumstances suggest that the patient may be eligible for charity care;

(5) where the patient has indicated an inability to pay the full amount of the debt in one payment and provided reasonable verification of the inability to pay the full amount of the debt in one payment if requested by the hospital, the hospital has offered the patient a reasonable payment plan;

(6) there is no reasonable basis to believe that the patient's or guarantor's wages or funds at a financial institution are likely to be exempt from garnishment; and

(7) in the case of a default judgment proceeding, there is not a reasonable basis to believe:

(i) that the patient may already consider that the patient has adequately answered the complaint by calling or writing to the hospital, its debt collection agency, or its attorney;

(ii) that the patient is potentially unable to answer the complaint due to age, disability, or medical condition; or

(iii) the patient may not have received service of the complaint.

(b) The affidavit of expert review must be completed by a designated employee of the hospital seeking to initiate the action or garnishment.

Subd. 2. **Requirement; referral to third-party debt collection agency.** (a) In order to refer a patient's account to a third-party debt collection agency, a hospital must complete an affidavit of expert review certifying that:

(1) unless the patient declined to participate, the hospital complied with the requirements in section 144.587;

(2) there is a reasonable basis to believe that the patient owes the debt;

(3) all known third-party payors have been properly billed by the hospital, such that any remaining debt is the financial responsibility of the patient, and the hospital will not bill the patient for any amount that an insurance company is obligated to pay;

(4) the patient has been given a reasonable opportunity to apply for charity care, if the facts and circumstances suggest that the patient may be eligible for charity care; and

(5) where the patient has indicated an inability to pay the full amount of the debt in one payment and provided reasonable verification of the inability to pay the full amount of the debt in one payment if requested by the hospital, the hospital has offered the patient a reasonable payment plan.

(b) The affidavit of expert review must be completed by a designated employee of the hospital seeking to refer the patient's account to a third-party debt collection agency.

Subd. 3. **Penalty for noncompliance.** Failure to comply with subdivision 1 shall result, upon motion, in mandatory dismissal with prejudice of the action to collect the medical debt or to garnish the patient's or guarantor's wages or bank accounts. Failure to comply with subdivision 2 shall subject a hospital to a fine assessed by the commissioner of health. In addition to the enforcement of this section by the commissioner, the attorney general may enforce this section under section 8.31.

Subd. 4. **Collection agency; immunity.** A collection agency, as defined in section 332.31, subdivision 3, is not liable under section 144.588, subdivision 3, for inaccuracies in an affidavit of expert review completed by a designated employee of the hospital.

History: 2023 c 70 art 4 s 41