

STATEMENT OF PURPOSE

RS27625 / H0425

Idaho law allows medical debt collectors to engage in harmful collection practices that damage Idaho citizens. Under current law, patients can find themselves in medical debt collection actions before they even know they have a debt. Due to the lack of transparency in health care, particularly in the billing process, patients can find themselves being sued for services they do not remember or performed by health care providers they do not recognize. Medical debt collectors also are able to collect from patients costs, expenses, and attorneys' fees directly attributable to errors and mistakes made by the medical debt collectors. The costs, expenses, and attorneys' fees that medical debt collectors foist on patients can be many times the underlying debt and frequently do not accurately reflect the limited amount of work performed by medical debt collectors. The Idaho Patient Act (IPACT) seeks to correct the gaps in the law by restoring basic free market principles of transparency and access to information in the health care marketplace. Specifically, IPACT ensures that patients will receive proper and timely notice regarding who rendered medical services and how much is owe before being sued in court. IPACT encourages medical providers to submit health care claims to insurance companies and other third party payors in a reasonable amount of time. IPACT also establishes fair and reasonable attorney fees, costs, and expenses related to medical debt collection.

FISCAL NOTE

The Idaho Patient Act (IPACT) does not grow government, does not require any expenditure by the government, does not require any government oversight, and does not require government enforcement. Thus, IPACT has no negative financial impact on the state or the general fund.

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DISCLAIMER: This statement of purpose and fiscal note are a mere attachment to this bill and prepared by a proponent of the bill. It is neither intended as an expression of legislative intent nor intended for any use outside of the legislative process, including judicial review (Joint Rule 18).