

Senate Bill 605

Sponsored by Senator CAMPOS, Representative SOSA; Senators FREDERICK, PATTERSON, Representatives CHAICHI, GOMBERG, NELSON, PHAM H (Pre-session filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: Stops people who provide medical services to patients from telling a credit bureau that a patient owes a debt, or the amount of the debt. Allows a person to sue a person who breaks this law. (Flesch Readability Score: 68.7).

Prohibits medical service providers from reporting the amount or existence of medical debt to a consumer reporting agency. Prohibits a consumer reporting agency from including in a consumer report an item that the consumer reporting agency knows or should know is medical debt. Punishes a violation of the Act as an unlawful practice under the Unlawful Trade Practices Act.

A BILL FOR AN ACT

1
2 Relating to medical debt reporting; amending ORS 646.608 and 646A.677.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1.** ORS 646A.677 is amended to read:

5 646A.677. (1) As used in this section:

6 (a) **“Consumer report” has the meaning given that term in 15 U.S.C. 1681a, as in effect**
7 **on the effective date of this 2025 Act.**

8 (b) **“Consumer reporting agency” has the meaning given that term in 15 U.S.C. 1681a, as**
9 **in effect on the effective date of this 2025 Act.**

10 [(a)] (c) **“Debt collector” has the meaning given that term in ORS 646.639.**

11 [(b)] (d) **“Financial assistance” means the written financial assistance policy described in ORS**
12 **442.610.**

13 [(c)] (e) **“Hospital” has the meaning given that term in ORS 442.612.**

14 [(d)] (f) **“Hospital-affiliated clinic” has the meaning [give] given that term in ORS 442.612.**

15 [(e)] (g)(A) **“Medical debt” means an amount [owed by a patient to a hospital or a nonprofit**
16 **hospital-affiliated clinic for medically necessary services or supplies.] that a person owes to a med-**
17 **ical services provider, a hospital or a nonprofit hospital-affiliated clinic for medical treat-**
18 **ment, patient care or other medical services or supplies.**

19 (B) **“Medical debt” does not include an amount a person owes on a credit card or to a**
20 **financial institution that extended credit to the person unless the financial institution ex-**
21 **tended credit to the person specifically to purchase medical treatment, patient care or other**
22 **medical services or supplies.**

23 (h) **“Medical services provider” means:**

24 (A) **A hospital or nonprofit hospital-affiliated clinic;**

25 (B) **An emergency medical services provider, as defined in ORS 682.025;**

26 (C) **An ambulance service, as defined in ORS 682.025;**

27 (D) **A behavioral health clinician, as defined in ORS 743A.012;**

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 (E) A physician, physician assistant, nurse practitioner or registered nurse;

2 (F) A diagnostic or testing laboratory that provides services used in diagnosis of a med-
3 ical condition;

4 (G) A person, other than a person listed in subparagraphs (A) to (F) of this paragraph,
5 that provides services to screen, examine, test, diagnose, treat, provide a prognosis for or
6 administer drugs to remedy a disease, injury or health condition that affects an individual
7 resident of this state;

8 (H) A person that provides billing, invoicing or debt collection services on behalf of a
9 person listed in subparagraphs (A) to (G) of this paragraph, an assignee of the person or a
10 purchaser of the debt owed to the person; or

11 (I) A person that controls, is controlled by or is under common control with a person
12 listed in subparagraphs (A) to (H) of this paragraph.

13 [(f) "Medically necessary" has the meaning given that term in ORS 442.612.]

14 [(g)] (i) "Nonprofit" has the meaning given that term in ORS 442.612.

15 (2) A hospital and a nonprofit hospital-affiliated clinic shall post the hospital's financial assist-
16 ance policy in the manner described in ORS 442.610 (3)(d).

17 (3) Upon the request of a patient or an individual who is authorized to act on behalf of a patient,
18 a hospital or **nonprofit** hospital-affiliated clinic shall conduct a screening to determine if the patient
19 qualifies for:

20 (a) Financial assistance under the hospital's financial assistance policy; or

21 (b) The state medical assistance program.

22 (4) Before transferring an unpaid charge for services to a debt collector or referring an unpaid
23 charge for collection, a hospital or **nonprofit** hospital-affiliated clinic shall:

24 (a) Conduct a screening to determine if the patient qualifies for financial assistance as described
25 in ORS 442.614 (1)(a)(A), if applicable; and

26 (b) Provide a copy of its financial assistance policy to the patient along with an application for
27 financial assistance.

28 (5) A hospital or nonprofit hospital-affiliated clinic may conduct the screening described in sub-
29 sections (3) and (4) of this section using commercially available services, software or online tools.

30 (6) As a condition for providing financial assistance, a hospital may require a patient to:

31 (a) Respond to requests from the patient's primary insurer as necessary for the insurer to adju-
32 dicate a claim for reimbursement of the cost of services; and

33 (b) Provide information concerning any potential third party liability for the cost of services
34 including but not limited to:

35 (A) Information about the coordination of benefits between insurers that cover the patient's
36 care;

37 (B) Accident reports; and

38 (C) The patient's workers' compensation claims or benefits.

39 (7) If a patient qualifies for financial assistance under ORS 442.614 (1)(a)(A), a hospital, nonprofit
40 hospital-affiliated clinic or other debt collector may not charge interest on the patient's medical
41 debt.

42 (8)(a) Except as provided in paragraph (b) of this subsection, the interest that a hospital,
43 nonprofit hospital-affiliated clinic or other debt collector may charge on a medical debt owed by a
44 patient who does not qualify for financial assistance under ORS 442.614 (1)(a)(A) may not exceed the
45 weekly average one-year constant maturity Treasury yield, as published by the Board of Governors

1 of the Federal Reserve System, for the week preceding the date when the patient was first billed,
 2 except that the interest may not be less than two percent per annum or more than five percent per
 3 annum.

4 (b) Upon entry of a judgment against a patient described in paragraph (a) of this subsection, a
 5 hospital, nonprofit hospital-affiliated clinic or other debt collector may increase the interest charged
 6 on a medical debt up to the amount specified in ORS 82.010.

7 (9) A hospital, **nonprofit** hospital-affiliated clinic or other debt collector may not attempt to
 8 collect a medical debt from a patient's child or other family member who is not financially respon-
 9 sible for the debt under ORS chapter 108.

10 (10) *[It is an unlawful collection practice under ORS 646.639 for]* A hospital, **nonprofit** hospital-
 11 affiliated clinic or other debt collector **engages in an unlawful debt collection practice under**
 12 **ORS 646.639 if the hospital, nonprofit hospital-affiliated clinic or debt collector collects or**
 13 **attempts to collect** *[or attempt to collect]* a medical debt in a manner that the hospital, **nonprofit**
 14 hospital-affiliated clinic or other debt collector knows, or after exercising reasonable diligence
 15 would know, is in violation of this section.

16 (11)(a) **A medical services provider that operates or engages in business in this state may**
 17 **not:**

18 (A) **Enter into a contract that creates medical debt unless the contract includes a**
 19 **prominent and conspicuous notice that reads, in substance, "The person that holds any debt**
 20 **you owe for medical services under this agreement may not report the debt to a credit bu-**
 21 **reau or consumer reporting agency. In addition to subjecting the person to other penalties**
 22 **under law, reporting the debt may result in the debt becoming void and uncollectible."**

23 (B) **Report to a consumer reporting agency the amount or existence of any medical debt**
 24 **or medical debt that a resident of this state owes to the medical services provider or that a**
 25 **debt buyer has purchased from a medical services provider.**

26 (b) A violation of paragraph (a) of this subsection is an unlawful practice under ORS
 27 **646.608 for which a person may bring an action under ORS 646.638 and obtain an order or**
 28 **judgment that, in addition to providing other relief available under ORS 646.638, voids and**
 29 **renders uncollectible the medical debt.**

30 (12) **A consumer reporting agency may not include in a consumer report an item that the**
 31 **consumer reporting agency knows or reasonably should know is medical debt. A violation of**
 32 **this subsection is an unlawful practice under ORS 646.608.**

33 **SECTION 2.** ORS 646.608, as amended by section 6, chapter 410, Oregon Laws 2023, is amended
 34 to read:

35 646.608. (1) A person engages in an unlawful practice if in the course of the person's business,
 36 vocation or occupation the person does any of the following:

37 (a) Passes off real estate, goods or services as the real estate, goods or services of another.

38 (b) Causes likelihood of confusion or of misunderstanding as to the source, sponsorship, ap-
 39 proval, or certification of real estate, goods or services.

40 (c) Causes likelihood of confusion or of misunderstanding as to affiliation, connection, or asso-
 41 ciation with, or certification by, another.

42 (d) Uses deceptive representations or designations of geographic origin in connection with real
 43 estate, goods or services.

44 (e) Represents that real estate, goods or services have sponsorship, approval, characteristics,
 45 ingredients, uses, benefits, quantities or qualities that the real estate, goods or services do not have

1 or that a person has a sponsorship, approval, status, qualification, affiliation, or connection that the
2 person does not have.

3 (f) Represents that real estate or goods are original or new if the real estate or goods are de-
4 teriorated, altered, reconditioned, reclaimed, used or secondhand.

5 (g) Represents that real estate, goods or services are of a particular standard, quality, or grade,
6 or that real estate or goods are of a particular style or model, if the real estate, goods or services
7 are of another.

8 (h) Disparages the real estate, goods, services, property or business of a customer or another
9 by false or misleading representations of fact.

10 (i) Advertises real estate, goods or services with intent not to provide the real estate, goods or
11 services as advertised, or with intent not to supply reasonably expectable public demand, unless the
12 advertisement discloses a limitation of quantity.

13 (j) Makes false or misleading representations of fact concerning the reasons for, existence of,
14 or amounts of price reductions.

15 (k) Makes false or misleading representations concerning credit availability or the nature of the
16 transaction or obligation incurred.

17 (L) Makes false or misleading representations relating to commissions or other compensation to
18 be paid in exchange for permitting real estate, goods or services to be used for model or demon-
19 stration purposes or in exchange for submitting names of potential customers.

20 (m) Performs service on or dismantles any goods or real estate if the owner or apparent owner
21 of the goods or real estate does not authorize the service or dismantling.

22 (n) Solicits potential customers by telephone or door to door as a seller unless the person pro-
23 vides the information required under ORS 646.611.

24 (o) In a sale, rental or other disposition of real estate, goods or services, gives or offers to give
25 a rebate or discount or otherwise pays or offers to pay value to the customer in consideration of
26 the customer giving to the person the names of prospective purchasers, lessees, or borrowers, or
27 otherwise aiding the person in making a sale, lease, or loan to another person, if earning the rebate,
28 discount or other value is contingent upon an event occurring after the time the customer enters
29 into the transaction.

30 (p) Makes any false or misleading statement about a prize, contest or promotion used to publi-
31 cize a product, business or service.

32 (q) Promises to deliver real estate, goods or services within a certain period of time with intent
33 not to deliver the real estate, goods or services as promised.

34 (r) Organizes or induces or attempts to induce membership in a pyramid club.

35 (s) Makes false or misleading representations of fact concerning the offering price of, or the
36 person's cost for real estate, goods or services.

37 (t) Concurrent with tender or delivery of any real estate, goods or services, fails to disclose any
38 known material defect or material nonconformity.

39 (u) Engages in any other unfair or deceptive conduct in trade or commerce.

40 (v) Violates any of the provisions relating to auction sales, consignment sales, auctioneers,
41 consignees or auction marts under ORS 698.640, whether in a commercial or noncommercial situ-
42 ation.

43 (w) Manufactures mercury fever thermometers.

44 (x) Sells or supplies mercury fever thermometers unless the thermometer is required by federal
45 law, or is:

- 1 (A) Prescribed by a person licensed under ORS chapter 677; and
 2 (B) Supplied with instructions on the careful handling of the thermometer to avoid breakage and
 3 on the proper cleanup of mercury should breakage occur.
- 4 (y) Sells a thermostat that contains mercury, unless the thermostat is labeled in a manner to
 5 inform the purchaser that mercury is present in the thermostat and that the thermostat may not be
 6 disposed of until the mercury is removed, reused, recycled or otherwise managed to ensure that the
 7 mercury does not become part of the solid waste stream or wastewater. For purposes of this para-
 8 graph, “thermostat” means a device commonly used to sense and, through electrical communication
 9 with heating, cooling or ventilation equipment, control room temperature.
- 10 (z) Sells or offers for sale a motor vehicle manufactured after January 1, 2006, that contains
 11 mercury light switches.
- 12 (aa) Violates the provisions of ORS 803.375, 803.385 or 815.410 to 815.430.
 13 (bb) Violates ORS 646A.070 (1).
 14 (cc) Violates any requirement of ORS 646A.030 to 646A.040.
 15 (dd) Violates the provisions of ORS 128.801 to 128.898.
 16 (ee) Violates ORS 646.883 or 646.885.
 17 (ff) Violates ORS 646.569 or 646A.374.
 18 (gg) Violates the provisions of ORS 646A.142.
 19 (hh) Violates ORS 646A.360.
 20 (ii) Violates ORS 646.553 or 646.557 or any rule adopted pursuant thereto.
 21 (jj) Violates ORS 646.563.
 22 (kk) Violates ORS 759.680 or any rule adopted pursuant thereto.
 23 (LL) Violates the provisions of ORS 759.705, 759.710 and 759.720 or any rule adopted pursuant
 24 thereto.
- 25 (mm) Violates ORS 646A.210 or 646A.214.
 26 (nn) Violates any provision of ORS 646A.124 to 646A.134.
 27 (oo) Violates ORS 646A.095.
 28 (pp) Violates ORS 822.046.
 29 (qq) Violates ORS 128.001.
 30 (rr) Violates ORS 646A.800 (2) to (4).
 31 (ss) Violates ORS 646A.090 (2) to (5).
 32 (tt) Violates ORS 87.686.
 33 (uu) Violates ORS 646A.803.
 34 (vv) Violates ORS 646A.362.
 35 (ww) Violates ORS 646A.052 or any rule adopted under ORS 646A.052 or 646A.054.
 36 (xx) Violates ORS 180.440 (1) or 180.486 (1).
 37 (yy) Commits the offense of acting as a vehicle dealer without a certificate under ORS 822.005.
 38 (zz) Violates ORS 87.007 (2) or (3).
 39 (aaa) Violates ORS 92.405 (1), (2) or (3).
 40 (bbb) Engages in an unlawful practice under ORS 646.648.
 41 (ccc) Violates ORS 646A.365.
 42 (ddd) Violates ORS 98.853, 98.854, 98.856 or 98.858.
 43 (eee) Sells a gift card in violation of ORS 646A.276.
 44 (fff) Violates ORS 646A.102, 646A.106 or 646A.108.
 45 (ggg) Violates ORS 646A.430 to 646A.450.

- 1 (hhh) Violates a provision of ORS 744.318 to 744.384.
- 2 (iii) Violates a provision of ORS 646A.702 to 646A.720.
- 3 (jjj) Violates ORS 646A.530 30 or more days after a recall notice, warning or declaration de-
- 4 scribed in ORS 646A.530 is issued for the children’s product, as defined in ORS 646A.525, that is the
- 5 subject of the violation.
- 6 (kkk) Violates a provision of ORS 697.612, 697.642, 697.652, 697.662, 697.682, 697.692 or 697.707.
- 7 (LLL) Violates the consumer protection provisions of the Servicemembers Civil Relief Act, 50
- 8 U.S.C. 3901 et seq., as in effect on January 1, 2010.
- 9 (mmm) Violates a provision of ORS 646A.480 to 646A.495.
- 10 (nnn) Violates ORS 646A.082.
- 11 (ooo) Violates ORS 646.647.
- 12 (ppp) Violates ORS 646A.115.
- 13 (qqq) Violates a provision of ORS 646A.405.
- 14 (rrr) Violates ORS 646A.092.
- 15 (sss) Violates a provision of ORS 646.644.
- 16 (ttt) Violates a provision of ORS 646A.295.
- 17 (uuu) Engages in the business of, or acts in the capacity of, an immigration consultant, as de-
- 18 fined in ORS 9.280, in this state and for compensation, unless federal law authorizes the person to
- 19 do so or unless the person is an active member of the Oregon State Bar.
- 20 (vvv) Violates ORS 702.012, 702.029 or 702.054.
- 21 (www) Violates ORS 646A.806.
- 22 (xxx) Violates ORS 646A.810 (2).
- 23 (yyy) Violates ORS 443.376.
- 24 (zzz) Violates a provision of ORS 646A.770 to 646A.787.
- 25 (aaaa) Violates ORS 815.077.
- 26 **(bbbb) Violates ORS 646A.677 (11)(a) or (12).**
- 27 (2) A representation under subsection (1) of this section or ORS 646.607 may be any manifesta-
- 28 tion of any assertion by words or conduct, including, but not limited to, a failure to disclose a fact.
- 29 (3) In order to prevail in an action or suit under ORS 336.184 and 646.605 to 646.652, a prose-
- 30 cuting attorney need not prove competition between the parties or actual confusion or misunder-
- 31 standing.
- 32 (4) An action or suit may not be brought under subsection (1)(u) of this section unless the At-
- 33 torney General has first established a rule in accordance with the provisions of ORS chapter 183
- 34 declaring the conduct to be unfair or deceptive in trade or commerce.
- 35 (5) Notwithstanding any other provision of ORS 336.184 and 646.605 to 646.652, if an action or
- 36 suit is brought under subsection (1)(xx) of this section by a person other than a prosecuting attor-
- 37 ney, relief is limited to an injunction, and the prevailing party may be awarded reasonable attorney
- 38 fees.