# **Know Your Rights About Medical Debt**

Presented by Sharon Campo, Esq. Supervising Attorney





1

# **House Keeping**

Please keep your microphone muted.

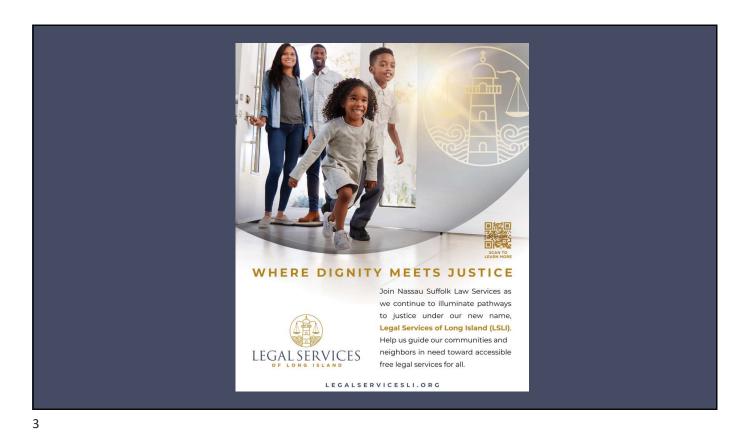
Please put questions in chat or raise your hand.

Polls throughout presentation

Thank you!



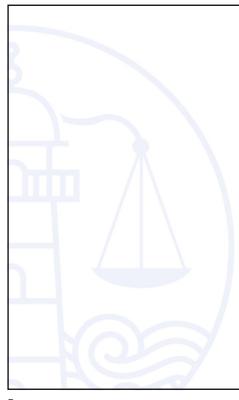
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Who We Are And What We Do

- · Over 6,000 legal cases each year
- Free Legal Services for eligible Long Island Residents
- · Direct representation, phone consultations
- · Brief service or referrals
- · Offices in Hempstead, Islandia, Riverhead
- Case handling staff includes attorneys, paralegals, and social workers
- Partnerships with Community Agencies





# **Office Locations**

Hempstead: 1 Helen Keller Way 5th Fl Hempstead NY 11550 (516) 292-8100

Islandia (Western Suffolk): 1757 Veterans Hwy Ste 50 Islandia NY 11749 (631) 232-2400

Riverhead (Eastern Suffolk): 400 W. Main St Suite 200 Riverhead, NY 11901 (631) 369-1112



5

# **Our Programs**

# **Housing**

Civil Unit (Eviction Prevention)Foreclosure Project

### Other

•Consumer Debt

Education Debt Consumer Advocacy Project

·Veterans Rights

·Human Rights Project

Public Benefits

Adult Care Facility Unit

Senior Citizen Project (Nassau)

Pro Bono Project (Suffolk)

·Volunteer Lawyers Project (Nassau)

Community Legal Help Project



# **Our Programs**

### **Family**

Domestic Violence Family Court Project (Suffolk)
 Child Support Defense Project

## **Disability & Health-Related Projects**

∙HIV Unit •Mental Health

ICAN - Advocates in Managed Long-Term Care
 Education and Disability Rights (Special Education and Rights of Developmentally Disabled)
 Disability Advocacy Project (SSD/SSI Appeals)



7

# **Legal Support Center for Advocates:**

Advocates call (631) 232-2400 for assistance: Sharon Campo - x3368 Cathy Lucidi - x3324 Hannah Fitzpatrick- x3343

- Provide Technical Support to Advocates
- "Advocates" include legislative staff, social workers, outreach workers, medical personnel, and guidance counselors
- Host Community Trainings
- Publish Newsletters





Visit our Website www.legalservicesli.org

- •All About Our Programs
- •Sign up for our "Legal Lessons"
- Trainings
- "Self-Help" Resources
- Other Events



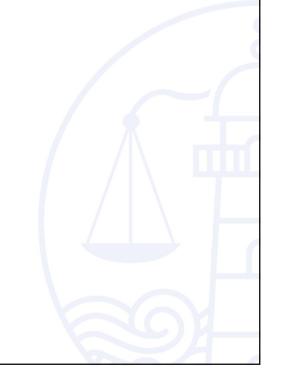


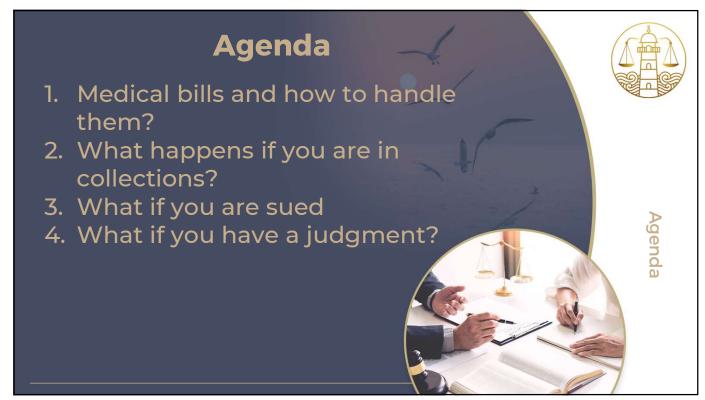
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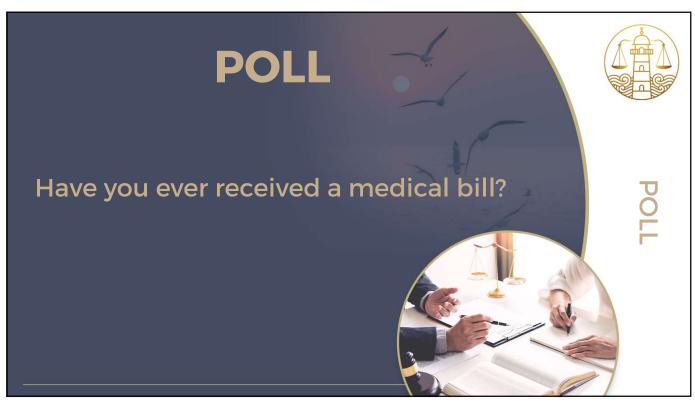
# **Just a Note**

Legal Services of Long Island makes every effort to keep legal educational materials up to date. The information contained in this material is not legal advice. Legal Advice depends upon the specific facts of each situation. These materials cannot replace the advice of competent legal counsel.

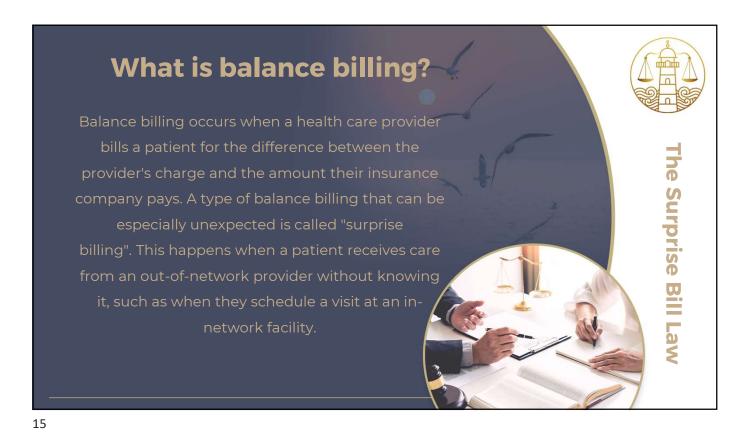












What is the Surprise Bill Law (in NY- not applicable to self-insured)?

As of March 31, 2015, it is a surprise bill when your in-network doctor refers you to an out-of-network provider AND

- no written consent
- out of network provider treats you during your visit with a in-network doctor
- in network doctors sends to an out of network lab

he Surprise Bill Law

# How to resolve if you are being balance billed...

You should only be paying your innetwork cost sharing. If you get a bill over this amount, you should send a surprise bill certification form to your health plan and provider.

If no resolution, file a complaint with the New York Department of Financial Services.



17

# What is the surprise bill law (Federal)?

For employer/union self-funded insurance coverage issued or renewed after January 1, 2022, the Federal No Surprises Act protects consumers from surprise medical bills from an out-of-network provider in an in-network hospital or ambulatory surgical center. This is not retroactive. More information can be found on the CMS website.



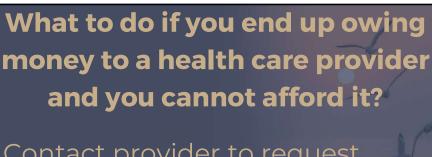
# What to do if you are being balance billed?

For plans issued or renewed after January 1, 2022, submit a payment dispute with the Centers for Medicare and Medicaid Services. https://www.cms.gov/nosurprises

For plans issues or renewed before January 1, 2022, a request can be made for independent dispute resolution (IDR) with the New York State Department of Financial Services. <u>IDR Patient Application</u>



19



 Contact provider to request financial assistance

 Negotiate lower and affordable amount and potentially payment plan





**Warning:** health insurance companies send patient/account holder check for out-of-network providers

- Send check to out of network provider and get receipt of payment.

Medicaid Recipients should almost never receive a bill for medical services. (would need to be private pay agreement in writing with recipient)

Medicare recipients should contact 1-800-MEDICARE or their advantage plan if they receive an unexpected bill.

<u>Fairhealthconsumer.org</u> is a great tool to see what health care procedures cost in your area



21



# What to do when receiving a medical bill and you are NOT insured...

Hospital Debt? Apply for Charity Care/Financial Assistance

- Must apply within 110 days of medical service
- Mandatory for patients under 300% of the Federal Poverty Level
- Repayment agreements cannot require more than 10% of the patient's gross monthly income

### **Apply for Medicaid**

- Medicaid is three (3) months retroactive from date of application (if eligible at time of medical service)
- NY State of Health: (855) 355-5777

Many medical providers will reduce their rates for private pay so it helps to negotiate a lower amount with a payment plan



23

# What if you are in collections? Response to Debt Collector Phone Calls Do not give any personal information over the phone Request something in writing regarding alleged debt Response to Debt Collector Letters Request verification of debt Dispute Debt Cease Dunning (must honor) https://www.daisydebtapp.org/ See sample dispute letters with handouts

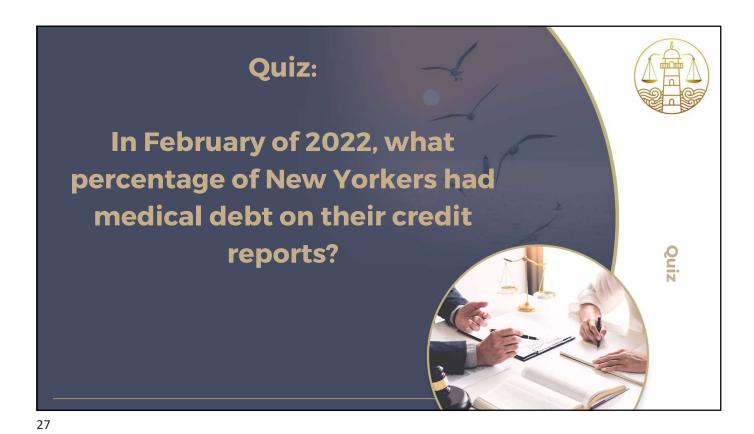
# Fair Debt Collection Practices Act (FDCPA)

- Collection agency can only contact between 8am and 9pm
- Cannot threaten to tell employers or neighbors about debt
- Cannot falsely threaten to take illegal action (i.e., arrest)
- Cannot harass, threaten, embarrass, or intimidate
- Consumer can sue for FDCPA violations



25





**Medical Debt** Medical Debt and Credit Reports and Credit Reports **Medical Debt** • Effective July 2022, paid medical debt no longer on credit reports • One year grace period to work with insurance and/or medical provider before debt listed on credit · As of April 2023, medical collection debt less than \$500 will not be included in credit reports • Removed nearly 70 percent of collection accounts from consumer credit files • Proposed Rule to Prevent Most Medical Debt from Appearing on Credit Reports- has not been finalized yet · As of December 2023, New York bans hospitals, medical providers, or ambulance services from providing negative information about medical debt to consumer reporting agencies • Medical debt does not include debt charged to a credit card unless that credit card is offered specifically for the payment of health care services, products, or devices. Judgments/Liens • Starting July 2017, civil judgments and tax liens will be removed if missing basic identifying information (i.e., name, address, social security, and date of birth) • Need at least 3 of 4 to be reported • Result is that all civil judgments and tax liens have been removed



# What if you are sued...

Medical Debt actions must be filed in county where debtor resides, the procedure took place, or where the Plaintiff resides.

As of April 3, 2020, medical debt actions must be filed within three (3) years of the date of the service. Courts have determined this retroactive so far but still in question. Previously, statute of limitations (time to sue from date debt was incurred) was six (6) years.

### Small Claims (under \$5000)

 If small claims, there will be a court date on the notice served- must appear or judgment will be entered; need to bring all supporting documents and make all arguments at hearing

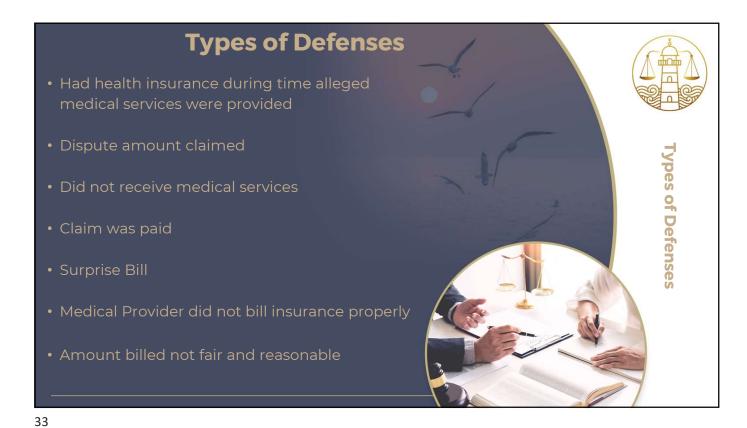




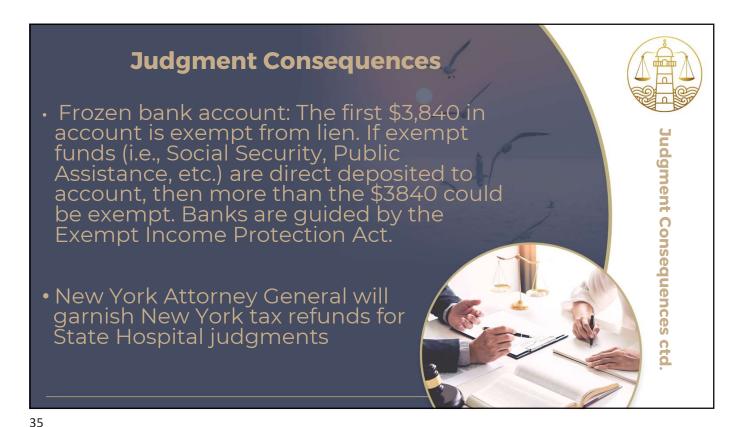
# After File Answer...

- Arbitration (district courts)
- Conference
- Hearing
- Motion for Summary Judgment
- If no defenses: try to get reduction and enter into affordable payment plan
- Request stipulation to include "grace period" (e.g., if payment not received by due date, Plaintiff will notify Defendant in writing and Defendant will have 10 days from date of notice to submit payment)









**Debt Relief Options** 

## **Bankruptcy**

- Chapter 7 ("straight bankruptcy")
- Chapter 13 ("debt adjustment")

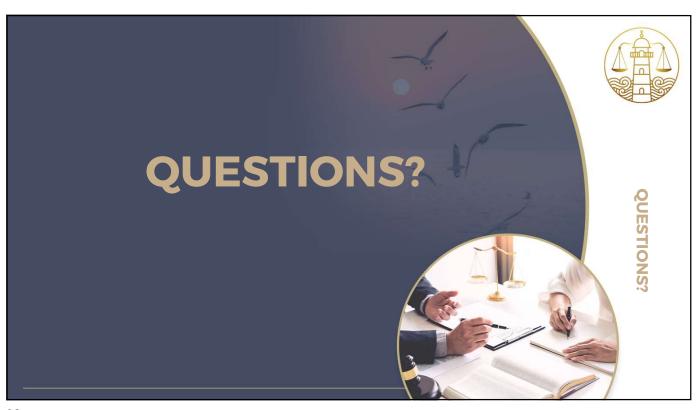
### **Financial Counseling**

- Community Housing Innovations
- https://www.communityhousing.org/services/financial-literacy/
- Community Development Long Island Financial Counseling Workshops
- https://www.cdli.org/financial-coaching-resources



# Medical Debt Resources Problems with Health Insurance Company ✓ File complaint with Department of Financial Services Online or 1-800-342-3736 ✓ NY AG Healthcare helpline 1-800-428-9071 Problems with Health Care Provider ✓ Contact NYS Attorney General ✓ Health Care Bureau helpline: 1-800-428-9071 or online complaint form for a health care issue Apply for Health Insurance ✓ NY State of Health https://nystateofhealth.ny.gov/ or 1-855-355-5777 Contact Legal Services of Long Island ✓ Medical Debt Lawsuit- Consumer Debt Defense Project ✓ Assistance with Medicaid Denial- Public Benefits Unit ✓ Medicaid Recipient and need help solving problems with your managed care plan-ICAN

37



✓ Senior Nassau resident with health care questions – Senior Citizen Law Program

# Thank you for attending!

**Upcoming Presentations/Events:** 

Legal Resource Fair at Brentwood Library

on October 22<sup>nd</sup> from 5-8pm

**Understanding the 17A Guardianship Option for Parents** 

on October 29th 1-2pm

Knowledge is Power: Legal Steps After a Domestic Violence Incident

on October 30th 1-2pm

Check out our website at www.legalservicesli.org

