Overwhelming medical debt can push consumers and families into poverty and cause wage garnishment, bankruptcy or ruined credit.

**Effective July 1, 2021** the New Mexico Patients Debt Collection Practices Act created several new requirements for healthcare providers, debt buyers, and collection agencies that collect medical debt.

The new requirements include:

- Health care facilities and medical debt collectors cannot continue collection actions (including lawsuits and garnishment) against low-income patients (defined as those making less than 200% of the Federal Poverty Level).

- Health care facilities must take the following steps before collecting a bill from a patient:
  - Verify whether a patient has any health insurance;
  - If the patient is uninsured, screen the patient for all available public insurance and any other financial assistance that might cover the bill;
  - Help the patient apply for the assistance.

- Hospitals must post costs of procedures online, provide more information on bills and provide receipts for payments.

For more information:

NM Together for Healthcare, “Governor signs medical-debt protections into law”

New Mexico Statutes Sections 57-32-1 to 57-32-10 (NMSA 1978)

Senate Bill 71- Patient’s Debt Collection Protection Act
[https://www.nmlegis.gov/Legislation/Legislation?Chamber=S&LegType=B&LegNo=71&year=21](https://www.nmlegis.gov/Legislation/Legislation?Chamber=S&LegType=B&LegNo=71&year=21)

August 2021