

SENATE BILL 796

I3, I2

6lr2045
CF 6lr2044

By: **Senator Lam**

Introduced and read first time: February 6, 2026

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Commercial Law – Consumer Protections – Health Care Financing**

3 FOR the purpose of establishing consumer protections related to health care financing,
4 including disclosure and refund requirements; prohibiting health care providers and
5 certain agents of health care providers from offering, obtaining, applying, assisting
6 in applying for certain financing; prohibiting a health care provider from promoting
7 certain financing to certain patients or billing a certain financier before a certain
8 number of days prior to a procedure; authorizing a health care provider to offer
9 certain financing to pay for certain costs under certain circumstances; requiring the
10 Consumer Protection Division of the Office of the Attorney General to prepare and
11 publish a certain disclosure; and generally relating to consumer protections related
12 to health care financing.

13 BY repealing and reenacting, with amendments,
14 Article – Commercial Law
15 Section 13–301(14)(xlvii)
16 Annotated Code of Maryland
17 (2025 Replacement Volume)

18 BY repealing and reenacting, without amendments,
19 Article – Commercial Law
20 Section 13–301(14)(xlviii)
21 Annotated Code of Maryland
22 (2025 Replacement Volume)

23 BY adding to
24 Article – Commercial Law
25 Section 13–301(14)(xlix); and 14–5101 through 14–5107 to be under the new subtitle
26 “Subtitle 51. Health Care Financing”
27 Annotated Code of Maryland
28 (2025 Replacement Volume)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
That the Laws of Maryland read as follows:

Article – Commercial Law

13–301.

Unfair, abusive, or deceptive trade practices include any:

(14) Violation of a provision of:

(xlvii) Title 14, Subtitle 50 of this article; [or]

(xlviii) Section 13–411.1(c)(2) of the Transportation Article; or

(XLIX) TITLE 14, SUBTITLE 51 OF THIS ARTICLE; OR

SUBTITLE 51. HEALTH CARE FINANCING.

14–5101.

**(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
INDICATED.**

(B) (1) “HEALTH CARE PROVIDER” MEANS:

**(I) A PERSON WHO IS LICENSED, CERTIFIED, OR OTHERWISE
AUTHORIZED UNDER THE HEALTH OCCUPATIONS ARTICLE TO PROVIDE HEALTH
CARE IN THE ORDINARY COURSE OF BUSINESS OR PRACTICE OF A PROFESSION OR
IN AN APPROVED EDUCATION OR TRAINING PROGRAM; OR**

**(II) A VETERINARIAN LICENSED UNDER TITLE 2, SUBTITLE 3 OF
THE AGRICULTURE ARTICLE.**

(2) “HEALTH CARE PROVIDER” INCLUDES:

**(I) AN EMPLOYEE OF A PERSON DESCRIBED IN PARAGRAPH (1)
OF THIS SUBSECTION; AND**

**(II) AN AGENT OF A PERSON DESCRIBED IN PARAGRAPH (1) OF
THIS SUBSECTION.**

(3) “HEALTH CARE PROVIDER” DOES NOT INCLUDE A HOSPITAL.

(C) "PROGRAM" MEANS THE MARYLAND HEALTH CARE ASSISTANCE PROGRAM.

(D) (1) "THIRD-PARTY FINANCING" MEANS FINANCING PROVIDED BY A PERSON OTHER THAN A HEALTH CARE PROVIDER PROVIDING HEALTH CARE TREATMENT TO A PATIENT OR THE PATIENT RECEIVING THE HEALTH CARE TREATMENT IN ORDER TO PAY FOR THE TREATMENT.

(2) "THIRD-PARTY FINANCING" INCLUDES:

(I) AN OPEN END CREDIT PLAN AS DEFINED BY 15 U.S.C. 1602;

(II) A LINE OF CREDIT; AND

(III) A LOAN.

14-5102.

A HEALTH CARE PROVIDER SHALL:

(1) BEFORE DISCUSSING THIRD-PARTY FINANCING WITH A PATIENT:

(I) PROVIDE A DISCLOSURE THAT MEETS THE REQUIREMENTS OF § 14-5104(A) OF THIS SUBTITLE; AND

(II) PROVIDE THE PATIENT WITH A WRITTEN TREATMENT PLAN THAT MEETS THE REQUIREMENTS OF § 14-5105 OF THIS SUBTITLE;

(2) PROVIDE A PATIENT WITH A FULL REFUND FOR ANY TREATMENT NOT PROVIDED, IF ANY, WITHIN 15 DAYS AFTER THE PATIENT'S REQUEST FOR THE REFUND; AND

(3) IF A CREDIT CARD IS USED TO PAY FOR HEALTH CARE SERVICES, PROVIDE THE PATIENT WITH THE WRITTEN DISCLOSURE REQUIRED UNDER § 14-5104(B) OF THIS SUBTITLE.

14-5103.

(A) A HEALTH CARE PROVIDER MAY NOT:

(1) OBTAIN THIRD-PARTY FINANCING ON BEHALF OF A PATIENT;

(2) COMPLETE ANY PART OF AN APPLICATION FOR THIRD-PARTY FINANCING ON BEHALF OF A PATIENT;

(3) PROVIDE A PATIENT OR AN INDIVIDUAL AUTHORIZED TO ACT ON BEHALF OF A PATIENT WITH AN ELECTRONIC DEVICE TO BE USED TO APPLY FOR THIRD-PARTY FINANCING;

(4) PROMOTE THIRD-PARTY FINANCING TO A PATIENT WHO:

(I) IS UNDER THE INFLUENCE OF ANY MIND-ALTERING SUBSTANCE, INCLUDING ANESTHESIA;

(II) IS ACTIVELY UNDERGOING TREATMENT AT THE TIME OF THE PROMOTION; OR

(III) IS IN AN AREA WHERE TREATMENT IS PROVIDED UNLESS THERE IS NO OTHER AREA AT THE HEALTH CARE PROVIDER'S OFFICE;

(5) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, OFFER FINANCING, ACCEPT THIRD-PARTY FINANCING, OR CHARGE A HEALTH CREDIT CARD, IF THE PATIENT'S INSURANCE WILL COVER SERVICES PROVIDED; OR

(6) BILL A THIRD-PARTY FINANCIER MORE THAN 30 DAYS BEFORE PROVIDING THE HEALTH CARE SERVICES FOR WHICH THE THIRD-PARTY FINANCING WAS OBTAINED.

(B) IF THE PATIENT'S INSURANCE WILL COVER THE SERVICES PROVIDED, A HEALTH CARE PROVIDER MAY OFFER FINANCING, THIRD-PARTY FINANCING, OR CHARGE A CREDIT CARD TO PAY FOR A COPAY, COINSURANCE, OR A DEDUCTIBLE.

14-5104.

(A) (1) EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS SECTION, A HEALTH CARE PROVIDER SHALL PROVIDE THE FOLLOWING DISCLOSURE WHEN DISCUSSING THIRD-PARTY FINANCING WITH A PATIENT:

"CREDIT OR LOAN FOR HEALTH CARE SERVICES

THE ATTACHED APPLICATION AND INFORMATION IS FOR A CREDIT CARD OR LOAN TO HELP YOU PAY FOR YOUR HEALTH CARE TREATMENT. YOU SHOULD KNOW THAT:

- YOU ARE APPLYING FOR A _____ CREDIT CARD OR A _____ LOAN FOR \$_____.

- 1 • YOU DO NOT HAVE TO APPLY FOR THE CREDIT CARD OR LOAN. YOU MAY
2 REQUEST TO REVIEW, FILL OUT, AND/OR SIGN THE APPLICATION IN A
3 DIFFERENT LOCATION OR AT A DIFFERENT TIME.
- 4 • THIS CREDIT CARD OR LOAN IS NOT THE ONLY WAY YOU MAY PAY FOR YOUR
5 TREATMENT. YOU MAY PAY YOUR HEALTH CARE PROVIDER IN ANOTHER
6 MANNER.
- 7 • THIS CREDIT CARD OR LOAN IS NOT A PAYMENT PLAN PROVIDED BY YOUR
8 HEALTH CARE PROVIDER. IT IS CREDIT WITH OR A LOAN MADE BY (NAME OF
9 COMPANY ISSUING THE CREDIT CARD OR LOAN). YOUR HEALTH CARE
10 PROVIDER DOES NOT WORK FOR THIS COMPANY.
- 11 • BEFORE APPLYING FOR THIS CREDIT CARD OR LOAN, YOU HAVE THE RIGHT
12 TO A WRITTEN TREATMENT PLAN PROVIDED BY YOUR HEALTH CARE
13 PROVIDER. THIS TREATMENT PLAN MUST:
 - 14 ○ DISCLOSE THE TREATMENT EXPECTED TO BE PROVIDED AND THE
15 ESTIMATED COSTS OF EACH SERVICE INCLUDED;
 - 16 ○ DISCLOSE HOW MUCH OF THE COST YOUR INSURANCE IS EXPECTED TO
17 COVER, IF YOU HAVE INSURANCE; AND
 - 18 ○ DISCLOSE WHETHER MARYLAND MEDICAID WILL COVER AN
19 ALTERNATIVE TREATMENT OPTION, IF YOU HAVE MARYLAND
20 MEDICAID.
- 21 • IF YOU PREFER TO SOLELY USE SERVICES COVERED BY MARYLAND
22 MEDICAID, YOU SHOULD NOT APPLY FOR THIS CREDIT CARD OR LOAN.
- 23 • YOUR HEALTH CARE PROVIDER MAY NOT CHARGE THE CREDIT CARD OR LOAN
24 ACCOUNT YOU ARE APPLYING FOR UNTIL 30 DAYS BEFORE THE BEGINNING OF
25 YOUR TREATMENT.
- 26 • YOU HAVE THE RIGHT TO CANCEL THIS CREDIT CARD OR LOAN BEFORE THE
27 TREATMENT IS PROVIDED, WITHOUT PENALTY.
- 28 • YOU HAVE THE RIGHT TO HAVE YOUR CREDIT CARD OR LOAN ACCOUNT
29 REFUNDED FOR THE FULL AMOUNT OF ANY CHARGES FOR TREATMENT THAT
30 YOU DID NOT RECEIVE.
- 31 • YOUR HEALTH CARE PROVIDER IS REQUIRED TO REFUND THE FULL AMOUNT
32 OF ANY CHARGES FOR TREATMENT THAT YOU DID NOT RECEIVE WITHIN 15
33 DAYS AFTER YOUR REQUEST FOR THE REFUND.
- 34 • YOUR LENDER IS REQUIRED TO CREDIT ANY REFUND PROVIDED AGAINST
35 YOUR CREDIT CARD BALANCE OR LOAN BALANCE.
- 36 • YOU MAY BE REQUIRED TO PAY INTEREST ON THE AMOUNT CHARGED TO THE
37 CREDIT CARD, OR ON THE AMOUNT OF THE LOAN.
- 38 • YOUR LENDER MAY PROVIDE A PROMOTIONAL PERIOD, DURING WHICH YOU
39 MAY PAY BACK THE CREDIT CARD BALANCE OR LOAN BALANCE WITHOUT
40 INTEREST. AFTER ANY PROMOTIONAL PERIOD ENDS, YOU MAY BE CHARGED
41 INTEREST ON PORTIONS OF THE BALANCE THAT HAVE ALREADY BEEN PAID.
- 42 • IF YOU PAY LATE OR FAIL TO MAKE PAYMENT:
 - 43 ○ YOU MAY HAVE TO PAY A PENALTY AND/OR A HIGHER INTEREST RATE;

- YOUR LATE OR MISSED PAYMENTS MAY BE REPORTED TO CREDIT BUREAUS AND MAY HURT YOUR CREDIT RATING; AND
- YOU MAY BE SUED.

- YOU MAY USE THIS CREDIT CARD OR LOAN TO PAY FOR FUTURE HEALTH SERVICES.
- IF YOUR HEALTH CARE PROVIDER COMPLETED OR SUBMITTED AN APPLICATION FOR A CREDIT CARD OR LOAN ON YOUR BEHALF, YOU MAY FILE A COMPLAINT BY CONTACTING THE CONSUMER PROTECTION DIVISION OF THE MARYLAND OFFICE OF THE ATTORNEY GENERAL ONLINE AT (INSERT WEBSITE ADDRESS FOR THE DIVISION) OR BY CALLING (INSERT PHONE NUMBER FOR THE DIVISION AND RELATED TOLL-FREE NUMBER).

PLEASE READ THE TERMS AND CONDITIONS OF THIS CREDIT CARD OR LOAN.”

(2) A PATIENT WHO ELECTS TO APPLY FOR THIRD-PARTY FINANCING SHALL SIGN THE DISCLOSURE PROVIDED BY THE HEALTH CARE PROVIDER AS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION.

(3) A HEALTH CARE PROVIDER SHALL PROVIDE A PATIENT WHO ELECTS TO APPLY FOR THIRD-PARTY FINANCING WITH A COPY OF THE SIGNED DISCLOSURE.

(4) THE SIGNED COPY OF THE DISCLOSURE PROVIDED UNDER PARAGRAPH (3) OF THIS SUBSECTION MAY BE DIGITAL.

(B) (1) THE DIVISION SHALL PREPARE A DISCLOSURE FORM THAT INCLUDES:

(I) AN ADVISEMENT THAT HEALTH CARE BILLS PAID FOR WITH A CREDIT CARD ARE NOT CONSIDERED HEALTH CARE DEBT; AND

(II) AN ADVISEMENT AS TO ANY FEDERAL OR STATE PROTECTIONS THAT APPLY TO HEALTH CARE DEBT THAT THE PATIENT WOULD BE GIVING UP BY PAYING A HEALTH CARE BILL WITH A CREDIT CARD, INCLUDING THAT THE PAYMENT:

1. IS NOT SUBJECT TO PROHIBITIONS AGAINST WAGE GARNISHMENT OR PROPERTY LIENS THAT APPLY TO HEALTH CARE DEBT; AND

2. IS NOT SUBJECT TO LIMITATIONS ON INTEREST RATES THAT APPLY TO HEALTH CARE DEBT.

(2) THE DIVISION SHALL PUBLISH THE DISCLOSURE FORM PREPARED UNDER PARAGRAPH (1) OF THIS SUBSECTION ON ITS WEBSITE IN ENGLISH AND IN ANY OTHER LANGUAGE DETERMINED APPROPRIATE BY THE DIVISION.

(C) A HEALTH CARE PROVIDER SHALL PROVIDE THE DISCLOSURES REQUIRED UNDER SUBSECTIONS (A) AND (B) OF THIS SECTION:

(1) IN AT LEAST 14 POINT FONT; AND

(2) (I) IF PROVIDED BY THE DIVISION, IN THE PRIMARY LANGUAGE OF THE PATIENT; AND

(II) IF THE PRIMARY LANGUAGE OF THE PATIENT IS NOT AVAILABLE, IN ENGLISH.

(D) A HEALTH CARE PROVIDER IS NOT REQUIRED TO PROVIDE THE DISCLOSURE UNDER SUBSECTION (A) OF THIS SECTION IF THE THIRD-PARTY FINANCING IS SOLELY MENTIONED AS A PAYMENT OPTION.

14-5105.

A TREATMENT PLAN PROVIDED UNDER § 14-5102(A)(1)(II) OF THIS SUBTITLE SHALL:

(1) LIST EACH SERVICE ANTICIPATED TO BE PROVIDED AND THE ESTIMATED COST OF EACH SERVICE;

(2) PROVIDE AN ESTIMATE OF THE SHARE OF EACH COST THAT THE PATIENT WILL BE RESPONSIBLE FOR PAYING;

(3) INDICATE WHETHER THE PROGRAM COVERS AN ALTERNATIVE SERVICE THAT IS COVERED BY THE PROGRAM IF THE PATIENT IS COVERED BY THE PROGRAM AND THE HEALTH CARE PROVIDER ACCEPTS THE PATIENT'S COVERAGE;

(4) INDICATE THAT A PATIENT WHO IS COVERED BY THE PROGRAM HAS THE RIGHT TO REQUEST THAT ONLY SERVICES COVERED BY THE PROGRAM BE PROVIDED;

(5) INDICATE THAT THE HEALTH CARE PROVIDER IS REQUIRED TO FOLLOW THE RULES OF THE PROGRAM AND TO PROVIDE ONLY SERVICES COVERED BY THE PROGRAM;

(6) INDICATE THAT ANY SERVICES NOT COVERED BY THE PATIENT'S INSURANCE PLAN ARE NOT COVERED; AND

(7) INDICATE THAT THE PATIENT HAS THE RIGHT TO CONFIRM ANY HEALTH CARE BENEFIT OR INSURANCE INFORMATION BEFORE BEGINNING TREATMENT.

14-5106.

THE ATTORNEY GENERAL MAY ADOPT REGULATIONS NECESSARY TO CARRY OUT THIS SUBTITLE.

14-5107.

A VIOLATION OF THIS SUBTITLE IS:

(1) AN UNFAIR, ABUSIVE, OR DECEPTIVE TRADE PRACTICE WITHIN THE MEANING OF TITLE 13 OF THIS ARTICLE; AND

(2) SUBJECT TO THE PENALTY AND ENFORCEMENT PROVISIONS CONTAINED IN TITLE 13 OF THIS ARTICLE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2026.