Rhode Island Strategies to
Prevent Medical Debt

Balance Billing and Short-Term Insurance

The federal No Surprises Act (NSA) protects patients from surprise medical bills (also referred to as "balance bills"), which are unexpected costs from out-of-network providers. Under the federal legislation, patients receiving emergency care or who are unknowingly treated by out-of-network providers during an in-network procedure are only required to pay the in-network cost-sharing amount for services provided. Effective January 1, 2022, the No Surprises Act applies to most health plans but not all care sites and services. States can legislate additional protections for balance bills not covered under the NSA, such as for ground ambulances, or limit the number of short-term, limited duration health plans available in the state, which traditionally cover fewer services putting enrollees at greater risk of incurring balance bills. Strategies examine in this section include:

Prohibitions on Balance Billing for Ground Ambulance Services

Prohibitions on Short-Term, Limited Duration Health Plans

Charity Care and Community Benefit Requirements

This section reviews state laws aimed at preventing medical debt, including mandates for hospitals and health care providers to offer financial assistance policies, screen patients for insurance and charity care eligibility, and inform patients of charity care policies before collecting payment. Strategies examined in this section include:

Mandated Hospital Charity Care

Hospital Charity Care Screening Requirements

Hospital Charity Care Notification Requirements

Hospital Community Benefit Reporting Requirements

Reducing Financial Consequences

This section examines how a state regulates providers' ability to collect medical debt once it has been incurred. States can mitigate the financial harm of medical debt by regulating how and when providers and collection agencies pursue repayment or by limited aggressive collection actions. Strategies examined in this section include:

Mandated Waiting Period Prior to Sending a Bill to Collections

Limits on Liens or Foreclosures due to Medical Debt

Limits on Wage Garnishment due to Medical Debt

Limits on the Amount of Interest Charged to Medical Debt

Medical Debt Prevention

Balance Billing and Short-Term Insurance

Policy	Status as of June 2025	Summary
Prohibits Balance Billing for Ground Ambulance Services	⊗ Does not prohibit balance billing for out-of-network ground ambulance services	
Prohibits Short-Term, Limited Duration Health Plans	● State law has eliminated short-term, limited duration health plans	Short-term limited duration health plans aren't explicitly banned in the state, but strict regulations have effectively removed them from the market.

● State Has Active Policy or Program ◉ Policy or Program Partially Implemented ⊗ State Does Not Have an Active Policy or Program ✱ No Source, or Limited Information Found

Medical Debt Prevention

Charity Care and Community Benefit

Policy	Status as of June 2025	Summary
Mandated Hospital Charity Care	State law requires hospitals to provide free or discounted care to low-income patients and sets standards for eligibility (see notes)	Rhode Island requires hospitals to provide charity care at no cost to patients earning up to 200% of the Federal Poverty Line (FPL), and discounted care to patients who earn between 200% and 300% FPL.
Hospital Charity Care Screening Requirements	State does not require health care providers to screen patients for Medicaid, Marketplace, or charity care eligibility before collecting payment	Hospitals in Rhode Island are required to screen uninsured patients to determine if they are eligible for public health insurance programs or hospital financial assistance. If the patient declines the screening or fails to respond, the hospital must document it.
Hospital Charity Care Notification Requirement	State law requires health care providers to notify patients of charity care options before collecting payment	Rhode Island requires hospitals to prominently display a "Notice of Hospital Financial Aid" in emergency departments, admission areas, outpatient care areas, and on their websites.
Hospital Community Benefit Reporting Requirement	State law requires hospitals to annually report the amount of charity care provided	Hospitals must annually report information regarding the cost of charity care, bad debt, Medicaid shortfalls, and other relevant information to the state.

State Has Active Policy or Program | Policy or Program Partially Implemented | State Does Not Have an Active Policy or Program | * No Source, or Limited Information Found

Medical Debt Prevention

Reducing Financial Consequences

Policy	Status as of June 2025	Summary
Mandates Waiting Prior to Collections	⊗ State law does not require a waiting period before sending medical debts to collections	
Limits on Liens or Foreclosures due to Medical Debt	● State law prohibits initiating a lien or foreclosure to collect medical debt	Rhode Island currently allows hospitals to place liens on a patient's or guarantor's primary home but prohibits foreclosure to collect medical debt. A new law passed in 2025 will ban all liens and foreclosures due to medical debt starting in January 2026.
Limits Wage Garnishment due to Medical Debt	● State law exceeds federal wage garnishment protections for residents with medical debt	Rhode Island currently prohibits wage garnishment for individuals receiving or who have received need-based public assistance in the past year. Starting in January 2026, a new law will fully ban garnishing an individual's wages to collect unpaid medical debt.
Limits on the Amount of Interest Charged to Medical Debt	● State law limits interest rates on medical debt	Effective June 26, 2025, Rhode Island limits the amount of interest that can be applied to medical debt at between 1.5% and 4% per year.

● State Has Active Policy or Program ◉ Policy or Program Partially Implemented ⊗ State Does Not Have an Active Policy or Program * No Source, or Limited Information Found

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