Virginia 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	⊗ Short-term, limited duration health plans are not prohibited or eliminated	

● 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)	Under Virginia's Certificate of Public Need (COPN) program, hospitals and other applicable health care facilities are required to provide charity care to individuals with family incomes at or below 200% of the federal poverty level (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	
Hospital Charity Care Notification Requirement	State law requires health care providers to notify patients of charity care options before collecting payment	Hospitals in Virginia are required to clearly post information about their charity care policies, including eligibility criteria and application procedures, in public areas such as admissions, emergency departments, and waiting rooms. This information must also be provided to patients at the time of admission, discharge, or when services are provided. Additionally, it must be included with billing statements sent to uninsured patients and on the hospital's website.
Hospital Community Benefit Reporting Requirement	State law requires hospitals to annually report the amount of charity care provided	Under Virginia law, all medical care facilities subject to the Certificate of Public Need (COPN) program (excluding nursing homes) are required to annually report the amount of charity care they provide.

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	Starting July 1, 2026, a new Virginia law will require hospitals and debt collectors to wait at least 120 days after the final invoice before selling a patient's medical debt to another party. They will also be required to notify the patient 30 days in advance, providing information on available financial assistance, a list of potential collection actions, and a deadline for when those actions will begin, which must be at least 30 days after the notice.
Limits on Liens or Foreclosures due to Medical Debt	⊗ State law does not prohibit initiating a lien or foreclosure to collect medical debt	A new Virginia law, effective July 1, 2026, will ban hospitals and debt collectors from placing liens or foreclosing on a person's property to collect unpaid medical bills.
Limits Wage Garnishment due to Medical Debt	⊗ State law does not exceed federal wage garnishment protections for residents with medical debt	A new Virginia law, effective July 1, 2026, will prevent hospitals and debt collectors from garnishing the wages of individuals eligible for financial assistance to collect unpaid medical bills.
Limits on the Amount of Interest Charged to Medical Debt	● State law limits interest rates on medical debt	Virginia law sets a 6% annual judgment interest rate, unless a contract specifies a higher rate. If no rate is specified, the court applies the 6% rate to both prejudgment and post-judgment interest. A new Virginia law, effective July 1, 2026, will limit hospitals and debt collectors to charging no more than 3% annual interest or late fees on unpaid medical bills.

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