

## Office of the Tax Collector Collection of Medic Claims Questions and Answers

1. Q: Who is not eligible for referral to the Office of the Tax Collector?  
A: Those enrolled in Medicaid, Workman's Comp, hospice or claims that qualify for financial assistance. Medic provides financial assistance to patients based on their eligibility as determined by Atrium Health and Novant Health. Financial assistance varies up to a 100% discount to patients who qualify. Eligible claims are identified according to financial assistance programs set by the receiving emergency department. Both Atrium Health and Novant Health have varying policies, however both provide free or discounted care to uninsured patients not eligible for other programs, such as Medicaid. Medic matches the % discount offered by the hospital. Please refer to the following links for more details.

[Novant Health's Charity Care Policy](#)  
[Atrium Health's Coverage Financial Assistance Coverage](#)
2. Q: How do I avoid collection enforcement actions?  
A: Pay your claim upon receipt. Contact Medic at 704-943-6400 immediately with any questions regarding the charges. The Tax Collector will not negotiate balances due.
3. Q: What happens if I do not pay my outstanding balance?  
A: If you do not pay your balance within 120 days of your claim being issued, or make payment arrangements with Medic, your claim may be submitted to the North Carolina Debt Set-off program which results in the redirection of funds due to you from the state to pay the claim, submitted to the Mecklenburg County Tax Collector for enforced collection, and/or submitted to a collection agency which includes reporting the delinquency to credit bureaus. It is important to pay the claim upon receipt. Contact one of Medic's dedicated billing services employees at 704-943-6400 to discuss any questions regarding your obligation to satisfy this debt.
4. Q: Why was I garnished by the Office of the Tax Collector for a Medic claim?  
A: The claim balance was delinquent and payment IN FULL was not received within 30 days of the FINAL NOTICE, therefore the claim was subject to advanced collection remedies as sanctioned by NC General Statutes, including debt setoff, enforcement by the Mecklenburg County Tax Office, and/or referral to a collection agency.
5. Q: What authority authorizes Medic to refer claims to the Tax Collector?  
A: Tax collection methods to collect outstanding claims due to Medic are authorized under Chapter 44, Article 9B of the North Carolina General Statutes.
6. Q: What claims are being referred to the Tax Collector?  
A: Under the current initiative, any outstanding claims that are eligible for collection efforts as of October 1, 2019 may be referred.
7. Q: Who should I contact if I am served with a garnishment?  
A: No action is needed if the debt is due and delinquent. Please contact the Mecklenburg County Office of the Tax Collector at 980-314-4450 or [TaxMedic@MeckNC.gov](mailto:TaxMedic@MeckNC.gov) if you have any questions regarding the enforcement action. Contact Medic at 704-943-6400 with questions regarding the charge for service.
8. Q: What can the tax office garnish?  
A: Under North Carolina General Statute 105-242(b), any intangible property that belongs to the taxpayer, is owed to the taxpayer, or has been transferred by a taxpayer that would permit it to be levied is subject to attachment and garnishment. Intangible property includes, but is not limited to, bank deposits, rent, salaries, wages, and property held in the Escheat Fund.

9. Q: I receive Social Security, Veteran's benefits, or other federal/state assistance, am I exempt from garnishment?

A: These instances do not relieve you from responsibility of paying your Medic service claim. However, there are restrictions on the garnishment of these types of funds. State and federal laws exempt the following funds from garnishment:

- a. Social Security benefits
- b. Federal military veteran's benefits, federal railroad retirement, unemployment, and sickness benefits, and federal employee retirement system benefits.
- c. North Carolina state and county public assistance payments including WorkFirst, foster care, adoption assistance, food and nutrition services, and Medicaid.
- d. North Carolina unemployment benefits.
- e. North Carolina teacher and state employment retirement benefits.
- f. North Carolina workers' compensation and local government retiree benefits.
- g. Federal Employee Retirement Income Security Act savings plans including pensions, profit sharing, and 401(k) savings plans.

Regulations require banks to conduct an account review within two days of receiving the notice of garnishment to determine if any exempt monies have been deposited into the account during a two-month "lookback period." Funds from these types of sources that were deposited more than two months prior, are submit to seizure to satisfy the claim balance due along with any funds from sources not on this list.

10. Q: Why wasn't I notified that my account was being garnished by the Tax Collector?

A: North Carolina General Statute 105-368 requires that the tax office send notice of an attachment and garnishment to the patient/guarantor and garnishee (bank, employer, other party who holds the funds) at their last known address by personal delivery, certified mail, or any other manner provided in Rule 4 of the North Carolina Rules of Civil Procedure. This notice is not, however, required to be sent to the patient/guarantor prior to the placement of the garnishment. The garnishment letter is the notification.

11. Q: What should I do if I think I want to dispute the garnishment, and have it released?

A: If you believe that your bank has transferred exempt monies (as defined above) to the Tax Collector to satisfy the garnishment, please contact the bank where the funds were located. If you believe that you were garnished in error, you may submit a Statement of Defense, per North Carolina General Statute 105-381, to the Office of the Tax Collector. A valid defense shall include the following:

- a. A claim imposed through clerical error;
- b. An illegal claim;
- c. A claim levied for an illegal purpose.

12. Q: Will the garnishment be released if I pay directly?

A: No, the garnishment will remain in place until the garnishee responds to the garnishment with payment or a set-off.

13. Q: How long does a garnishment last?

A: Garnishees have ten (10) days to respond to the garnishment. For employers, the garnishment requires them to provide 10% of the patient/guarantor's gross wages to the Tax Collector per pay period to be applied to the delinquent claim until it is paid in full. Gross wages are wages before deductions including taxes, retirement contributions, or other voluntary withholdings.

14. Q: Will my bank account be frozen until the Medic claim is paid in full?

A: When a bank receives a notice of garnishment, they freeze the account and evaluate the

funds to determine if they are exempt from enforcement action. If they are not, following the 10-day response period, the funds are remitted to the tax office and the account freeze is lifted. If the funds are found to be exempt from enforcement action, the account freeze will be lifted as soon as that determination is made by the bank.

15. Q: What are the fees associated with a garnishment?

A: The tax office charges \$30 per garnishment. Banks, credit unions, and financial institutions may charge an additional fee. Please refer to the terms of your account agreement with your financial institution for further details.

16. Q: How are Medic fees determined?

A: Fees are the result of a policy decision to fund Medic based on subsidy and user fees. The OTC will deploy all available tools and methods it deems appropriate and that are authorized within general statutes, to collect the amount owed. Collecting these fees reduces future required increases to user fees or taxpayer subsidy.