



Testimony to the Senate Finance Committee  
SB1103 Hospitals and Related Institutions-Outpatient Facility Fees  
**Position: Favorable**

March 8, 2024

The Honorable Pam Beidle, Chair  
Senate Finance Committee  
3 East, Miller Senate Office Building  
Annapolis, MD 21401  
cc: Members, Senate Finance

Chair Beidle and Members of the Committee:

Economic Action Maryland (formerly the Maryland Consumer Rights Coalition) is a statewide coalition of individuals and organizations that advances economic rights and equity for Maryland families through research, education, direct service, and advocacy. Our 12,500 supporters include consumer advocates, practitioners, and low-income and working families throughout Maryland.

We are here in support of SB1103 which builds on this committee's important work passing the Facility Fee Right to Know Act (SB632) which established disclosures and reporting for hospital facility fees. SB1103 builds on that work by extending these disclosures to outpatient facilities.

This legislation is particularly important because medical debt remains a problem in Maryland. In 2023, 14% of Maryland voters had a medical bill or medical debt that they or someone in their household is unable to pay. Medical debt hit Black-led households harder, with 23% of African-Americans polled having an unaffordable medical bill<sup>1</sup>. Families struggle with medical debt from a variety of sources including Maryland's nonprofit hospitals, outpatient services such as physical therapy, diagnostic tests, or rehabilitative treatments, as well as private practice doctors, dentists, and other health practitioners. Patients report that 44% of medical debt comes from an outpatient visit and 30% from both outpatient visits and hospital stays<sup>2</sup>.

Facility fees are ostensibly overhead charges for care provided in outpatient and physician office settings but the fees do not necessarily bear any relationship to the patient or setting. The facility fees vary by location as well so there is no consistency. Patients have borne the brunt of this as they face increased out-of-pocket costs as well as higher premiums from these extra charges.

SB1103 increases transparency for consumers as well as reporting of these fees. For these reasons, we support SB1103 and ask for a favorable report.

Marceline White  
Executive Director

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<sup>1</sup> September 2023 Gonzales Poll Commissioned by Economic Action Maryland (then Maryland Consumer Rights Coalition)

<sup>2</sup> September 2023 Gonzales Poll Commissioned by Economic Action Maryland (then Maryland Consumer Rights Coalition)

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