



MONTGOMERY COUNTY, MARYLAND
WOMEN'S DEMOCRATIC CLUB

P.O. Box 34047, Bethesda, MD 20827

www.womensdemocraticclub.org

HB 328 Hospital Financial Assistance Policies: Revisions
Health Government Operations Committee – February 14, 2024
SUPPORT

Thank you for this opportunity to submit written testimony concerning an important priority of the **Montgomery County Women's Democratic Club (WDC)** for the 2024 legislative session. WDC is one of Maryland's largest and most active Democratic clubs with hundreds of politically active members, including many elected officials.

WDC urges the passage of HB328. This bill will expand access to healthcare, increase the fairness of charity care programs, improve the financial security of economically challenged patients and support the rational and consistent use of charity care decisions across all of Maryland's hospitals. According to the Economic Action MD fact sheet, *Hospital Financial Assistance Policies: Ban Barriers to Charity Care for Eligible Patients*, 14% of Maryland voters said that they or someone in their household had medical bills or debt that they were unable to repay. (African American households comprised 23% of those unable to pay a medical bill.)

Additional relevant points supporting the need for this bill¹:

- Even if a patient is income-eligible for free or reduced-cost care, hospitals can still deny a patient's application for financial assistance if the patient fails either 1) an asset or 2) a service/geography test.
- Although current Maryland law prevents the use of certain assets in determining eligibility, each hospital uses its own discretion to develop criteria for asset tests and service area boundaries. Service/geography tests allow hospitals to deny free or reduced cost care to income eligible patients that are outside of the hospital's service area. The result is that an income-eligible patient may receive free care at one hospital while being denied care at another hospital. Access to affordable care is currently conditioned upon where a patient becomes ill or has an emergency. This can lead to inequitable outcomes and disparities.
- Lastly, in Maryland the percentage of charity care applications denied by nonprofit hospitals ranges from 30% to a whopping 66.9%.

¹ Economic Action MD fact sheet, *Hospital Financial Assistance Policies: Ban Barriers to Charity Care for Eligible Patients*, <https://econaction.org/medical-debt-protections-maryland/>



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No patient who is income-eligible should be denied free or reduced-cost care, particularly when Maryland compensates hospitals to provide this care and [many hospitals fail to tap all their charity care each year.](#)

Reducing medical debt can directly impact household finances by helping to improve credit scores and access to credit for eligible patients. Since medical debt is disproportionately held among low-income communities, reductions in the burden of medical debt can help [improve the financial wellbeing](#) and health status of significant numbers of impacted Marylanders.

We ask for your support for HB328 and strongly urge a favorable Committee report.

Tazeen Ahmad
WDC President

Margaret Hadley
WDC Subcommittee on Health

Cynthia Rubenstein
Chair, WDC Advocacy