

Written Testimony in Support of HB328

Submitted by Jackie MacMillan

Maryland's tax-exempt nonprofit hospitals are required to provide "charity" care—free and reduced cost care to low and moderate income patients. Many of our hospitals deny charity care at high rates. These denials prevent people from getting needed care, and can cause devastating financial harm to sick people and their families.

This bill would eliminate two tests that are now used by some hospitals to disqualify patients from receiving charity care: a geographic test and an asset test.

The geographic test allows hospitals to exempt themselves from providing charity care to patients outside of their catchment areas. The patient could be someone who is otherwise income-qualified who has an accident while visiting family in another part of the state, for example.

The asset test exempts up to \$150,000 in equity in a primary residence, as well as certain other savings. Housing costs have skyrocketed: the median home price in Maryland was \$408,200 in September 2023, according to Redfin. Someone could have bought their home years ago, when it was worth a lot less, and lost their job due to illness. Or they may have already been struggling to pay bills and feed their kids. That is what people used to call "house poor."

There are many scenarios, but people living on low incomes are generally not wealthy. Let's not further burden people who are struggling with illness or disability, and struggling financially, by denying them care.