



NAACP

Maryland
STATE CONFERENCE

**HB 630 – Real Property – Contract Liens – Medical Debt
Judicial Proceedings
Position: Favorable**

February 16, 2024

The Honorable Senator Smith, Chair
House Office Building
6 Bladen St.
Annapolis, Maryland 21401

Honorable Chair Smith and Members of the Committee:

I am writing on behalf of the Maryland State Conference of the NAACP. We support Senate Bill 630 Real Property – Contract Liens – Medical Debt, which is currently before the Health & Government Operations Committee. We ask that all members of the committee support this legislation that bans the practice of placing a lien on someone's home because they sought medical for themselves or a loved one.

SB 630 removes the ability to collect a medical debt by placing a lien on a home. A patient's home should not be at risk because they or a loved one fell ill. Some private practices have even placed liens on homes for as low as \$180, placing the family at risk of losing their place to live. Many patients may have the ability to tap into their home equity to satisfy the medical debt, however, a lien will limit the ability of the homeowner to tap into their home equity. Limiting the ability to reach their home equity will substantially reduce the likelihood of the health provider collecting payment.

This bill builds on previous legislation that prohibits a lien on a patient that qualifies from free care from a non-profit hospital. If passed, Maryland will become part of a growing list of states that prohibit these types of liens, so let's stay on the right side of history.

Medical liens have a substantial impact on low-income patients which is of great concern to the Maryland NAACP. Most people sued for medical bills are low-income and people of color. This bill will protect low-income families with medical debt and protect patients' homes.

Destabilizing a patient's housing ensures that they will be less likely to pay judgments in the future.

For these reasons, we support SB 630 and strongly urge a favorable report.

In Service,

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Executive Director

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