

National Multiple Sclerosis Society
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Testimony in Support of SB 630: Prohibiting liens on owner-occupied residential property due to medical debt

Chair Smith, members of the Senate Judicial Proceedings Committee. I'm Shannon Wood with the National Multiple Sclerosis Society. Thank you for the opportunity to testify in support of SB 630, to prohibit liens on owner-occupied residential property due to medical debt.

MS is an unpredictable disease of the central nervous system. Currently, there is no cure. Symptoms vary from person to person and may include disabling fatigue, mobility challenges, cognitive changes, and vision issues. An estimated 1 million people live with MS in the United States, and early diagnosis and treatment are critical to minimize disability.

MS is a highly expensive disease, with the average total cost of living with MS at \$88,487 per year^[1]. Disease modifying therapies are the biggest cost of living with the disease, with individuals spending an average of \$65,612 more on medical costs than individuals who don't have MS. MS may impact one's ability to work and can generate steep out-of-pocket costs related to medical care, rehabilitation, home and auto modifications, and more.

Because of the chronic nature of the condition, people living with MS bear the financial burden of the disease for the duration of their lives. The high costs of living with MS can leave many affected by it at high risk for medical debt, often incurred through no fault of the individual's own and for medically necessary medications, services, and treatment. This can have an extensive and long-lasting adverse impact on the financial security of families affected by MS and may lead to losing one's home equity.

With her permission, I'd like to share the story of a woman I'll call T., who lives with MS in the DC suburbs. T. lost her job soon after being diagnosed with MS in 2012, and shortly thereafter her husband lost his job as well. Despite their financial setbacks, T. knew she needed MRIs in order to stay on top of her health and monitor her disease progression. T. would pray while walking into her appointments that they would not ask for payment up front, knowing she didn't have the means to pay for it but critically needed the care. Medical debt from her MS care continued to pile up and eventually, T. and her husband had no other options but to file for bankruptcy, losing their home in the process.

Since, they have worked hard and successfully improved their credit scores with no late payments, yet the impact of those medical debts on her credit remain, keeping T. from being able to qualify for better housing just last year. The apartment complex was able to use the 9-year-old bankruptcy on her credit report to disqualify them.

The Society strongly supports policies that minimize the impact of medical debt, including measures like SB 630, to prohibit liens on owner-occupied residential property due to medical debt. Thank you for the opportunity to offer this testimony in support and I'm happy to answer any questions you may have regarding the Society's position.

^[1] "B. Bebo et al. A Comprehensive Assessment of the total economic burden of multiple sclerosis in the United States. ECTRIMS 2021. 15, October, 2021.