

To the Senate Finance Committee,

My name is Alicia Puglionesi. I am a resident of Baltimore City and a PhD historian of medicine. I am writing to support the Medical Debt Protection Act SB514, which will prohibit medical debt lawsuits for \$1000 or under, require income-based repayment plans, and prevent wage garnishments and liens on homes over medical debt.

Health care in the United States has long been treated as a consumer good, yet we also find it morally unacceptable that people should die when they are unable to pay for lifesaving treatment. To manage this contradiction, the state of Maryland provides ample public subsidies to hospitals to cover the costs of uncompensated care. However, these funds are often not utilized for their intended purpose, and patients eligible for charity care are instead sued for medical debt and their wages garnished.

These practices are built upon historical foundations of racist and classist policy in health care, an industry which has framed the costs of treatment as an individual responsibility while demanding public responsibility for hospital construction, capital expenses, medical training, and much more. When hospitals claim a right to public support, government must enforce their corresponding obligation to serve the public in an equitable way, as when the Medicare legislation of 1965 was used to end racial segregation in hospitals. Using Medicare funding to force compliance with Title VI of the Civil Rights Act was, however, an incomplete strategy. Black communities continued to receive disproportionately fewer medical resources as income, zip code, and type of insurance became a functional proxy for race. Lawsuits for medical debt correspond to this pattern of persistent racial and class disparity, especially in Baltimore City.

These are structural problems with structural, rather than individual, solutions. In order to access free or discounted care, vulnerable patients have long had to submit to invasive surveillance of their personal lives, and to bear the significant administrative burdens of research, paperwork, litigation, and extended payment plans. As documented in the health policy research of Pamela Herd and Donald Moynihan, such administrative burdens are a significant barrier to care that disproportionately impact minority groups, the poor, and the elderly. When disadvantaged people are unable to navigate the process of eligibility determination and enrollment in a labyrinth of assistance programs, they incur debts that further erode their ability to obtain payment assistance and to meet future health care needs. Sociologists Susan Starr Sered and Rushika Fernandopulle describe this as the "death spiral."

SB514 addresses these historical inequities in two ways. It will significantly reduce the number of Marylanders caught in the death spiral by preventing lawsuits, wage-garnishing, and liens on homes. Second, it enforces the disbursement of public funds for the public benefit, an automatic safeguard against cases where administrative burden has prevented patients from accessing programs meant to assist them. It is the role of racially and economically just policy to redistribute burdens from poor individuals onto well-resourced institutions. As a medical historian who teaches and writes frequently about these issues, I believe that this is a much-needed step towards more equitable health care in the state.

I respectfully urge this committee to issue a favorable report on SB514, the Medical Debt Protection Act.

Sincerely,
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