



February 23, 2021

Maryland State Senate Finance Committee

SB 514: Health Facilities - Hospitals - Medical Debt Protection

Position: Favorable

Dear Chair Senator Kelley, Vice-Chair Senator Feldman, and Members of the Committee:

On behalf of Our Revolution Maryland, I am writing to express our strong support for SB 514.

This bill will protect low and middle-income households from punitive medical debt lawsuits.

Medical debt is created when hospitals overcharge for products and procedures at rates that are not covered by insurance. Patients are charged for this overage and hospitals sell the debt as a revenue stream. Over thirty percent of the entire MD State Budget goes to healthcare, and hospitals receive ample Maryland tax subsidies for low and middle-income households. These hospitals should be challenged if they are billing the Maryland Budget again for losses so perhaps double dipping into Maryland tax dollars. All the while, Hospital Executives traumatize patients and their families for medical bills less than \$1000. **When are patients or families given the list of costs per procedure and so they can make budgetary decisions in the medical moment? Or, before death? Is this life worth the \$10,000 procedure knowing the medical debt can't be repaid? This process is cruel and inhuman in Maryland and America.**

This bill will prohibit medical debt lawsuits for \$1000 or less, require income-based repayment plans, and prevent wage garnishments and liens on homes and cars over medical debt. **This does not mean we support lawsuits for greater than \$1000.** No one should have to choose between health and their home or car because they were sick. We can't deny COVID -19 has made this legislation even more necessary without universal healthcare. Without universal healthcare like single payer in the Healthy Maryland Program HB534 or Medicare for All, the global pandemic has documented the racism in the US Healthcare system, and the predatory behavior that pushes patients and families into medical debt, healthcare bankruptcy or even death, all of which happen in Maryland because of the lack of laws to protect patients and are unique to America.

We also can't deny that the potential of medical debt prevents sick people from seeking help. Without access to universal healthcare, how can we ask Maryland children go back into the

classrooms knowing that they might bring COVID-19 home from school that could cause medical debt, bankruptcy, or worse kill their family members? This is a cruel choice that politicians and Healthcare Executives are forcing families and children to make in a global pandemic in Maryland and across America.

We respectfully urge the Committee to issue a favorable report on the Medical Debt Protection Act with no changes. Thank you.

Sincerely,

Chrissy Holt
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