

Medical Debt Protection Act / HB565
Official Testimony
Position: **FAVORABLE**

To the House Health & Government Operations Committee,

My name is Carl Ehrhardt, and I'm a Baltimore City resident and a member of the End Medical Debt Maryland Coalition. I support the Medical Debt Protection Act (HB565/SB514).

This bill will protect low and middle-income households from punitive medical debt lawsuits. It 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. I believe that passing this bill is essential because medical debt lawsuits often undo the healing that hospitals are supposed to provide.

Take the example of Lakesha Spence, whose story was featured in the May 17, 2019 Baltimore Sun Article, "Johns Hopkins Hospital sues patients, many low income, for medical debt" and who was a client of Maryland Legal Aid where I work as an attorney. Johns Hopkins sued Ms. Spence, who lived near the hospital and was treated there on an emergency basis for depression, and then later for childbirth, for approximately \$5000 in medical bills. Hopkins froze her checking account such that her paychecks from a \$15/hour security guard job were immediately seized and she suddenly had no money to buy food or diapers for her three year old son.

With the help of Maryland Legal Aid, she was able to file a motion to exempt her bank account from further garnishment. Hardworking, low-income people like Ms. Spence often do not have the time, knowledge, or energy (especially if they are sick) to understand that they may be eligible for charity care from hospitals like Hopkins. Moreover, these debts and lawsuits related to them, can perpetuate the cycle of poverty by destroying people's credit ratings, making it hard for them to obtain housing, employment and loans. And in Ms. Spence's case, Hopkins's harsh actions made her depression even worse and likely made her afraid to seek care in the future - contradicting the medical profession's oath to first do no harm.

This bill will help protect patients like Ms. Spence by ensuring she is informed of her opportunity to apply for charity care, maintaining the option to apply for charity care, even during later collections actions, avoiding unnecessary harm to her credit, and limiting repayment options to a manageable portion of her income. I respectfully urge this committee to issue a favorable report on the HB565/SB514, the Medical Debt Protection Act.

Sincerely,

Carl Ehrhardt
Legislative District 43