

Testimony on HB 694 Hospitals - Financial Assistance - Medical Bill Reimbursement Position: FAVORABLE

Chair Kelley and Members of the Senate Finance Committee:

My name is Malcolm Bates, and I'm a resident of Baltimore City. I am writing today in support of House Bill 694-the Medical Bill Reimbursement Act, and I submit this testimony on behalf of Progressive Maryland. Progressive Maryland is a statewide nonprofit advocacy organization promoting racial, social, economic, and environmental justice. With over 120,000 individual members, supporters, and organizational affiliates statewide, we are leading the fight for progressive change in Maryland through grassroots organizing, public education, and legislative advocacy.

HB694: Hospitals - Financial Assistance - Medical Bill Reimbursement will **rectify nonprofit hospitals' systemic overbilling of patients who should have received free healthcare by paying patients back; and hold hospitals accountable to their legal obligation to provide free healthcare to low-income Marylanders.** A recent study by the Health Services Cost Review Commission found that in the years 2017-2018, Maryland's nonprofit hospitals charged patients who should have received free healthcare 60% of the time; totaling an estimated \$60 million per year that was wrongly taken from patients.

Progressive Maryland supports this bill because medical debt is a Racial Justice Issue. 27.9% of Black households have medical debt, compared to 17.2% of white households nationwide. 50% of Black households were unaware of hospital financial assistance compared to 29% of white households. Providing the refunds outlined in this bill would be a small start in addressing a systemic problem in Maryland's healthcare system.

HB694 will establish a process requiring state agencies and the Comptroller to identify patients who were wrongly charged, and refund those patients the amount that they overpaid. The legislation protects patients privacy in accord with HIPPA and establishes a process to safely reach out to patients who use an alternate address. HB694 covers patients who were wrongly charged between 2017-2021, and requires progress reports to this committee and the House Health & Government Operations Committee.

I respectfully urge this committee to fight for Maryland's low-income patients by **issuing a** favorable report with NO weakening amendments on HB 694.

Sincerely,

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