

Maryland PIRG

Maryland Public Interest Research Group

HB694:Hospitals - Financial Assistance - Medical Bill Reimbursement
Health and Government Operations Committee

March 2, 2022

Position: FAVORABLE

To Chair Pendergrass and the House Health & Government Operations Committee:

Maryland PIRG is a state based, small donor funded public interest advocacy organization with grassroots members across the state. For fifty years we've stood up to powerful interests whenever they threaten our health and safety, our financial security, or our right to fully participate in our democratic society.

Maryland PIRG supports HB694, because it establishes an important remedy for patients who were illegally billed by hospitals which violated their obligation to provide free medical care in 2017 and 2018.

As documented in the 2021 [Maryland Health Services Cost Review Commission report](#), Maryland hospitals collected an estimated \$60 million from patients who should have received free medical care in 2017 and 2018. This type of aggressive billing practice must be stopped.

The remedy provided for in HB694 will help restore needed funds back to very patients who should never have been billed in the first place. The state has the ability to identify those who paid those illegal medical charges and this bill will set up a system to notify eligible patients how to apply for a refund. Hospitals which inappropriately sought and received payment from patients with income under 200% of the federal poverty level should return that money to these families who are likely still in a precarious financial situation. We will likely never know the long-term consequences of families who had to make difficult decisions to pay these prohibited charges, but certainly if the state and hospitals have the information and ability to return the funds, they should.

Equally important is the standard and tone that this bill will establish. By requiring hospitals to refund the money they should not have collected, the law will demonstrate that the state is taking this matter seriously. Providers in Maryland will know that they can no longer pursue unfair billing practices without consequences.

It is not often that the government has a method to amend abuses from unfair and illegal billing scams. But in this case, we have the information and the mechanism to do so.

We recommend this committee to demonstrate its commitment to Maryland patients by issuing a favorable report with NO weakening amendments on HB694.

*Emily Scarr, Maryland PIRG Director
Patricia Kelmar, U.S.PIRG Health Care Campaigns Director*