



SB 404 - Hospitals - Financial Assistance - Medical Bill Reimbursement Process
Senate Finance Committee
February 23rd, 2023
SUPPORT

Chairwoman Griffith, Vice-Chair and members of the committee, thank you for the opportunity to submit testimony in support of Senate Bill 404. This bill will create a process in which low-income Marylanders that paid for medical care that should have been free, receive a reimbursement.

The CASH Campaign of Maryland promotes economic advancement for low-to-moderate income individuals and families in Baltimore and across Maryland. CASH accomplishes its mission through operating a portfolio of direct service programs, building organizational and field capacity, and leading policy and advocacy initiatives to strengthen family economic stability. CASH and its partners across the state achieve this by providing free tax preparation services through the IRS program 'VITA', offering free financial education and coaching, and engaging in policy research and advocacy. **Almost 4,000 of CASH's tax preparation clients earn less than \$10,000 annually. More than half earn less than \$20,000.**

CASH is a member of the End Medical Debt Maryland Coalition, and we support Senate Bill 694.

Last year, the legislature passed HB 694 in response to a shocking report that Maryland hospitals collected an estimated \$60 million from patients who should have received free medical care in both 2017 and 2018. These numbers were uncovered by the Health Services Cost Review Commission (HSCRC) in an analysis produced last year as a requirement of legislation passed by this committee in 2020. HB 694 required HSCRC to convene a workgroup of all stakeholders to figure out the best process for refunding patients while also maintaining patient privacy and ensuring safe addresses were used for survivors of intimate partner bias. The workgroup met throughout the fall and there was a consensus among all parties that patients should be refunded.

This year's bill will implement the best process to refund patients. The bill also provides support to assist affected consumers through the Office of the Attorney General and requires a report on progress to the General Assembly.

Many low-income patients cannot afford insurance and must pay out of pocket for any medical procedure or visit. Hospitals have financial incentives, provided by the state, so they can provide medical care to low-income patients at free or reduced rates. However, Maryland hospitals have filed lawsuits against their low-income patients when they incorrectly charged them for services. SB 404 ultimately puts hard-earned cash back in the hands of low-income Marylanders who were wrongly sued by the hospitals. This bill gives hospitals the chance to reimburse their low-income patients and make things right.

Thus, we encourage you to return a favorable report for SB 404.

Creating Assets, Savings and Hope