

Testimony to the House Health & Government Operations Committee
HB673 Real Property-Contract Liens-Medical Debt
Position: Favorable

February 14, 2024

The Honorable Joseline Pena-Melnyk, Chair
Health & Government Operations Committee
Room 241, HOB
Annapolis, MD 21401
cc: Members, Health & Government Operations Committee

Honorable Chair Pena-Melnyk and Members of the Committee:

Chair and Members of the Committee,

I am writing today in strong support of HB673.

HB673 bans the practice of placing a lien on someone's home for a medical debt. The principle behind the bill is simple: no one should face a lien on their home because they sought medical care for themselves or a loved one.

Maryland nonprofit hospitals have sued low-income patients for medical debt including those who should have received free care. In fact, over a nine-year period, nonprofit hospitals placed liens on more than 4000 Maryland households¹. The majority of households that were sued for debt were located in low-income communities of color.

At the same time, outpatient services, dental, diagnostic and private practice medical care are a source of unaffordable medical debt for many Maryland households. Patients report that 44% of medical debt comes from an outpatient visit². The costs for these treatments are rising, in part due to the role of private equity which is purchasing practices, raising rates and reducing staffing and overhead costs. Similarly, these practices have sued and placed liens on patients' homes.

A lien makes it difficult to secure credit, refinance, or lower mortgage payments which harms patients' financial security, particularly low-income households and those in communities of color.

HB673 simply removes the ability to collect a medical debt by placing a lien on a home. Someone's home, their equity, should not be at risk because they or a loved one fell ill.

For all these reasons, I urge a favorable report on HB673.

Sincerely,
Michael Lent
District 08
2504 Creighton Ave Parkville MD 21234

¹ <https://www.nationalnursesunited.org/preying-on-patients>

² September 2023 Gonzales Poll Commissioned by Economic Action Maryland (then Maryland Consumer Rights Coalition)