



Auto Consumer Alliance

13900 Laurel Lakes Avenue, Suite 100
Laurel, MD 20707

Testimony to the Senate Finance Committee
HB 694 – Hospitals – Financial Assistance – Medical Bill Reimbursement
Position: Favorable

The Honorable Delores G. Kelley
Senate Finance Committee
3 East, Miller Senate Building
Annapolis, MD 21401
cc: Members, Senate Finance Committee

March 30, 2022

Honorable Chair Kelley and Members of the Committee:

I'm a consumer advocate and Executive Director of Consumer Auto, a nonprofit group that works for safety, transparency, and fair treatment for Maryland drivers and car buyers.

We support **HB 694** because it would give lower-income consumers who should have qualified for free hospital care from 2017 through 2021 fair reimbursement for burdensome medical bills that they really should never have been issued.

As someone who has worked in consumer advocacy in Maryland for the last decade, I am well aware of the huge burden the high cost of medical care often puts on low- and middle-income families. Sadly, as is well known, an unexpected serious illness or emergency surgery can often cause financial ruin or bankruptcy even for a middle-income family or individual who has reasonably good medical insurance.

I was very pleased to see the legislature pass landmark legislation last year that will prevent hospitals from putting liens on homes or garnishing the wages of those who qualify for free or lower-cost health care as a result of medical bills and take other steps to protect families against medical debt. But troubled to learn from the Health Services Cost Review Commission's Feb. 2021 report that hospitals had charged improperly charged lower-income consumers an estimated \$60 million/year in both 2017 and 2018 for care they should have received for free.

Since medical bills and the rules about who qualifies for free or reduced-cost care are complex and little understood by many consumers, most of those stuck with such bills are surely unaware that they were improperly charged. **HB 694** will make sure those lower-income individuals and families who should have qualified for free care from 2017 to 2021 will get the reimbursements they need and deserve. With many of these families now living paycheck-to-paycheck and struggling to meet rising costs, those refunds will no doubt help many families keep the lights on, keep food in their cupboards, and gain a little bit of economic security.

Our laws make lower-income people eligible for free care because we know the high cost of care is unsustainable for many families. This bill will help thousands recover from such costs.

We support HB 694 and ask you to give it a FAVORABLE report.

Sincerely,
Franz Schneiderman
Consumer Auto