

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

Chair Kelley and Members of the Senate Finance Committee:

My name is Michael Dalto and I'm a resident of Baltimore City. I am writing today in support of House Bill 694-the Medical Bill Reimbursement Act.

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.

I formerly worked for a state program that provides low-interest loans to Marylanders with disabilities to buy technology to enable them to live more independently. I reviewed hundreds of credit reports for loan applicants. Very many included collections and judgments for hospital debt, and many of the customers with hospital debt had incomes under 200% of the federal poverty level. This means they should have qualified for free care for which hospitals were reimbursed by public dollars. It's outrageous that hospitals would abrogate their obligation to screen patients for financial assistance eligibility and provide financial aid, particularly since the hospitals did not even bear the cost. Maryland hospitals stole \$60 million per year from their poorest patients. The General Assembly must ensure these patients are reimbursed and that hospitals never again exploit people they are supposedly committed to healing. HB 694 will make patients whole.

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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