



## Auto Consumer Alliance

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**Testimony to the House Health and Government Operations Committee  
HB 694 – Hospitals – Financial Assistance – Medical Bill Reimbursement**

**Position: Favorable**

The Honorable Shane Pendergrass  
House Health and Government Operations Committee  
251 Lowe House Office Building  
Annapolis, MD 21401  
cc: Members, House Economic Matters Committee

March 2, 2022

**Honorable Chair Pendergrass 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 health care in 2017-18 the opportunity to get reimbursement for the burdensome medical bills they were improperly 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. Yet I was 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 take important steps to make sure those people are notified that they should NOT have faced those bills and informed about how they can seek a refund. That will give them a fair opportunity to get reimbursement.

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

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

Sincerely,

Franz Schneiderman  
Consumer Auto