



Maryland
Hospital Association

February 16, 2024

To: The Honorable William C. Smith Jr., Chair, Senate Judicial Proceedings Committee

Re: Letter of Information - Senate Bill 630 - Real Property - Contract Liens - Medical Debt

Dear Chair Smith:

On behalf of the Maryland Hospital Association's (MHA) member hospitals and health systems, we appreciate the opportunity to comment on Senate Bill 630. Maryland hospitals have only one core mission: to provide the best patient care possible. Hospitals believe every person should receive the care they need without financial worry or hardship. They care for every person who comes through their doors—regardless of ability to pay—and make every effort to inform patients about available financial assistance, including free or reduced-cost care. That includes helping patients enroll in Medicaid or other insurance options and to set up reasonable payment options when needed. Over the past four legislative sessions, the General Assembly strengthened Maryland's already robust requirements around financial assistance and billing.

Hospitals do not place liens on a patient's primary residence to collect debt owed on a hospital bill. We appreciate the sponsor's recognition that a patient may incur medical debt from a variety of care settings. However, there is already a definition for "medical debt" in Maryland statutes at Health – General, § 19-214.1.¹ While that definition is limited to medical debt from hospitals, we suggest that any future definitions on medical debt use the structure of the existing language. Particularly, we are concerned the proposed definition of "medical debt" in SB 630 does not address instances where the patient's provider believes the services are medically necessary, but the patient's insurer denies coverage.

For more information, please contact:
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¹ Health – General, § 19-214.1(a)(3) defines "medical debt" as "out-of-pocket expenses, excluding co-payments, coinsurance, and deductibles, for medical costs billed by a hospital."