



The Office of State Representative Jeffrey Sánchez

The State House | Boston, MA 02133
Phone: (617) 722-2130 | Fax: (617) 722-2002

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CONTACT:

Torey Lipscomb
(617) 722-2130

REPRESENTATIVE SÁNCHEZ TESTIFIES ON MEDICAL DEBT BILL

Representative Jeffrey Sánchez testifies to the Health Care Financing Committee on bill that would reduce patient medical debt in the Commonwealth

BOSTON—Representative Jeffrey Sánchez, co-chair of the Committee on Public Health, testified today before the Health Care Financing Committee on House Bill 2780, “An Act preventing unnecessary medical debt.” Sponsored by Representative Sánchez, the bill addresses rising medical debt among residents of Massachusetts and the resulting difficulty to access care.

“Not only does this inability to access care affect the health of these residents, it will also worsen as costs continue to rise,” Sánchez said. “It is important to ensure that not only do residents have coverage, but that they are not limited in obtaining care due to inhibitory cost sharing measures.”

Currently, almost a quarter of Massachusetts residents are unable to access care due to cost while 18% report trouble paying medical bills. For many, this leads to discontinuous care and inadequate clinical follow up, which can lead to higher health care costs and spending.

In an effort to address these issues, this bill encourages manageable payment plans for patients that are interest free and meet certain monthly income requirements. Other patient safeguards require providers to wait 150 days before reporting medical debt to consumer credit reporting agencies or filing a civil action against the patient; a medical bill audit to determine patient eligibility for any available discount or charity care programs; and required notification of out-of-network providers prior to providing care. These measures better equip patients to settle debts and ensure providers receive more timely payment. This legislation would also establish a study on coverage gaps among publicly funded forms of health insurance. Once sources of coverage gaps and lapses are identified and remedied, residents will become consistently covered and the negative effects undue medical debt creates will be limited.

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