



## **Testimony in Support of HB 3076**

**Submitted by: Grayson Dempsey, Executive Director  
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Chair Salinas and Members of the House Committee on Healthcare:

As advocates for reproductive justice, NARAL Pro-Choice Oregon understands the importance of ensuring that all Oregonians are able to access high quality, affordable healthcare. On behalf of NARAL Pro-Choice Oregon, I respectfully request that the committee pass H.B. 3076 to ensure that non-profit hospitals provide transparent, consistent, charity care and that our most vulnerable Oregonians are able to receive care without being subject to predatory debt collection practices.

NARAL Pro-Choice Oregon is dedicated to developing and sustaining a constituency that uses the political process to guarantee every woman the right to make personal decisions regarding the full range of reproductive choices, including preventing unintended pregnancy, bearing healthy children, and choosing legal abortion. Reproductive justice is inherently tied to economic justice - when women are able to access high quality, affordable healthcare, they are better able to make the best decisions for themselves and their families.

Hospitals provide charity care for low-income patients who would otherwise have a hard time paying high costs for medical care. In Oregon and around the country, women are more likely than men to live in poverty, especially if they have children. That means shrinking charity care is particularly hard on women. Most low-wage workers are women, and low wage jobs are less likely to have health care benefits. In Oregon, many of those low wage jobs are at hospitals - thousands of hospital employees are enrolled in SNAP and the Oregon Health Plan.

Between 2008 and 2017, Oregon hospitals reported over \$6.1 billion in net profits. Almost all those hospitals are tax-exempt nonprofits. Tax exemptions worth millions of dollars are bestowed on hospitals because of the supposed benefit that the hospital provides to a community, but most of the community benefit that hospitals claim is just the difference between their inflated prices and what Medicaid and Medicare agree to pay. The amount of charity care provided by hospitals - medical care provided with no expectation of payment - has also significantly decreased across our state.

While hospital profits soared, their charity care plummeted. From 2010 to 2013, Oregon hospitals averaged \$808 million worth of charity care every year. Over the next four years, from 2014 to 2017, charity care dropped almost in half, down to \$414 million. Oregon's Medicaid expansion under the Affordable Care Act got health insurance for hundreds of thousands of Oregonians. With so many more people insured, hospitals receive payment for more of the medical care that is delivered.

Health insurance is expensive, and for most people insurance doesn't cover all the costs. Those costs can be a real barrier to accessing care, and unfortunately, when patients can't pay, hospitals often hire predatory debt collectors who drive patients into bankruptcy. Bankruptcy can make it harder to secure housing, a job, or a credit card, making vulnerable families even more vulnerable. These costs also have a disproportionate impact on women.

Medical debt is the leading cause of personal bankruptcy. A study of recent bankruptcies in Lane County found that 72% involved medical debt, and that 57% of that medical debt was owed to Oregon hospitals and their associated health systems.<sup>1</sup> Hospitals even hounded their own employees into bankruptcy, over debt from procedures done at the hospital.

Anyone can get sick and need medical care, but many Oregonians are forced to make tough choices when faced with an unexpected medical expense. Even a bill of a few hundred dollars can have catastrophic consequences. About 40% of the people in the country can't cover an unexpected \$400 expense without borrowing money or selling something.<sup>2</sup>

Hospitals receive tax breaks for charity care to ensure that the most vulnerable Oregonians are able to receive the care that they need. It is time that we make sure that all Oregonians, regardless of their circumstances, are able to receive high quality, affordable healthcare without having to make difficult sacrifices and without fear of bankruptcy. HB 3076 will put an end to predatory debt collection practices and ensure that all Oregonians to receive transparent, consistent, charity care. I urge you to pass this important bill.

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<sup>1</sup> In the Red for a Hospital Bed: Medical Debt and Household Bankruptcies Snapshot Lane County, Oregon (2016)

[https://drive.google.com/file/d/1Xxsxg31\\_ZrBfCMLYCSPh\\_CySsDYFWoJ/view?usp=sharing](https://drive.google.com/file/d/1Xxsxg31_ZrBfCMLYCSPh_CySsDYFWoJ/view?usp=sharing)

<sup>2</sup> <https://money.cnn.com/2018/05/22/pf/emergency-expenses-household-finances/index.html>