

January 29th, 2025

Re: Vote YES on SB 605

Chair Taylor, Vice Chair Bonham, and Members of the Senate Committee on Labor and Business:

Project Access NOW (PANOW) is a community-based organization providing access to health care and health-related resources for underserved communities in the Portland metro region and across Oregon. We're writing today to encourage you to **do the right thing for Oregonians and vote YES on SB 605: Ending Credit Reporting on Medical Debt.**

The individuals PANOW serves are either uninsured or access health insurance via assistance programs; a population for whom unexpected out-of-pocket medical expenses can be life-ruining. Here's what we know about medical debt and its connection to community health:

- Nearly one in three Oregonians have been forced to take on medical debt for routine and emergency care within the past two years.
- The fear of medical debt disincentivizes utilization of medical services.
- When people avoid seeking needed care out of debt anxiety, population health suffers, placing a higher burden on the state.
- Beyond the immediate financial and health impacts of medical debt, matters are made worse for patients when their credit is affected. **A simple medical procedure that results in medical debt can quickly turn into a barrier to accessing housing, a job, a loan to purchase a car to get to and from work, or even funding for higher education.**
- Medical debt for patients is often the result of extended appeals or dispute processes between insurers and health care facilities. While these disputes are active, the provider bills the patient for the full cost of the services, even though it's likely that the insurer will end up covering some or all of the bill in the future.
- Bills that are temporary and will likely ultimately be covered by an insurer should not appear on credit reports, and **medical debt of this or any nature does not predict ability to pay future bills.**
- The impacts of medical debt create disproportionate harm in historically marginalized communities (BIPOC, LGBTQIA+, immigrants and refugees, etc.).

SB 605 seeks to protect Oregonians by:

- Prohibiting debt collectors, hospitals, and other reporting entities from reporting medical debt to credit reporting agencies
- Removing existing medical debt from credit reports including those used for employment and tenant screening
- Stopping reporting on medical credit cards



Oregonians shouldn't have their ability to seek housing or employment threatened by the impacts of seeking routine or emergency health care. Do the right thing for the people of Oregon and **vote YES on SB 605.**

Thank you,

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