

Oregon House Committee on Health Care  
900 Court St NE  
Salem, OR 97301

**RE: HB 4040 - Oppose unless amended - Hospital Charity Care**

Chair, and members of the committee,

I am Adam Zarrin on behalf of Blood Cancer United, formerly the Leukemia & Lymphoma Society. Blood Cancer United® (formerly The Leukemia & Lymphoma Society) is the largest global nonprofit focused on blood cancer patient support, research and advocacy. The organization's mission is to cure blood cancer and improve the quality of life of all patients and their families

**We oppose HB 4040 unless it is amended to remove section 1.**

Hospital financial assistance, also known as charity care, is a vital lifeline that ensures Oregonians – particularly patients with serious and chronic illnesses such as blood cancers – can access necessary healthcare without incurring the burden of medical debt and its devastating financial and health consequences. Blood cancer patients often require immediate hospitalization, frequent inpatient and outpatient services, and prolonged courses of treatment, making consistent access to hospital care essential to survival and long-term outcomes.

**Healthcare costs remain a leading reason patients delay or skip treatment.** A national survey by the Urban Institute found that nearly 3 in 4 adults with past-due medical debt owed some or all of it to hospitals. <sup>1</sup> A similar story unfolds in Oregon. 1 in 3 people surveyed reported living in a household with medical debt – and 4 in 10 reported that debt came from a hospital visit. <sup>2</sup> They also reported skipping doctors' appointments or trouble affording the out-of-pocket costs for a visit 40% of the time. 4 in 10 cancer patients delay or skip treatment because of cost.<sup>3</sup>

As federal policy changes result in significant restrictions to Medicaid and Exchange Marketplace eligibility, threatening the loss of individual insurance subsidies for hundreds of thousands of families, these risks will only increase alongside uninsurance rates. Blood cancer patients are uniquely vulnerable to

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<sup>1</sup> <https://www.urban.org/research/publication/most-adults-past-due-medical-debt-owe-money-hospitals>

<sup>2</sup> <https://ocj.org/news/medical-debt-creates-hardship-nearly-third-oregonians>

<sup>3</sup> <https://pubmed.ncbi.nlm.nih.gov/29261440/>

coverage disruptions, as treatment-related side effects often interfere with employment and income stability. These impacts will be felt disproportionately among those in historically marginalized communities, where Respondents of Color also reported higher rates of rationing medication due to cost and problems receiving behavioral healthcare compared to white, non-Hispanic respondents.<sup>4</sup> For blood cancer patients, delaying or interrupting treatment because of cost concerns can directly jeopardize treatment effectiveness and survival.

**Strong charity care rules will protect families from going into debt.** First, screening those in means-tested programs and immediately determining their eligibility for charity care means that those most vulnerable to economic instability are shielded from incurring debt. For patients diagnosed with blood cancer, this early screening can mean the difference between timely access to lifesaving hospital-based care and financial distress at the outset of treatment. Families should never fear an emergency room visit solely because of the financial consequences. Second, a patient with high or unexpected medical expenses who meets the income eligibility criteria for charity care must have a clear and expedited path to free or discounted care. Blood cancer treatment frequently involves repeated hospital encounters over many months, making predictable access to financial assistance essential.

A CBS News investigation found that over 400 nonprofit hospitals nationwide attempted to collect more than \$800 million annually from patients who would qualify for charity care.<sup>5</sup> This practice disproportionately affects patients with complex, unavoidable conditions such as blood cancer, where care is overwhelmingly hospital-based. That is why Oregon was a leader in creating one of the country's most robust hospital financial assistance programs.

**The financial landscape is changing, but it cannot be achieved solely at the expense of the lowest-income patients.** We recognize that hospitals, providers, and patients are all entering uncertain financial times. However, we are concerned that changing the presumptive eligibility screening requirements from \$500 to \$1,500 at this time is premature and will leave many Oregon families with the bill, particularly those coping with intensive cancer treatment and substantial out-of-pocket costs. \$500 is already more than many Oregonians can afford, as 1 in 3 could

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<sup>4</sup> <https://healthcarevaluehub.org/chess-state-survey/oregon/2024/oregon-survey-respondents-struggle-to-afford-high-health-care-costs-worry-about-affording-health-care-in-the-future-support-government-action-across-party-lines/>

<sup>5</sup> <https://www.cbsnews.com/door/nonprofit-hospitals/>

## Blood Cancer United

not pay for an unexpected \$400 bill.<sup>6</sup> For blood cancer patients facing cumulative costs from treatment, medications, transportation, and lost income, even relatively small bills can quickly become barriers to care.

A report from last year found that Oregon hospitals reduced their spending on charity care for the first time in a decade. The Oregon Health Authority reported total community benefit spending fell to \$2 billion in 2023 – nearly \$192 million less than in 2022, an 8.7% decline.<sup>7</sup> Furthermore, spending on charity care declined by 17.3% from its peak in 2020, despite the state's expansion of eligibility in 2023.<sup>8</sup> In fact, when reviewing Oregon Health Authority data, charity care spending helps hospitals maintain financial health by reducing the amount of bad debt they are carrying on their books.<sup>9</sup>

**Hospitals themselves say that their screenings are accurate 85% of the time.**<sup>10</sup> They are not *required* to use any third-party screening tool. The existing regulations simply require hospitals to have a process to prescreen patients and list third-party commercial databases as one of the many tools they *may* use to ensure compliance.<sup>11</sup> Concerns about the efficacy of charity care in Oregon should not focus on who qualifies, but rather on a targeted conversation about how to improve the quality of the data hospitals use to screen individuals for charity care. This is especially important for blood cancer patients, whose income and employment status often change rapidly following diagnosis.

Although not required by law, the current electronic screening tools available often rely on census data to determine an individual's income and household size. We agree with the hospitals that the accuracy of screenings should be 100% while still protecting patient data privacy. Improving the precision of these tools is a more effective approach than narrowing eligibility for patients facing serious and

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<sup>6</sup> <https://www.oregonlive.com/business/2025/09/a-third-of-oregonians-say-they-couldnt-cover-a-400-emergency.html>

<sup>7</sup> <https://www.oregonlive.com/health/2025/02/nonprofit-oregon-hospitals-spent-less-on-charity-care-community-benefits-in-2023.html>

<sup>8</sup> Et al.

<sup>9</sup> <https://visual-data.dhsoha.state.or.us/t/OHA/views/Databankdashboard/QuarterPercentages?%3Aembed=y&%3Aiid=2&%3AisGuestRedirectFromVizportal=y>

<sup>10</sup> <https://www.oregon.gov/oha/HPA/ANALYTICS/HospitalReporting/Hospital%20Prescreening%20Implementation%20Interview%20Summary.pdf>

<sup>11</sup> OAR 409-023-0120

life-threatening illnesses. That is the solution we would encourage the Committee to consider as an alternative to changing pre-screening eligibility.

Oregon patients, consumers, caregivers, and their families rely on hospital financial assistance as a safety net to access the treatment they need and avoid medical debt. This is particularly true for patients living with blood cancer, for whom timely and uninterrupted access to hospital care is critical. We stand ready to work with the Committee and other stakeholders to explore alternative approaches to addressing the concerns raised by hospitals and health systems.

For these reasons, we oppose HB 4040 unless amended.

Thank you.