



#ENDMEDICALDEBT

February 14, 2024

Honorable Andrea Stewart-Cousins  
Senate Majority Leader  
907 Legislative Office Building  
Albany, NY 12247

Honorable Carl Heastie  
Speaker of the Assembly  
932 Legislative Office Building  
Albany, NY 12248

Dear Majority-Leader Stewart-Cousins and Speaker Heastie:

The organizations below write to thank you for your tireless leadership over the past three years in helping to relieve New Yorkers from the burden of medical debt and to ask you to continue to reform the hospital debt collection process in the FY25 Budget process.

Research indicates that over 740,000 New Yorkers have medical debt.<sup>1</sup> Since 2015, over 80,000 patients have been sued for medical debts by non-profit and state-run hospitals—despite these same hospitals receiving billions of dollars specifically for the purpose of offsetting their uncompensated care burdens.<sup>2</sup> Over a third of New Yorkers report that they have faced a significant financial hardship resulting from medical bills, such as being unable to pay for basic necessities, like food, heat, and rent. People of color, low-income people, and rural New Yorkers disproportionately experience medical debt.<sup>3</sup> Medical care is not a luxury, and it should never result in the financial devastation these patients experience. The statistics above reveal that reforming our State’s broken Hospital Financial Assistance Law is long overdue.

The organizations fighting to #EndMedicalDebt respectfully urge you to **adopt and improve upon Governor Hochul’s proposed FY25 budget provisions** reforming the State Hospital Financial Assistance Law by incorporating the following additional protections outlined in **S1366B|A6027A** (the Ounce of Prevention Act) and **A8170|S7778** (the Stop SUNY Suing Act) **into the one-house budget proposals:**

- Ban lawsuits against patients below 400% FPL from all hospitals AND ban the 5 State-operated hospitals from suing any patients.
- Require ALL charitable and governmental hospitals to follow the State Hospital Financial Assistance Law.
- Adopt a fair discount schedule for patients:
  - < 200% FPL no charge;
  - 200 - 400% FPL pay 10% of Medicaid rate;
  - 400 - 600% FPL pay full Medicaid rate.
- Forgive medical debt after years of payments.
  - Forgive medical debt after 36 payments (3 years) for patients with incomes between 200-400% of FPL.
  - Forgive medical debt after 60 payments (5 years) for patients with incomes between 400-600% of FPL.



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We also urge you to abate the medical expenses and debt incurred by people with diabetes by incorporating Governor Hochul’s proposal to ban cost-sharing for insulin for enrollees in State-regulated health insurance plans.

We are counting upon your continued leadership in the struggle to #EndMedicalDebt in New York. Thank you!

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<sup>1</sup> Karpman, Michael, et al. Urban Institute, 2023, *Medical Debt in New York State and Its Unequal Burden across Communities*, <https://www.urban.org/research/publication/medical-debt-new-york-state-and-its-unequal-burden-across-communities>.

<sup>2</sup> Community Service Society of New York, hospital debt map, available at: <https://www.cssny.org/campaigns/entry/end-medical-debt#research-pmdpa>; *An Ounce of Prevention: Reforming the Hospital Financial Assistance Law Could Save Pounds of Patient Debt*, April 2023.

<sup>3</sup> “Results from a Statewide Survey: How New Yorkers Feel about Affordability and Healthcare Reform,” Conducted for the Robert Wood Johnson Foundation by PerryUndem, March 2022, available at: <https://www.cssny.org/news/entry/new-statewide-survey-highlights-new-yorkers-concerns-about-healthcare-affor>.