

Dear Members of the Indiana General Assembly,

We all want to live in a state in which Hoosiers can receive health care without being overwhelmed by the cost. Since 2021, Indiana House and Senate leadership have been working to reduce health care costs in Indiana. **Senate Bill 317 and Senate Bill 337** are vital to this work as they prevent high medical costs, often resulting in medical debt, from harming Hoosiers' ability to meet their basic needs.

Across the state, Hoosiers are being forced to choose between physical and financial well-being. Sonya Paul from Muncie was diagnosed with breast cancer, after which she and her husband lost their home, and both filed for bankruptcy after having to spend all their retirement savings on medical bills. *"I think what is also hard is you realize you've had this American Dream, and it just gets snatched away from you so quickly. You are in poverty before you even realize it's coming."*

The unfortunate reality is that far too many Hoosiers struggle with medical bills and medical debt.

Consider:

- Nationwide, as many as 40 percent of adults are in debt because of medical or dental care (Kaiser Family Foundation, 2022).
- In Indiana, nearly one in five Hoosiers has medical debt in collections, totaling \$2.2 billion (Consumer Financial Protection Bureau, 2022; The Urban Institute, 2022).
- Among Midwestern states, Indiana has the highest share of its population with a medical debt in collections. It has the 11th highest share of its population with medical debt in collections nationwide.
- The percentage of Hoosiers with medical debt in collections underestimates the total number who struggle, as Hoosiers who are making payments or who paid medical bills with credit cards do not have medical debt that shows up on credit reports.

The consequences of medical debt affect us all:

-Medical debt reduces consumer spending, leading to skipped housing payments, food insufficiencies, and delayed or diminished consumer purchases.

-Overdue medical debt reported to credit bureaus damages credit scores, making it harder to access future credit, insurance, rentals, and jobs.

-Medical debt harms physical and mental health; Hoosiers delay seeking needed care for fear of adding more debt and experience increased stress and mental health challenges due to medical bills (Indiana Community Action Poverty Institute, 2022).

It is essential for Indiana to join the many states that are taking action to reduce the impact of medical debt on families' abilities to meet their basic needs.

Senate Bill 317 takes five important steps in this direction. It:

-Protects Hoosiers' wages, homes, vehicles, and credit scores while they are paying off medical bills

-Requires hospitals to ensure payment plans are affordable by capping maximum monthly payments at 5% of an individual's gross monthly income and allowing payment plans at minimum over a 24-month period

-Ensures hospitals develop and implement clear notification processes as to how a person can apply for charity care

-Limits the sending of medical debt to collections before offering to assess if the individual could be eligible for charity care and providing notice of their determination

-Requires that hospitals provide a good faith estimate of out-of-pocket medical costs for their medical needs

Additionally, **Senate Bill 337** further supports these efforts to help Hoosier families struggling with the burden of medical debt. It:

-Requires that hospitals who receive tax breaks such as non-profits and county hospitals who have an annual revenue of at least \$20 million, provide charity care to low- and moderate-income patients on a sliding scale.

-Ensures that there is a consistent application of charity care assessments across hospitals to standardize and simplify processes for accounting this sliding scale fee schedule

-Reaffirms that these hospitals have an operational responsibility to provide charity care

Indiana should be a place where the American Dream thrives and should be reflected in legislative actions. While more and more Hoosiers have struggled to afford basic needs amidst the cost-of-living crisis, healthcare continues to be a sticking point that families struggle to afford. Now more than ever, we need the legislature to stand by Hoosiers struggling with medical debt and make impactful changes to support Hoosier families.

We urge you to demonstrate your support for Senate Bill 317 and Senate Bill 337 by signing on as a coauthor.

Signed,

Organizations (22):

American Cancer Society - Cancer Action Network

Area Five Agency on Aging and Comm. Services

Citizens Action Coalition

Community & Family Services

Community Harvest Food Bank of NE IN Inc.

Concerned Clergy of Indianapolis

Covering Kids & Families of IN

Fair Housing Center of Central Indiana

Greater Indianapolis Multifaith Alliance (GIMA)
Homestead Resources
Hoosier Action
Indiana Association of Area Agencies on Aging
Indiana Coalition Against Domestic Violence
Indiana Community Action Poverty Institute
Indiana United Ways
Indy Hunger Network
Lafayette Urban Ministry
Leukemia and Lymphoma Society
National Association of Social Workers - Indiana Chapter
Prosperity Indiana
REAL Services
Skelton Township Trustee
United Way of Central Indiana
United Women in Faith of Indiana

Individuals (50):

Roshawn Neal, La Porte

Tish Pyritz, Marion

Kathy Clayton, Jennings

Joyce Fleck, Dubois: *"I shared my story at the Statehouse on 2/5/25."*

Emily Meyer, Dubois: *"I am a single mom. I have 3 biological children and a child that I took in about 4 years ago. So my family consists of 5 people depending on me with 1 income. I am a diabetic, I have been diagnosed with Hoshimotos, and also going through other medical issues that involve cancer cells that continue to develop in my body. Due to me being a diabetic and fighting an autoimmune disease, the rising cost of health care and the rising cost of food/utilities/clothing/necessities of life, I am currently working 3 jobs and barely making ends meet. When health issues comes up with me or even my children, I have to choose, Am I going to pay a bill, get medication or try or get the necessities? How can I do it all? I have had to put getting needed medication for several weeks so that I can provide for the needs over my family vs my kids. I have had medical bills turned over to collections because I couldn't pay a \$200+ bill as soon as we receive the bill. I get e-mails that cause all kinds of anxiety about how I owe this amount or that amount for my medical stuff, or medical stuff from my child that was in the ER 3 months ago and the pressure of trying to figure out how to balance it all. It is stressful. As parents, we put our lives on hold to provide or our kids. What happens then, is we are putting ourselves at risk for not being able to be there or help our children because we aren't taking care of ourselves. Health care is vital for not only medical but also mental health. The cost of everything is so overwhelming and causes families to really lose the safety and stability that is vital for life."*

Nona Baker, Dubois: *"My mother was self-employed and had minimal health insurance for most of her life. When she developed colon cancer, her insurance company dropped her and she could no longer find health insurance coverage. Using her savings, then credit cards for medical bills and medication, she was forced into bankruptcy. As she aged, and was*

diagnosed with diabetes, kidney disease, then breast cancer, her only option was Medicare and Medicaid. The toll the medical debt took on her health (physically, mentally, emotionally) were extreme.”

Shelby Dolley, Monroe

Cynthia Ridao, Pike

Dustin Michaels, Dubois

Larry Krauser, Marion: *“I have Kidney Failure & lung cancer. I have insurance but it doesn't cover everything. My medical costs keep rising each year. We need limits to these unjustified increases each year.”*

Andrew Bradley, Marion: *“My family fell into medical debt after I had cancer at the age of 20 and my father was hospitalized at the same time.”*

Lori Chambers, Hamilton

Rachel Cheeseman

Irma Boyett, Marion

Joanna Peak, Warrick

Barbara Wellnitz, Marion

George Slenski, Marion: *“We need to lower health care costs in Indiana I support senate bills 317 and 337.”*

Karen Kurfiss

Marie Morse, Tippecanoe

Charles LaDow, Cass

Alison Cole, Marion

Joseph Spoljaric: *“Diagnostic tests copays from Humana Medicare advantage overwhelming for TAVR and AAA Procedures had this past year 2024. Just liviing on Social Security. Fixed income!”*

Lisa Deak, Elkhart

Sheila Seiler, Warrick

Sabae Martin, Marion

Therese Reiter, Marion

Sara Bain, Marion

Ashley Hogue, Marion

Emily Burkhart

David Greene, Dubois

Pam Gabor, Lake

Emily Meyer, St. Joseph

Donna Mendenhall, Warrick

LaTonia Newhouse, Lake

Tammy DeWitt: *“I will start my letter off by saying my daughters' story doesn't exactly fit every category of Senate Bill 317. It does fit an area that I feel very deeply and concerned with. I want to speak on her behalf because medical bills, turning into a judgement has affected her credit and being able to obtain safe and sanitary housing because of this. A long story short, sadly she is no longer with us as of October 3, 2024. My daughter was diagnosed with mental illness at the age of 29 and she passed away at age 31. She had always worked and was a hard worker. Everything was just like any other middle-class family. We worked, paid our bills*

on time and enjoyed our family time and life in general. Following her mental illness diagnosis, she faced many challenges. Her first big challenge getting someone to accept her for treatment. Unless you could pay for the extremely high costs of 30-day treatment facilities which is what her illness required to become stable. Thankfully, her dad was able to cash in on his retirement and come up with the \$40,000.00 for her to receive the 30-day in-house treatment she needed. That was only the beginning of her treatment. After that it was several visits to the doctor or Emergency Room. The only way she could get help was to go to the Emergency Room until she was able to be seen by a psychiatrist, which had a very long wait list to get your first appointment. This process of going to the ER is what she was instructed to do until they could get her in for her first appointment. In return, she was receiving many charges for medical bills and was not offered any sort of payment arrangement, hardship request etc., only full payment. It was hard for her to work now due to the onset of her mental illness, but she always wanted to work and tried to work. Then her wages were garnished due to a judgement issued for a medical bill not being paid in full. She had to go to court before a judge and was issued the garnishment. I am proud of her bravery to do this considering her mental illness struggle she faced without being specific. This affected her credit. She had been living with me and was stable enough now to get her own place to live. She was working and tried to get an apartment. Due to the judgement on her credit, she was not accepted at the apartments that were safe and sanitary. She wanted to be on her own so bad that she had to lease an apartment in a neighborhood that was not as safe, and the unit was definitely not safe or sanitary. That is the sacrifice she had to make to live on her own because of the judgement that was put on her credit and not being able to pay her medical bills in full. I had family come in and help me get the apartment in better living conditions. We took the switch plates off one of the lights and found the wires were twisted together and covered with a band aid not a wire nut connector among many other issues we corrected as her family not by the landlord who didn't care, (another issue). If this bill had been in place my daughter could have had the option of a payment plan, been informed to apply or be reviewed for charity care program offered by the hospital. This could have prevented her credit having a judgement for medical and she could have been living in the place of her choice that was safe and sanitary. Adverse credit affects people in many different ways, but this is her story of how it affected her that I felt needs to be heard."

Casey Cornelius

Marilyn Kkuhn, Marion

Barbara Wellnitz, Marion

Jean Zajac, Lake: *"I volunteer with a local nonprofit that helps individuals who are struggling to make ends meet. We are seeing an increase in the neighbors in need who have had to seek assistance after encountering medical events that have burdened them with additional unexpected medical debt. This legislation is needed now more than ever."*

Michelle Carson, Miami

Nancy Walter, Lake

Don Hossler, Monroe

Deb Parent, Tippecanoe: *"I volunteer at Lafayette Urban Ministry's food pantry. We have had some clients talk about their financial struggles imposed on them due to serious illness. No income—can't pay medical bills—teetering on losing their home. They are literally limping in order to receive free food so they what little funds they have to keep their home."*

Tamara Cadle, Washington: *"I have so many medical bills on different things that have happened. I've been sued over them and actually am currently sending \$250.00 a month for a hospital bill that I was going to be sued over. I have another for \$50.00 a month and another for \$25.00 a month and another for dental work, which was a credit card I pay \$150.00 a month. I have a diagnosis of sleep apnea and have to use a bi-pap machine and supposed to have supplies every 3 months, however it is well over \$100.00 each time I get them, so I just don't. I am currently using a mask that is close to a year old, and I just put duct tape on it last night due to it starting to come apart. I have insurance through my employer which is reasonable \$168.00 a month but there is a \$3,000.00 co-pay before they cover stuff except, they do cover preventative procedures. Who has \$3,000 setting around? I will have to work until I fall over dead because I have no retirement it was all wiped out when I suffered a dissecting aortic aneurysm in 2012 and then another open heart less than a year later for aortic valve replacement. It is pitiful and ridiculous."*

Julie Beliles, Kosciusko

Joanna Woerner, Marion

Tricia Massa, Lake: *"Medical debt is a huge problem for people in our state and there is not enough transparency on the cost of hospital care or how to manage those costs. Hospitals must do more to cooperate with patients on their bills - especially non-profit hospitals or their protected tax status should be revoked. On top of that, patients cannot pay off debt if their credit score is affected and they cannot get a car or apartment due to a poor credit score. It results in a downward spiral and eventually homelessness. I support this legislation to address this ballooning problem in our state."*

Sabrina Glidden

Erin Macey, Marion

Bob Gump, Tippecanoe