



**Maine Medical
Association**



**TESTIMONY OF THE MAINE MEDICAL ASSOCIATION
AND
THE MAINE OSTEOPATHIC ASSOCIATION**

In Support Of

**LD 558- An Act to Strengthen Consumer Protections by Prohibiting the Report of
Medical Debt on Consumer Reports**

Joint Standing Committee on Health Coverage, Insurance, and Financial Services
Room 220, Cross Building, Augusta, Maine
Tuesday, March 25th, 2025

Good Afternoon, Senator Bailey, Representative Mathieson, and Members of the Joint Standing Committee on Health Coverage, Insurance, and Financial Services. My name is Anne Sedlack, and I am the Director of Advocacy at the Maine Medical Association. I am submitting this testimony in support of LD 558, An Act to Strengthen Consumer Protections by Prohibiting the Report of Medical Debt on Consumer Reports on behalf of the Maine Medical Association and the Maine Osteopathic Association.

The Maine Medical Association (MMA) is a professional organization representing more than 4,000 physicians, residents, and medical students in Maine. MMA's mission is to support Maine physicians, advance the quality of medicine in Maine, and promote the health of all Maine people. The Maine Osteopathic Association (MOA) is a professional organization representing more than 1,200 osteopathic physicians, residents, and medical students in Maine whose mission is to serve the Osteopathic profession of the State of Maine through a coordinated effort of professional education, advocacy, and member services in order to ensure the availability of quality osteopathic health care to the people of this State.

The MMA and MOA's legislative committees have joined to advocate with one voice in support of LD 558.

Physicians are professionals whose primary concern is the health and welfare of their patients. Most physicians provide medical services to patients regardless of their ability to pay. Still, a medical practice is also a business with its own financial commitments, so it may have to pursue collection efforts against a patient. Yes, we still support this legislation because of the following reasons.

In 2023, the Maine Medical Association issued a statement on healthcare reform in which we noted that despite sustained efforts by physicians and other healthcare workers, our

system fails patients and physicians in a multitude of ways.¹ The lack of consumer protections regarding medical debt is one such failure.

Currently, medical debt makes up the majority of all debt in collections on consumer credit reports.² This is especially true in Maine, with 15% of all Mainers having some medical debt in collections and an upward of 23% of residents in Somerset, Kennebec, and Sagadahoc counties, compared with 11% nationwide.³ An estimated half of all consumers with larger collections amounts still have them on their credit reports. This will impact their ability to receive a loan, take out a credit card, purchase a vehicle, or rent or buy a home.

In that same statement on healthcare reform, we declared that action should be taken immediately to create a system that provides access to health care for all (as a public good), contains costs, eliminates health disparities, and ensures a robust public health system. LD 588 helps to do this by addressing the outsized role medical debt plays in keeping Mainers from accessing economic security by prohibiting the reporting of medical debt on a consumer's credit report by a consumer reporting agency. This allows Mainers to seek care when needed and not avoid it out of fear of medical debt impacting a significant event that could help guarantee stability, such as purchasing a house or acquiring a necessary loan. For these reasons, we support LD 558.

Thank you for considering the thoughts of Maine's physicians and public health community about LD 558. We urge you to support this bill.

Thank you,

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https://mainephysicians.org/wp-content/uploads/2024/08/statement_hcr_mma_board_adopted_6_7_23_FINAL.pdf.

²https://files.consumerfinance.gov/f/documents/cfpb_market-snapshot-third-party-debt-collections-tradelines-reporting_2023-02.pdf

³ <https://apps.urban.org/features/debt-interactive-map/?type=medical&variable=medcoll&state=23>