



Senator Joe Baldacci

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Good morning Senator Bailey, Representative Mathieson, and esteemed members of the joint Standing Committee on Health Coverage, Insurance and Financial Services. My name is Joe Baldacci, and I represent Senate District 9, which consist of Bangor and Hermon. I am here today to introduce LD 902, "An Act to Establish the Medical Debt Relief Program."

Medical debt is usually seen as one of the leading causes of consumer bankruptcy in the United States. Several states have explored innovative ways to help low and middle income families. One such way being tried is for states to pay off people's old medical debts. Typically creditors like hospitals sell their debt to credit collection companies. States like Michigan and Illinois have appropriated relatively small amounts to pay off what was once larger debts. I excerpt below from a Council of State Government report from 2024 on how states in the Midwest deal with medical debt issues. I ask you to consider a modest appropriation to help out hundreds of families in Maine:

<https://csgmidwest.org/2024/10/15/states-take-multipronged-approach-to-medical-debt-prevent-it-erase-it-or-help-those-struggling-to-pay-outstanding-medical-bills/#:~:text='Pennies%20on%20the%20dollar'>

Thank you for your time and consideration.

Sincerely,

Joe Baldacci

State Senator, District 9