

Good afternoon, Senator Bailey, Representative Gramlich, and members of the Committee on Health Coverage, Insurance and Financial Services. I'm Andrea Steward, (she/her/hers) and I live in Old Town.

Thank you for the opportunity to offer testimony in support of LD 558.

My parents began accumulating medical debt in 1992 when my mom was pregnant with my older brother. She had a high-risk pregnancy and was on bed rest for 7 months, and medications, which started adding up. They hadn't yet paid those bills off, many of which were on credit cards, when one of my siblings started requiring a lot of medical care. While my parents were eventually able to access MaineCare, their bills predated the start of their benefits, and they were would require paying those out of pocket even though they had been eligible for MaineCare all along but had been unaware of the help they could have received.

With four children, it was difficult for them to maintain the expenses of daily life and keep up with the medical bills which eventually led them to collections. Even after they were sent to collections, they continued to pay on their medical bills as long as they could, often sacrificing food and necessary medical care for themselves while trying to ensure they had enough to get their kids food, clothes, and other necessities.

As seems all too common in Maine, their medical debt eventually led them to file for bankruptcy where they were able to discharge approximately \$20,000 of accumulated medical debt.

"...as a man from nothing I didn't even know what bankruptcy was. I realize it was our only path forward, but it did not come without long-standing harm to mine and my children's financial health. After we filed for bankruptcy, we had to completely rebuild our credit. It was nearly impossible to get a loan for more than a couple hundred dollars. We were asked to leave the credit union we were banking at, and I had to scramble to find another financial institution as I received monthly SSDI checks and needed somewhere for them to be deposited."

He ultimately had to turn to more predatory lending with higher interest rates such as rent-to-own programs and auto loans through CreditNow. Even after the credit was discharged in bankruptcy court, one creditor, Capital One, still attempted an illegal claim on the debt through a lien on my family's home. In doing some research, it appears this is not uncommon practice for Capital One.

Ten years later, my mom was diagnosed with a rare and aggressive form of breast cancer. I sat with my father while he tried to understand how they now had health insurance and still could not afford their portion of the medical bills. The reality of possibly going bankrupt while trying to save mom became all too real. My dad still makes monthly payments to various hospitals and providers and has told me he knows he'll be paying for these for the rest of his life.

The widespread and prolonged effects of medical debt reach across generations. I went through most of high school without health insurance when I lost my MaineCare because my mom made "too much money" at her job at a convenience store, so I began accumulating my own medical debt when I was 17 years old, which I only discovered on my credit report while trying to purchase my first home in 2022.

And while I thought this was behind me, last year while employed at Maine Equal Justice and insured by Harvard Pilgrim, I was denied preventative coverage and accumulated over \$5,0000 in medical bills from one medical issue. While trying to work with Northern Light and Harvard Pilgrim to understand why this was not covered, Northern Light sent it to collections. It took nearly a year; an advocate from our insurance broker, and an advocate from Consumers for Affordable Health Care, and a complaint to the Maine Bureau of Insurance to get Harvard Pilgrim to finally step up and pay what they are statutorily required to under the ACA.

Unfortunately, my family's story is not unique. Many Mainers are unable to pay their bills and have to resort to bankruptcy to survive financially. In my family's case this negative impact on credit caused real hardship when trying to get a loan to purchase a car, co-sign on student loans, and even to remain banked.

I urge the committee to vote OTP on LD 558.