

## EDITORIAL

# How state can help with medical debt

Minnesotans shouldn't be denied care because of outstanding bills — or have their financial lives ruined.

By Editorial Board (<https://www.startribune.com/editorial-board/6390869/>) Star Tribune |

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Walt Myers recently shared the financial difficulties he endured because of the \$135,000 in medical bills he owed to cover his late wife's breast cancer treatments. At a Feb. 9 State Capitol news conference, the Lakeville resident spoke in support of proposed legislation that would end spousal liability for medical debt.

That same measure also could help Minnesotans who have smaller debts that have had a big impact on their lives. The average medical debt lawsuit in Minnesota involved about \$1,500, according to a review last fall by the state Attorney General's Office and the Minnesota State Bar Association. Many patients, according to the study, find that they cannot pay for even routine medical expenses — even with insurance — because deductibles and copays are too high.

Importantly, the bill would ban medical providers from denying nonemergency care to patients with large overdue bills — a practice the Star Tribune Editorial Board [previously decried](https://www.startribune.com/allina-billing-practices-should-spur-probe/600281871/) (<https://www.startribune.com/allina-billing-practices-should-spur-probe/600281871/>). Other provisions in the proposed [Minnesota Debt Fairness Act](https://www.startribune.com/walz-ban-hospitals-clinics-from-cutting-off-patients-with-unpaid-medical-bills/600342376/) (<https://www.startribune.com/walz-ban-hospitals-clinics-from-cutting-off-patients-with-unpaid-medical-bills/600342376/>) include banning medical debt from being reported to credit bureaus, eliminating interest on the debt, prohibiting charging fees for coding errors, and stopping medical debt creditors from intercepting tax refunds.

Rep. Liz Reyer, DFL-Eagan, the lead author of the House bill, told an editorial writer that medical debt can trap consumers in a cycle of financial distress. They may have their earnings garnished, have portions of their savings and tax returns taken or turn to using high-interest credit cards. And those bills may stop them from seeking additional health care that they need or lead them into becoming homeless.

"Medical debt is a barrier to getting care," she said, adding that health care is a "human right — everyone should have access to care that's high quality and affordable."



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The chief Senate author, Sen. Liz Boldon, DFL-Rochester, said in a statement (<https://mn.gov/governor/newsroom/press-releases/?id=1055-609394/>) that Minnesotans should be able to get care "without fear of facing devastating debt or bankruptcy. In my work as a practicing nurse, I hear from patients far too often that this is not the reality for many, in part because of predatory debt collection practices that put profits over people."

The Attorney General's Office, which oversees nonprofits in the state, already restricts debt collection by hospitals through a voluntary agreement ([https://www.ag.state.mn.us/Office/Communications/2022/07/27\\_HospitalAgreement.asp](https://www.ag.state.mn.us/Office/Communications/2022/07/27_HospitalAgreement.asp)). The legislation would make those limits permanent and expand them to clinics and outpatient facilities.

Attorney General Keith Ellison struck the right tone at the news conference, saying: "If you borrow money, you should pay it back. We all agree on that, but we should also agree we shouldn't punish people for getting sick."

Gov. Tim Walz and Lt. Gov. Peggy Flanagan, who shared personal stories about their families' past struggles with medical bills, strongly support the legislation. They rightly argue that medical debts differ from regular consumer debts in that consumers often didn't take them on voluntarily.

Minnesota's health care providers need to run sound businesses. Patients also need to pay their bills. The proposed reforms are a compassionate effort to protect people as they regain their health and return to the workforce and, hopefully, to a future where no assistance is needed to cover their health care costs.

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The reforms are also one way to address ongoing concerns about the health coverage affordability, particularly in an age where many have high-deductible plans. It's not a panacea, however, and more solutions and innovations are in order at both the state and federal level.