



DISCHARGED INTO DEBT

NEW YORK'S NONPROFIT
HOSPITALS ARE SUING PATIENTS



About the Authors

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The Community Service Society of New York (CSS) is an informed, independent, and unwavering voice for positive action representing low-income New Yorkers. CSS addresses the root causes of economic disparity through research, advocacy, litigation, and innovative program models that strengthen and benefit all New Yorkers. www.cssny.org

Introduction

Stories about nonprofit hospitals suing patients who cannot afford medical care have recently received national attention, including high-profile cases in Pennsylvania, Tennessee, and Virginia.¹ All of New York’s hospitals are nonprofit, charitable institutions—yet many engage in this same practice. Debt collection lawsuits allow hospitals to seize assets, garnish wages, freeze bank accounts, and place liens on the homes of patients who cannot pay for health care. Patients accrue hospital bills in times of serious illness and frequently without any ability to plan ahead or “shop” for the best deal.² Often, patients have little medical expertise, billing proficiency, or insurance literacy.³ Nonetheless, when a nonprofit hospital sues a patient, the courts view that patient’s inability to pay as failure to honor a commercial contract. These medical debt court cases often ruin patients’ lives by wrecking their credit and threatening their economic security.⁴

In response to consumer complaints about increasingly aggressive collection practices used by nonprofit hospital systems, CSS reviewed nearly 31,000 civil cases filed against individuals by 139 hospitals located in 26 counties throughout New York.⁵

This analysis revealed the following:

1. A handful of hospital systems are responsible for most patient lawsuits.
2. The court process unfairly favors nonprofit hospitals over patients. Suits are brought for vague or confusing bills and often for a relatively small amount—the median amount hospitals sued for was \$1,900. These amounts quickly compound: patients can be sued for medical bills up to six years after treatment at a commercial interest rate of 9 percent per annum.
3. The hospitals that sue the most patients provide insufficient financial assistance. In fact, these hospitals receive more money from the state’s Indigent Care Pool to provide uncompensated care to patients than they actually provide in financial assistance.
4. Hospitals use professional debt collection law firms while most patients are unrepresented, resulting in large numbers of default judgments.
5. There are racial disparities in the medical debt burden in some parts of New York State. In communities with litigious hospitals, this means that defendants are more likely to be people of color and that the financial repercussions of court judgments may be falling disproportionately against people of color.

The 31,000 cases CSS reviewed are just one symptom of New York’s affordability crisis. There are thousands more New Yorkers being sued by individual hospital departments or providers or being put into collections by hospitals that stop short of the ultimate action of a lawsuit. Patients need more protection from medical debt, both in New York’s courts and at hospitals, before they end up with unaffordable medical bills.

Background

New Yorkers struggle to pay for health care. Between 2008 and 2016, premiums and deductibles in New York increased from 5.5 percent to 7.7 percent of the median household income.⁶ Drug costs and provider price increases are the main driver of growing health care costs in New York—especially hospital inpatient prices, which grew twice as much in New York (32%) than nationally (16%).⁷ These price increases occurred during a period when hospital inpatient utilization actually declined by 2 percent.

A 2019 survey found that 52 percent of New Yorkers experienced a health care affordability burden in the past year, including delaying or going without care because of costs.⁸ This was true even though most of the respondents had health insurance. The actions New Yorkers took to avoid medical bills are harmful: cutting pills or not filling prescriptions and forgoing tests or procedures that their doctor recommended. Many of the survey respondents (35%) reported accessing health care but suffering serious financial repercussions as a result, including being put in collections, using up all of their savings, or racking up large amounts of credit card debt.

All hospitals in New York are nonprofit charities that pay no federal, state, or local taxes. The value of this tax exemption was estimated at \$2 billion in 2018.⁹ New York’s hospitals also receive billions of dollars in direct government support including \$1.13 billion distributed annually through the Indigent Care Pool (ICP), which is designed to offset hospitals’ uncompensated care costs.¹⁰ Additional state support is provided through capital grants—worth \$3.8 billion between 2013 and 2018.¹¹

As a condition for receiving ICP funding, New York State law requires hospitals to offer financial assistance to uninsured low- and moderate-income patients.¹² CSS has tracked hospitals' implementation of these legal requirements for over a decade and produced two reports investigating whether hospitals are fulfilling their legal obligations to low-income New Yorkers. In both reports, CSS found that many hospitals fell short.¹³ Almost all of the hospitals filing lawsuits against patients receive more money from the state's ICP fund, intended to support the provision of uncompensated patient care, than authorized in actual financial assistance to patients.

In response to health consumers' complaints about increasingly aggressive medical debt collection practices, CSS conducted an analysis of civil court cases in which nonprofit hospitals sued their patients. Many of these cases revealed tragic circumstances.

For example:

- One uninsured man went to a Northwell emergency room with his partner who had survived a sexual assault. The hospital providers “insisted” that he get an HIV test at the hospital, even though he had no insurance and wanted to get the test done outside the hospital to save money.¹⁴ He was sued and settled with the hospital for \$1,000, despite the fact that there are at least two city-run sexual health clinics that offer free HIV testing in Queens.¹⁵ No offer of Hospital Financial Assistance appears to have been made by Northwell or its attorneys, contrary to New York State law.¹⁶
- An insured woman went to a Northwell emergency department while having a miscarriage. Her insurance paid the hospital \$5,000 but the hospital sued her for \$1,375. Even though she stated that she did not have the money to pay this balance in her written Answer, nothing in the court record indicates that any offer of Hospital Financial Assistance was made by Northwell or its attorneys.¹⁷

“I remember visiting the hospital Emergency Dep[artment] last year for an ear infection. I was taken into the Triage area and was on a bed. I was never given any medication to treat my illness/infection and after an hour of waiting and no attention from anyone I left the hospital and went home. I would like to see a break down for this claim of \$1,407.”

North Shore University Hospital at Forest Hills v. K.S.,
CV-004618-17/QU

Methodology

This report is based on an analysis of the New York State Ecourts public database. Researchers identified civil cases in which hospitals are plaintiffs against individuals and discovered 30,818 cases filed between 2015 and 2019.¹⁹ Researchers first identified counties of interest and then created a list of all hospitals in each county, ultimately conducting searches for 139 hospitals located in 26 (out of a total 62) counties.²⁰ Most of the cases found in Ecourts were filed in the primary counties that were part of the search, but the hospitals in those 26 counties had also sued residents of 14 other neighboring counties, that were included in this analysis. The researchers created a database to better analyze the results of the Ecourts search.

Ecourts provides the following information: the name of the plaintiff (i.e. the hospital), the name of the defendant (i.e. the patient), the legal representation for both if any, whether or not the case is active, the filing date, and the disposition date. This information was entered into the database and analyzed to determine any litigation patterns.

In addition, researchers visited local civil courthouses and copied full case files for 370 cases in New York City's five boroughs. These case files were reviewed to understand who is being sued, where they live, the amounts, and the case outcomes. The 370 files provide information about where the defendant lives and the amount claimed by the hospital, and 246 of the files were complete enough to discern the case outcome.

Findings

1. Just a few hospitals are responsible for most lawsuits against patients.

The research reveals major differences in how hospitals treat patients who cannot pay their bills. Just 25 out of 139 hospitals identified are responsible for 28,584 out of 30,818 lawsuits, or 93 percent of the lawsuits filed by the hospitals in the counties of inquiry (see Table 1). The 25 hospitals are affiliated with six health care systems. Of the 139 hospitals investigated, 55 never appeared in the Ecourts public database. Another 36 hospitals sued fewer than 20 individuals over the five years of the study. An additional 74 hospitals in New York State are not a part of this analysis because they are located in counties outside of the scope of the study.

Table 1. Top 25 Hospitals by Number of Lawsuits Filed Between 2015–2019

Hospital	System²¹	Lawsuits
Crouse Health Hospital, Inc.	Northwell Health	5,546
NYU Winthrop	NYU Langone Health	2,749
North Shore University Manhasset	Northwell Health	2,233
Huntington Hospital	Northwell Health	1,675
Samaritan Hospital	St. Peter's Health Partners	1,557
New York-Presbyterian Hospital	New York-Presbyterian	1,283
Nathan Littauer Hospital	None	1,279
Lenox Hill Hospital	Northwell Health	1,186
South Nassau Communities Hospital	Mount Sinai Health System	1,158
Albany Medical Center Hospital	None	1,125
Brookhaven Memorial Hospital	None	994
Southside Hospital	Northwell Health	939
Staten Island University Hospital	Northwell Health	784
Long Island Jewish Medical Center	Northwell Health	716
North Shore University Hospital	Northwell Health	708
St. Peter's Health Partners	St. Peter's Health Partners	571
John T. Mather Memorial Hospital	Northwell Health	567
Cortland Regional	Guthrie	559
North Shore University Hospital at Plainview	Northwell Health	515
Ellis Hospital	None	495
Albany Memorial Hospital	None	451
Chenango Memorial Hospital	United Health Services	411
New York-Presbyterian Queens	New York-Presbyterian	390
North Shore University Forest Hills	Northwell Health	360
Orange Regional	None	333
	Total	28,584

Nearly 16,000 (or 51%) of the cases in the CSS database were filed by 15 Northwell Health hospitals and affiliates listed on the Northwell Health website (see Table 2). This indicates that the state’s largest healthcare system, Northwell and its affiliated hospitals appear to have more aggressive medical debt collection practices than its peers.

Table 2. Hospital Lawsuits by System, 2015–2019²²

System	Lawsuits Filed 2015-2019	Percent of Lawsuits in CSS Database	Number of Facilities in CSS Database
Northwell Health	15,896	51%	15
NYU Langone Health	2,801	9%	6
St. Peter’s Health Partners	2,677	8%	4
NewYork-Presbyterian	1,985	7%	6
Nathan Littauer Hospital	1,279	4%	1
Mount Sinai Health System	1,163	4%	3

The analysis indicates that there are several geographic hotspots for medical debt litigation, including: Fulton, Cortland, Onondaga, Rensselaer, Chenango, Albany, Nassau, and Suffolk counties (see Table 3).

“I have no health insurance and a heart arrhythmia. I have to pay Lenox Health, Columbia Presbyterian Downtown Presby and FDNY. I have proof of three payments [to Downtown presby.] I work at a bar and don’t have much money.”

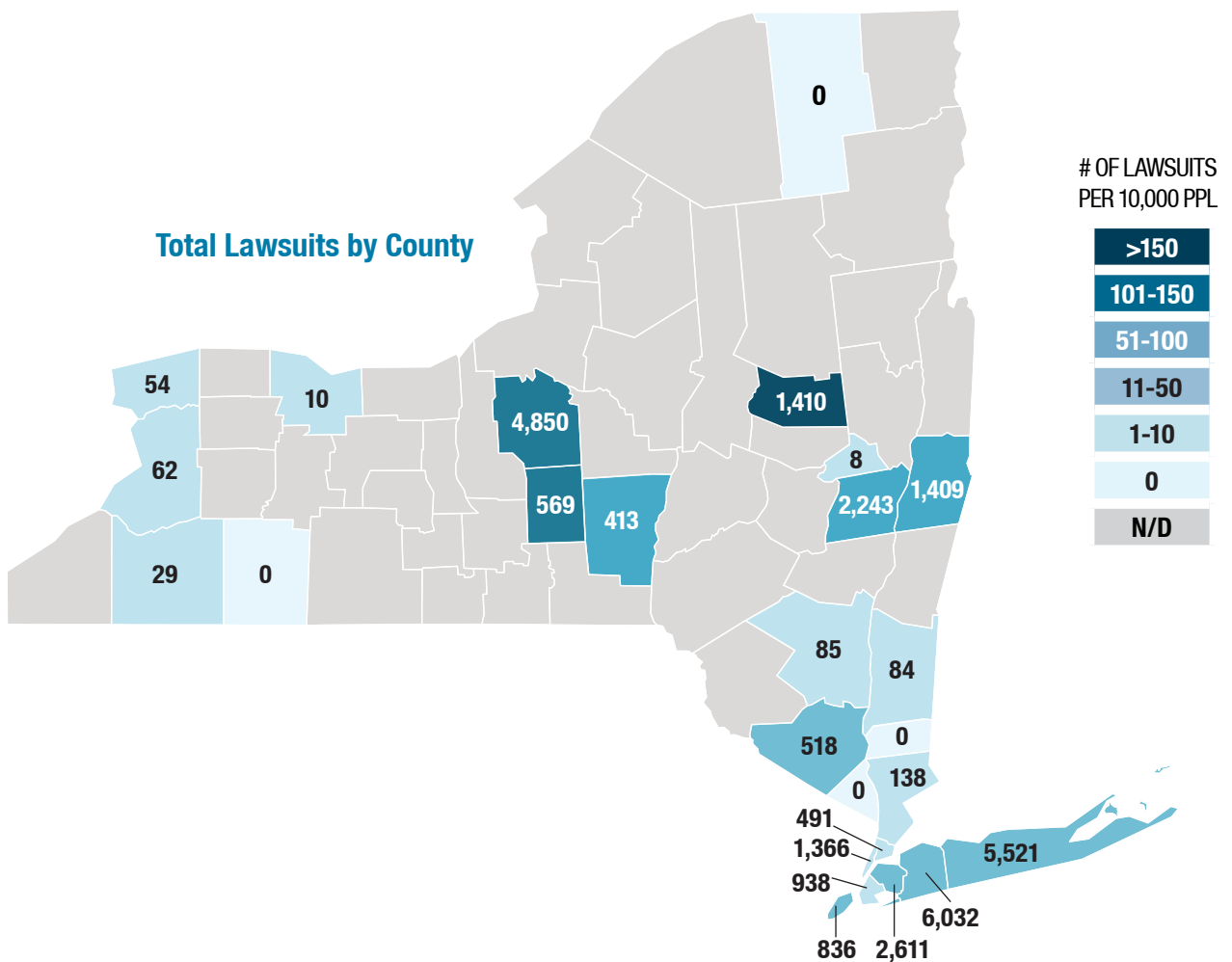
New York and Presbyterian Hospital/Lower Manhattan v. R.M., CV-006289-17/NY

“I do not have money to pay this bill. My insurance already covered \$5,000 of the bill for emergency visit due to miscarriage. Amounts they charge for doctor just to put my info into the computer are ridiculous. They kept me there three hours extra because doctor ordered the wrong blood tests.”

North Shore University Hospital at Forest Hills v. M.C., CV-002021-17/QU

Table 3. Hospital Lawsuits Against Patients by County, 2015–2019

County	Number of Lawsuits	Rate per 10,000 People	County	Number of Lawsuits	Rate per 10,000 People
Fulton	1,410	263	Cattaraugus	29	4
Cortland	569	119	Kings	938	4
Onondaga	4,850	105	The Bronx	491	3
Rensselaer	1,409	88	Dutchess	84	3
Chenango	413	87	Niagara	54	3
Albany	2,243	73	Westchester	138	1
Nassau	6,032	44	Erie	62	0.7
Suffolk	5,521	37	Schenectady	8	0.5
Richmond	836	18	Monroe	10	0.1
Orange	518	14	Allegany	0	0
Queens	2,611	12	Franklin	0	0
New York	1,366	8	Putnam	0	0
Ulster	85	5	Rockland	0	0
			All	29,677	18



Three of these hotspots are located in rural counties that are served by just one hospital:

- Fulton County has a population of about 54,000 people. Its residents were sued 1,410 times. Its only hospital, Nathan Littauer Hospital, filed 85 percent of those lawsuits.
- Cortland County has a population of around 48,000 people. Its residents were sued 569 times. Its only hospital, Cortland Regional Medical Center, filed 94 percent of those lawsuits.
- Chenango County has a population of 47,000 people. Its residents were sued 413 times. Its only hospital, Chenango Memorial Hospital, filed 97 percent of those lawsuits.

In urban medical debt litigation hotspots, lawsuits are usually brought by more than one hospital, but just a few hospitals are responsible for most cases against patients:

- In Syracuse (Onondaga County), only one hospital, Crouse Health, affiliated with the Northwell Health system, was responsible for all the hospital medical debt cases in the county, suing over 4,800 patients in the past five years.
- In Albany and Rensselaer Counties, the 3,652 lawsuits were brought by the seven major hospitals there. But Samaritan Hospital, a part of St. Peter's Health System, brought the most cases—against 1,481 patients (41%), followed by Albany Medical Center, which sued 885 patients (24%), and Albany Memorial Hospital, which sued 450 patients (12%).¹⁹
- Over 11,500 patients were sued in Long Island's Nassau and Suffolk counties. The Ecourts search of the 21 hospitals in these counties indicated that just three facilities filed half of all cases. Two were Northwell Health facilities (Huntington Hospital, which sued 1,635 patients, and North Shore University Hospital at Manhasset, which sued 1,555 patients). The largest number of lawsuits filed in Long Island originated with NYU Winthrop Hospital, which sued 2,434 patients.

2. The court process unfairly favors non-profit hospitals over patients.

Patients are often bewildered by incomprehensible medical bills.²⁴ Consistent with this common patient complaint, the court case files rarely include any documentation indicating how the hospitals arrived at the amount claimed. Fewer than 30 out of the 370 court files reviewed included medical bills, and even these were vague. Several included charges itemized as “miscellaneous” or “ancillary procedures” which ranged from \$126 to \$4,700. One bill included a charge of \$6,120 for something itemized as “medical services.” These findings are confirmed by a national survey by Consumer Reports, which found that two out of three insured adults who had received a major medical bill over the past two years had experienced at least one problem with the bill, such as unexpected charges, unclear statements, and bills that arrived months later.²⁵ Although patients rarely receive documentation from the hospitals that would allow them to dispute the hospitals’ claims, these unclear statements are enough to win judgments against patients in New York civil court.

While the median amount hospitals sued for was \$1,900, the median judgment against patients was \$2,300, including interest and court fees.²⁶ Not all hospitals charged interest, but those that did charged the statutorily permissible but punishing commercial 9 percent interest rate on unpaid bills that starts the date when the defendant received medical care.²⁷ In addition, hospitals can sue patients as long as six years after treatment.²⁸ For example, in one case, the patient’s bill was \$17,358 for medical care received in 2015. New York Presbyterian Hospital secured a default judgment on February 2, 2018 in the amount of \$22,232. This included \$4,703 of interest at the 9 percent statutory rate. Here, the total interest sought was 27 percent of the patient’s medical bill.²⁹ As a final indignity, in all cases where a judgment was issued against the patient, the patient also had to pay for all court fees, adding as much as \$265 to the amount owed.

The median amount of money hospitals pursued from patients (\$1,900) appears at odds with the legal costs hospitals must bear to pursue court cases against patients. Perhaps economies of scale are secured because the hospitals often use just a few high-volume law firms that sue thousands of patients. For example, the firm Mulooly, Jeffrey, Rooney & Flynn represented hospitals in over 14,000 cases against patients between 2015 and 2019. Overton, Russell, Doerr & Donovan

“My partner was the victim of rape... at the hospital they told me some stuff and insisted I get tested for HIV even though I don’t have insurance. I could’ve went to my doctor and had it done for \$200-\$300. I should not be responsible for this. I cannot afford this.”

Lenox Hill Hospital v. M.T., CV-014687-17/QU

represented hospitals in over 4,400 cases and Miller & Milone, P.C. in over 2,000 cases. Some of the predominant firms have less than stellar reputations. Forster & Garbus is currently facing a federal complaint alleging its high volume of litigation practice does not allow for meaningful attorney involvement or adequate investigation into whether defendants truly owe the amounts claimed.³⁰ In any event, as discussed below, the vast majority of patients in the cases reviewed here are unrepresented, cannot afford lawyers, and have almost no expertise in defending themselves against these expert medical debt collectors.

3. The hospitals that sue the most patients provide insufficient Hospital Financial Assistance to patients; and the hospitals that filed the most lawsuits all received more money from the Indigent Care Pool than they spent providing financial assistance to indigent patients.

The United States Department of Health and Human Services provides Disproportionate Share Hospital (DSH) funds for states to allocate to hospitals so that hospitals can offset the losses they incur providing care to uninsured and Medicaid patients.³¹ New York distributes \$1.13 billion of this funding through its Indigent Care Pool (ICP) fund. In all other states, DSH funds are distributed only to safety-net hospitals. Uniquely, in New York these funds are given to nearly all hospitals based on a formula that is mostly based on the amount of care provided to uninsured and Medicaid patients. However, the formula still includes an allocation based on an obsolete “bad debt” calculation that was set to expire in 2015. The continuation of this “bad debt” allocation has resulted in an additional \$166 million in 2018 alone given to hospitals that do not serve as many uninsured and Medicaid patients as their peers.³²

New York has attempted to reform its ICP policies over the years to be fairer to safety-net hospitals.³³ However, the funds are still distributed in a way that means many hospitals in New York receive more funding from the ICP than they use providing Hospital Financial Assistance to patients. This is universally true for the hospitals that sue the most patients. The 10 hospitals that sued the most patients received an excess of \$55.5 million more in 2018 than they offered in Hospital Financial Assistance to eligible New Yorkers (see Table 4).

Table 4. Funding Received From the 2018 ICP Distributions in Excess of Financial Assistance Provided to Eligible Patients at 10 New York Hospitals

Hospital	System	Lawsuits	2018 ICP Excess ³⁴
Crouse Health Hospital, Inc.	Northwell Health	5,546	\$4,731,128
NYU Winthrop	NYU Langone Health	2,749	\$3,637,156
North Shore University Manhasset	Northwell Health	2,233	\$14,620,495
New York Presbyterian	New York Presbyterian	2,044	\$20,483,171
Huntington Hospital	Northwell Health	1,675	\$824,335
Samaritan Hospital	St. Peter's Health Systems	1,557	\$197,907
Nathan Littauer Hospital	None	1,279	\$2,469,606
Lenox Hill Hospital	Northwell Health	1,186	\$1,631,037
South Nassau Communities Hospital	Mount Sinai	1,158	\$3,800,824
Albany Medical Center Hospital	None	1,125	\$3,057,587
	Total	19,791	\$55,453,246

A review of the 370 court case files found that very few hospitals indicated that they offered Hospital Financial Assistance to the patients that they were suing. This was true even when a patient indicated that they were uninsured or could not afford the bills. New York State law requires hospitals that receive ICP funds to have a Hospital Financial Assistance policy that is available to patients. But this the law permits each hospital to design and implement its own policy so long as it followed New York State Department of Health guidelines. A 2018 report revealed that state auditors engaged in a lax review of these policies, allowing hospitals that failed to comply with the law's requirements to continue to be funded. The report also found that hospitals that scored best on the compliance audit also provided more Hospital Financial Assistance to patients.³⁵ The lack of a statewide uniform Hospital Financial Assistance policy ensures that patients are kept in the dark about how best to defend themselves against hospital medical debt.

4. Patients, who are almost never represented by an attorney, face law firms that specialize in hospital debt collections. Most lawsuits result in default judgments against the patients.

Most hospital lawsuits result in default judgments against patients, who do not have the resources to hire an attorney to defend against a bill they cannot afford. In 97 percent of the cases identified by this research, the defendants had no legal representation and did not even attempt to defend themselves. Professional legal representation was recorded for only 442 cases in the Ecourts searches—1.4 percent of defendants. Another 2.4 percent (750 individuals) are recorded as representing themselves. As described in section 2, above, hospitals always had legal representation, often by firms that engaged in high volume debt cases.

In the two patient stories described above, details about the cases were available because the defendants represented themselves in court. Their results were mixed:

- The uninsured man who was sued for the cost of an HIV test settled with the hospital for \$1,000.³⁶
- The insured woman who was sued for \$1,375 after a miscarriage settled for \$375.³⁷

In one rare case, a defendant successfully represented herself. In that case, the patient left the emergency room without being treated. At court, she requested a trial and an itemized bill; the hospital declined to pursue her case rather than pursue its claim.³⁸

In civil court, defendants are protected by rules governing how people are notified of lawsuits against them. So why did most New Yorkers fail to answer summons against them for medical debt? A report issued by MFY Legal Services and the Legal Aid Society found that 71 percent of people being sued over debt had not been served at all or had been improperly served. In some cases, process servers had filed false affidavits of service. In 2008, the New York Attorney General sought to vacate over 100,000 default judgments debt collection agencies had obtained without properly serving the defendants in the first place.⁴⁰ Here, the analysis of hospital court casefiles reveals that almost all process servers reported serving papers to either a co-tenant or a relative rather than the person being sued. Accordingly, the large number of medical debt default judgments may indicate that New Yorkers are not getting properly served in the first place.

Another reason people may not answer a medical debt court summons is that they simply do not feel able to fight hospitals in court. Over a third of people in a Consumer Reports survey said they paid bills they did not think they actually owed because they believed their efforts would not make any difference and feared hurting their credit.⁴¹ The man who settled for \$1,000 for an HIV test knew that he could have received the same services elsewhere for a fraction of that cost—but he gave in after facing the hospital’s lawyers on his own.

5. There is a significant racial disparity in the medical debt burden in different parts of New York State. This makes it likely that there is a racial disparity in the patients who are being sued for medical bills as well.

Neither Ecourts nor the court casefiles indicate the race or ethnicity of defendants. However, the Urban Institute publishes data on the differences in medical debt collection in amongst white people and people of color.⁴² This research finds cases where medical bills have ended up in collections by looking at random samples of credit reports. While there this data shows that there are racial disparities in most of the New York counties surveyed, these disparities were most pronounced in several upstate counties (see Table 5).

For example, in Onondaga county, where the Northwell Health-affiliated Crouse Hospital has sued over 4,500 patients, the overall rate of medical debt is very high—20 percent. The average rate of people with medical debt that has been put into collections in all of New York is just 8 percent.⁴³ However, the rate for communities of color in Onondaga County is much higher—41 percent. In short, Onondaga residents not only suffer a higher than average rate of medical debt lawsuits, but this practice appears to be having a disparate impact on its minority population.

Table 5. Share of residents with medical debt in collections

County	All	White Communities	Communities of Color	Difference
Onondaga*	20%	14%	41%	27%
Monroe	11%	7%	26%	19%
Albany*	12%	10%	26%	16%
Erie	10%	8%	22%	14%
Schenectady	16%	14%	28%	14%
Franklin	11%	11%	19%	8%
Westchester	6%	3%	11%	8%
Kings	5%	3%	7%	4%
Rockland	5%	5%	8%	3%
Nassau*	4%	3%	5%	2%
New York	3%	2%	4%	2%
Richmond	4%	4%	5%	1%
Suffolk*	5%	4%	5%	1%
Bronx	6%	6%	6%	0%
Queens	5%	5%	5%	0%

* Indicates a medical debt litigation hotspot.

Conclusion and Recommendations

New York’s nonprofit hospitals receive billions of dollars in state support while paying no taxes. This support includes over \$1.1 billion in funding to offset uncompensated care losses and to encourage the provision of Hospital Financial Assistance. Despite this substantial investment from the state, hospitals have sued over 30,000 New Yorkers for unpaid medical bills in the past five years in the 26 counties analyzed. Patients who are sued by hospitals rarely defend themselves and most often end up with default judgments against them. In many of New York’s counties, the burden of medical debt in collections falls disproportionately on people of color.

The practice of suing patients is not universal, but a choice made by individual hospitals and health care systems. In the wake of various news reports, many of New York’s peer nonprofit and charitable hospitals throughout the country have agreed to discontinue or reduce the practice of suing patients or to erase patients’ medical debt, including: University of Virginia hospital, Bon Secours Hospital in Virginia, Methodist Le Bonheur in Memphis, and the University of Pittsburgh Medical Center.⁴⁴ Hospitals in New York should follow suit.

New York State policymakers can take action to ensure that hospital patients are provided more protections. The Cuomo Administration has recognized the urgency of this issue and addressed two problems relating to civil lawsuits in its proposed Fiscal Year 2021 Executive Budget. First, the Administration proposes to reduce the statutory interest rates in civil judgments from 9 percent to the one-year United States Treasury rate.⁴⁵ Second, the Administration proposes to reduce New York’s statute of limitations for medical debt lawsuits from six years to two years.⁴⁶ These actions would help level the playing field between litigious hospitals and their patients.

These are important first steps. But New Yorkers also need better protections before they end up with medical bills they cannot pay. The Patient Medical Debt Protection Act (S6757/A8369), legislation currently moving through the New York State legislature, would alleviate some of the unfair billing practices New Yorkers face. One of the legislation’s requirements is that hospitals consolidate charges by all providers into one

“I do not owe any money to the hospital. My insurance covered my son’s hospital stay in the NICU following my emergency surgery to deliver him. The hospital was paid by my insurance. I also qualified for financial assistance but the hospital miscalculated and never applied it to what they claimed my liability was.”

[Lenox Hill Hospital v. E.B., CV-012711-17/QU](#)

detailed itemized bill provided within seven days of discharge. This would terminate the practice of charging amounts such as \$6,120 for unspecified “medical services.” The medical bills reviewed in the court casefiles rarely detailed what services were provided and how much they cost.

Other parts of the Patient Medical Debt Protection Act would prevent patients from being charged facility fees that are unrelated to any medical service, being forced to sign unfairly vague financial liability forms, or receiving surprise out-of-network bills.⁴⁷ New York has a surprise bill law in place that helps consumers in many emergency situations.⁴⁸ However, this law does not help patients when a health provider or a health plan provides incorrect information about whether or not a provider is in-network. The legislation would protect patients in this situation so they don’t end up on the hook for huge bills when they plan ahead for medical care.

Finally, this legislation would eliminate the ability for hospitals to evade the spirit of the state’s Hospital Financial Assistance Law by requiring all hospitals to adopt one uniform standardized Hospital Financial Assistance application and modernizing the law’s eligibility standards.

New York is rightfully proud of its strong commitment to a vibrant nonprofit hospital industry, which is an engine for economic growth while providing compassionate patient care. Economic security is an important component to overall patient health. It is time for New York State policymakers and hospital industry leaders to reevaluate patient medical debt collection practices to ensure that patients are treated fairly and compassionately, even after discharge.

Notes

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