

# Wait, that was legal before?!

*(Note: Parts of this transcript are machine-generated, so it's not letter-perfect.)*

**Dan:** Hey there--

Earlier this year, this thing happened-- the kind of thing nerds like me take note of.

The state of Maryland passed a law called the Medical Debt Protection Act. Unanimously.

I spent a bunch of the last few weeks talking with some of the people who made it happen.

And there were a LOT of them. This story turns out to be about how you build a coalition to make change.

Because it turns out, that's still possible.

And at a time when our politics seem so broken-- and when so many of us have spent so much time fighting our own individual battles, feeling pretty isolated-- THAT's a story a lot of us can use.

This is An Arm and a Leg-- a show about why health care costs so freaking much, and what we can maybe do about it. I'm Dan Weissmann-- I'm a reporter, and I like a challenge, so my job on this show is to take one of the most enraging, terrifying, depressing parts of American life and bring you a show that's entertaining, empowering, and useful.

We've been chasing a deep story over the last few episodes: How does change actually happen? How can things be made to suck at least a little bit less?

Specifically, we've been chasing the story of charity care or financial assistance from non-profit hospitals, which is MOST hospitals.:

Twenty years ago, in most places, they were under absolutely no legal obligation to give anybody a break-- no matter how poor they were, no matter how impossible it would be for them to pay.

And many hospitals didn't. In New York City, for instance, NO non-profit hospitals had a policy spelling out how to qualify for a break.

And it's not like it was just a New York problem.

A group of big-name lawyers put up class-action lawsuits around the country, saying: Hey, non-profit hospitals get huge public subsidies-- tax-exemptions-- but instead of acting like charities, they're acting like loan sharks. Hounding their poorest patients to pay up, taking them to court, garnishing their wages.

Isn't that illegal? Courts were like, Uh, it may not be NICE, but no. Not illegal.

These days, non-profit hospitals are legally obligated to have charity care policies, nationwide.

We've looked at how that obligation became part of the Affordable Care Act, and we've looked at the years and years of work that people did all over the country-- filing lawsuits, publishing exposes in the news, getting state laws passed-- that led up to it.

Which is cool. But what about now? Because of course if you've listened to this show-- or just seen a headline here or there-- you know: Some hospitals still sue a lot of people, super-a-lot of people. Including people who can't afford to pay.

Which is why a nerd like me was VERY interested in Maryland's Medical Debt Protection Act. Here's something happening JUST THIS YEAR. Like, right now.

How does that happen?

This story starts in the spring of 2019, after the Maryland legislature wrapped up its work for the year.

Marceline White is the executive director of the Maryland Consumer Rights Coalition. She had spent the session trying to get a bill passed that would limit super-harsh collection practices, for any kind of debt-- and it had failed.

**Marceline White:** there's this false narrative that people just aren't paying their bills and they're living the high life buying all those TVs

**Dan:** And she says legislators who voted against her bill were telling her... they mostly bought that narrative. They said things like

**Marceline White:** well, you know, we don't know why these people had debt, you know, if it was medical debt, you know, we'd be more sympathetic,

**Dan:** She heard that as an invitation.

**Marceline White:** Okay, we have you on record, like, okay, you're going to be more sympathetic to medical. Let's do that

**Dan:** She called a member who had sponsored her other bill.

**Marceline White:** we're both like, let's do it. And she's in the chamber. She can talk to them about like, remember when you said

**Dan:** So, OK.

Meanwhile, a union-- National Nurses United--was organizing nurses at Johns Hopkins in Baltimore.

And they had put out a report called TAKING NEIGHBORS TO COURT: JOHNS HOPKINS HOSPITAL MEDICAL DEBT LAWSUITS. They were holding rallies

**Liz Schuler, AFL-CIO Sec-Tres:** So these Hopkins lawsuits harm African-American communities, disproportionately Johns Hopkins is a bad neighbor.

**Del. Gabriel Acevero:** Johns Hopkins has been diagnosed with greed.

**Dan:** OK, so you may have a question here. Why is a UNION making a big deal out of this? Don't unions mostly focus on, you know, negotiating contracts for their members? Pay? Uh, health benefits?

I wondered the same thing. So I went looking for an expert.

**Rebecca Givan:** My name's Rebecca Givan I'm a professor of labor studies and employment relations at Rutgers university.

**Dan:** and you're like the co-director of a center that includes like labor and health and management in its title.

**Rebecca Givan:** That's right. Yeah. And the school of management and labor relations. We have a center for work in health, where we look at people working in healthcare

**Dan:** OK, bingo. She says nurses are a kind of unusual case.

**Rebecca Givan:** Nurses are paid reasonably well. Um, and they have a lot of other job opportunities if they want to be paid even better and they can go be a travel nurse and make thousands of dollars a week. So when nurses union are organizing or they're, fighting for a new contract, it's almost never about pay

**Dan:** She says it's about ... the ability to actually take care of people effectively. And do no harm. She says this especially true for National Nurses United, or NNU-- it's not the only nurses union, but it's the biggest. And maybe the most visionary.

**Rebecca Givan:** they want nurses to come together to improve the care that they can provide and their workplaces, but they also want a better healthcare system.

**Dan:** Nationally, NNU's signature issue is pushing hard for universal health care-- specifically Medicare for All. So, fighting a local hospital on the issue of suing impoverished patients? Rebecca Givan says this makes perfect sense.

And this is about the time in the story where you'd expect to hear a voice FROM NNU. I bugged them. They were like, "Sorry, we're slammed!" COVID is still big in the news cycle-- booster shots, for instance, new guidance all the time.

Eventually they sent a statement about how glad they were to play a big role. OK.

So someone who knew that Marceline was looking at medical debt looked at what the nurses union was doing and said, "You guys should talk."

Marceline met with the organizer.

**Marceline White: It was one of those like, yes. Oh yes. Oh my gosh. Yes. Head nod. Head nod. We've got to work together.**

**Dan:** Marceline White and NNU have found each other, and together they've got a couple of legislators who are interested in working with them. And it's all just in time. It's the middle of 2019, and they want a bill ready in time for the next legislative session, which starts in a few months.

And they're going to need ammunition.

**Marceline White: let's document what's happening, . Cause the hospitals can say lots of things, but you can't really deny facts.**

**Dan:** And here's where a couple of things line up: One, Maryland's court records are all online-- totally not true in every state-- so the data's available. And two, NNU has a national research department with a big staff, ready to crunch the data.

**Marceline White: we do our own research, but we could never have done it in that timeline. the fact that they both had that capacity to really drill down and make sure that the research was solid and track check it three times before we released anything was invaluable.**

**Dan:** NNU publishes its report, Preying on Patients, in Fe 2020-- just in time for the next legislative session. And it's a killer. Not only does it document how often hospitals sue patients-- and it's a LOT, almost a hundred and fifty thousand lawsuits over 10 years.

But it's also this: the state of Maryland gives hospitals money to support charity care, financial aid to patients. And hospitals actually GOT more money from that fund than they gave out in charity care. 119 million dollars more. Johns Hopkins alone came out more than 36 million dollars ahead on that deal.

Lots of other stuff too, including a list of the "Merry Millionaires of Maryland": hospital executives with million-dollar plus compensation packages. That section is eleven pages long.

Oh, also: Every hospital in the state is officially non-profit. But almost all of them were profitable. Collectively, they made almost a billion dollars a year. Net.

So. Ammunition. Here's Robbyn Lewis, a legislator from Baltimore who was working with Marceline White and NNU:

**Robbyn Lewis:** I thought it was fantastic. I thought it was amazing. it was so courageous and useful. I have all kinds of feelings, you know, but facts are the bread and butter.

**Of policymaking.** So I can apply my feelings to persuade my colleagues and that's always useful, but I use the facts to sort of, you know, bludgeon them into submission.

**Dan:** That report was useful, but not totally decisive. The Maryland legislature did NOT enact the bill Robbyn Lewis ~~was pushing~~ introduced in the 2020 session. But they DID direct a state commission to study the question and make a report.

That report came out in January 2021, in time for the next legislative session. And it included a big piece of ammunition. Which I've gotta set up here: Maryland already has a law that governs hospital financial aid policies. It sets an income standard: If you're this poor, you qualify to have your whole bill forgiven.

Turned out, Maryland hospitals actually collected about 60 million dollars from folks poor enough to qualify for free care.

**Loigr Charkoudian:** I don't think any of us expected the extent to which the money had been collected, from people who were eligible for free, free, usually So low income to be eligible for free gear. We, none of us expected that amount of money to be collected from those folks.

**Dan:** That's state delegate Lorig Charkoudian, who sponsored the bill that passed this year.

That report gave her more ammunition. Powerful ammunition.

**Dan:** And there was something else. A whole BUNCH of people ready to make some noise. That's right after this...

This season of An Arm and a Leg is a co-production with Kaiser Health News. KHN is a non-profit newsroom covering health care in America. It's not affiliated with the giant health care outfit, Kaiser Permanente. We'll have more information about KHN at the end of this episode.

*So, there's a new podcast I want to tell you about.*

*It's called Bellwether, and it's made by my pal Sam Greenspan, whose work you may know from 99% Invisible.*

*Bellwether is speculative journalism: stories about the world as it is through the lens of what it might become. So: Each episode is a deeply reported true story. Which we hear inside of a made-up story-- a serial set in a future where the internet has collapsed. And, oh yeah: An Arm and a Leg ... makes a cameo in that story.*

*I'm super excited for Bellwether. Start with episode 0 everywhere you get your podcasts, and at Bellwether dot show.*

So, Marceline White, and National Nurses United and their allies in the legislature had a ton of ammunition. And now they had something else. An army.

It started with an organizer from ANOTHER union-- SEIU Local 1199, which represents health care workers who aren't nurses. Custodians, folks like that. And that big report from NNU definitely caught their eye.

**Brig Dumais:** we noticed that the workers that were being sued by hospitals tend to be, uh, workers that are our members.

**Dan:** That's Brig Dumais. They're a staff organizer with the union.

And in the fall of 2020, with the next legislative session coming up, they picked up the phone, called NNU.

**Brig Dumais:** and said, I recognize this as an issue, what can we do together? How can we collaborate?

Suddenly there was a coalition. Brig was the chair. Which meant it was their job to rope people in, keep everybody up to date, make sure meetings got scheduled.

**Brig Dumais:** I love making the calls and talking to people and sending out the doodle polls. I would do it again and again.

**Dan:** So, THAT's a resource. Eventually, about 60 organizations joined the coalition.

One of the first people to join in was Malcolm Heflin. He's an organizer for a group called Progressive Maryland-- and he suddenly had a bit of extra time and energy, and knew other folks who might.

He had just wrapped a city council campaign for a third party candidate. They'd lost, but he says they had built a lot of energy among the volunteers. He made some calls.

**Malcolm Heflin:** Do we want to keep this band going, do want to keep the band together and try to move it forward? And enough people said yes, which was great.

**Dan:** For instance, Valerie Hsu had been the volunteer coordinator for that campaign. She helped rally those volunteers to started campaigning for the new bill.

**Valerie Hsu:** we had 91 written testimony submissions before the Senate finance hearing. And that came because a lot of our volunteers decided to host a virtual testimony writing happy hour.

**Dan:** It's not like I cover Maryland state politics a lot. I had to ask people: 91 testimonies. Is that a lot? They were like, yeah dude. That's a lot a lot. Also, a coalition with as many as sixty organizations participating?

Let's ask a legislator. Karen Lewis Young has been in the Maryland legislature for six years.

**Karen Lewis Young:** Those are pretty huge numbers. I mean, sometimes it's hard to get two organizations to work together

**Dan:** Meanwhile, Malcolm Heflin says, all those volunteers and those organizations were using social media to keep up the pressure.

**Malcolm Heflin:** that was a really big, important part of controlling the narrative the people on the inside the halls of power in Annapolis, like they knew us and they knew we weren't going anywhere.

**Dan:** And people stepped forward to tell their own stories.

Like Michele Gregory. She's on the city council in Salisbury Maryland-- on what's called the Eastern Shore-- the southern part of the peninsula that also includes most of Delaware.

**Michele Gregory:** When they came to me and said, Hey, you know, do you or anybody else, you know, you know, have they experienced this and said, oh boy, do I have a story for you?

**Dan:** This issue is what made her an activist. About 15 years ago, Michele's husband developed a heart problem. He was just 32.

**Michele Gregory:** They did a heart catheterization to check out what was going on and he had a stroke on the table.

**Dan:** Holy shit.

**Michele Gregory:** yeah,

**Dan:** He had to re-learn how to read, write-- even talk-- all over again. He couldn't go back to work for six months; he got some short-term disability pay-- Michele thinks maybe 60 percent-- but the checks didn't come regularly. And he was the sole breadwinner. They had three young kids, and no real cushion.

The kind of help their family could offer: Letting Michelle and her husband use their credit cards.

**Michele Gregory:** we went into about \$15,000 in credit card debt, just trying to survive for about six months without him working.

**Dan:** And there were medical bills. They had insurance, but there was a deductible, things the insurance didn't pay. It was a few thousand dollars in hospital bills, and they did not have the money.

**Michele Gregory:** He still wasn't fully recovered. And we were getting knocks on the door, telling us that they were going to take us to court.

**Dan:** So when he went back to work -- with \$15,000 in credit-card debt-- his wages were garnished: The hospital got money deducted from his paycheck, thanks to a court order.

She estimates the whole episode put them back five or six years, in terms of being able to get ahead, buy a house, that kind of thing. She's thankful they were able to make it to more stable ground.

And it's not THAT stable. When health issues pop up paying their bills becomes touch and go all over again. It's something Michele thinks we should talk more about and

**Michele Gregory:** you know, here I am, I I'm an elected official, you know, we're, nobody's immune from this : and there's no way of making change without telling you stories. We're not going to make change just by hoping and wishing. We have to, we have to make it ourselves.

**Dan:** And they did.

After a lot of wrangling-- and some compromises-- the Maryland Medical Debt Protection Act passed unanimously.

Malcolm Heflin from Progressive Maryland, say a full year of COVID provided an extra push.

**Malcolm Heflin:** I can tell you for sure that the pandemic was the big difference. That really helps. I think, for the elected officials to really sharpen their appreciation. For how this was

**Dan:** Getting unanimous approval meant advocates didn't get everything they wanted. Especially: a ban on lawsuits under a thousand dollars.

A lot of what they did get consists of prohibitions against things that sound unconscionable:

For instance, a hospital can't sue you to collect on a bill until they've determined if you're eligible for financial assistance.

Um, OK.

And: If you ARE eligible for financial assistance, they can't sue to get your wages garnished.

**Malcolm Heflin:** It's like reading the postscript in a Dickens novel almost.

**I'd be like, oh yeah. Hey, look, now we can't change children to factory machines. Like what? Wait, what? That was legal.**

**Dan:** It was! Also this: If you're dead, they can't go after your estate, quote, "if the deceased patient was known by the hospital to be eligible for free care."

If they're going to sue you, they have to give you 45 days notice. By first class mail. The type has to be at least 10 point. It has to include a name and phone number you can call to work out a payment plan. It has to say how much you owe. It has to give instructions for applying for financial



assistance-- and it has to include a phone number you can call to confirm that they got your application.

So, none of this was required before.

Even stronger: That notice has to reach you by certified mail. If they want to sue you, they have to show that you signed for that piece of mail.

And some things that seemed like disappointments at first, now seem like wins.

For instance, advocates had wanted limits on interest rates hospitals could charge. Instead, the law directs a state commission to set up guidelines by the end of the year.

And it says-- this part is kind of buried: no hospital can sue anybody until those guidelines exist, and the hospital is following them.

Noticing that bit definitely softened Malcolm Heflin's disappointment.

**Malcolm Heflin:** When you look through the, the list, check, wait a minute. Are you saying that they're not going to Sue people until this report comes out?

**Dan:** He sees it as a double win. Number one, nobody gets sued. Number two, it'll ultimately strengthen his side's argument against hospitals being able to sue anybody. There'll be data to show the hospitals can afford to not sue folks.

This is a good time to mention: I reached out to Johns Hopkins and the Maryland Hospital Association. And the hospital association emailed to say, Sorry, we can't make your deadline.

Johns Hopkins sent a statement. The gist: We're not out here trying to make people's lives suck. We do a lot of good stuff, forgive a lot of people's bills.

I mean, I don't KNOW where things go next in Maryland. The world's pretty unpredictable right now. But they've got some wins here. They've got this moratorium on lawsuits. And they've got some people who are pretty fired-up to keep pushing.

Also... states like California, Nevada and New Mexico all passed laws to reform medical-debt collections this year.

So there's that. And there's this: You put something in law-- even something with a lot of holes in it-- you're creating an opportunity.

We started looking at the history of charity care because of a story from early this year, when Jared Walker went super-viral on TikTok, alerting people to the fact that charity care EXISTS. It's a legal obligation, and you can hold hospitals to it.

Millions of people saw that TikTok video. Lots of them got in touch with Jared to let him know they'd tried his advice, and it had worked. And lots of them got in touch to ask if they could help.

That was January. By June, some of them had helped Jared build an online system, where people could check if they qualified for charity care.

And NOW he's started training people to go one on one: To actually help other people apply for charity care. Our producer Emily Pisacreta went to the very first training, on Zoom, earlier this month.

The next day, we were talking-- on Zoom-- with Diane Webber, an editor we work with at Kaiser Health News. I asked Emily how it went, and she was like, I was tired going in-- the thing started at 9pm her time-- and this thing made me so happy.

I was like: Wait, let me roll tape on this:

**Emily Pisacreta:** Yeah. So they were like 25 participants from all over the country. I wrote down like Virginia, Tennessee, Texas, Minnesota, everywhere. And Jared walked them through what he does, like how he looks up financial aid policies, what kind of things they might run into, like what kind of requirements that different hospitals have.

And, at every turn he's just like, I'm determined to fight this. If, if the hospital says no, and you know, just kind of gassing them up to help people fight these things. It was pretty cool. People had Great questions, you know, what, if someone's on Medicaid, what if they're under-insured.

Stuff like that. And a lot of the responses well, you know, the policy might not say this, but you can try and you can have them write a letter. Jared says he's seen all kinds of cases, get forgiven.

**Dan:** Wow. I love that. You said you'd had a really long week and sitting in on this made you feel really, really good.

**Emily Pisacreta:** Honestly, it did. It was absolutely the highlight of my week. Just to know that there were people who at the end of their workday, just like want to get together and figure out how to get rid of people's medical bills. And there were a couple of people who've done this a few times who were sharing their experiences. One piece of advice they had that was really good. Was that um fax it or best case scenario, like walk it in. Um, and then follow up if you don't hear about within a couple of weeks.

**Diane Webber:** Fax

**Emily Pisacreta:** Yes. And they were all like who has a fax machine,

**Diane Webber:** ...Years ago, we did this story of like 'hospitals the last bastion of faxes' and it, it's like the legal world and the medical world are the, places where you still need a fucking fax machine. And it, yeah. it speaks volumes, but you got to play their game because you're at their mercy,

**Dan:** And the fax thing is just the beginning. Emily got the whole training on tape. I've asked her to give us some highlights.

**Jared Walker:** Hello everyone.

**Elise Goldstein:** while we're waiting. You want to drop in the chat where you're from, if you've done any volunteering for dollar four yet.

**Emily Pisacreta:** That's Elise Goldstein, a Dollar For volunteer helping steer the ship. Sometimes a little black cat appears behind her.

**Elise Goldstein:** Oh, this is a pepper in the background.

**Jared Walker:** The vision, uh, behind this tonight, uh, which we'll be doing monthly is level one patient advocate training.

**Emily Pisacreta:** He says the requests for help from Dollar For add up to nearly \$75 million dollars. He wants to recruit an army to fight those bills with him. And things are looking good if not for an army, at least a decent street gang.

**Jared Walker:** I'll share my screen and we'll do this live. People can give me hospital names and we'll all kind of look up these hospital, uh, policies.

**Emily Pisacreta:** Jared pulls up the financial assistance policy for a hospital in Kansas City and we all look at it together.

**Jared Walker:** Sometimes there's a nice little chart. You can see like, okay, if you are 200% or less of the federal poverty guy, You get 100% charity

**Emily Pisacreta:** Everything is pegged to household income. A recruit pipes up in the Zoom.

**Volunteer:** Hey, I have a question. Um, first thing so much for doing this second. Um, how do they define households? I live with housemates household. We don't share money.

**Jared Walker:** Yep. Great question. We'll cover that. That is maybe the second most popular question.

**Emily Pisacreta:** The answer to that, by the way, is no. Your roommates probably don't count.

Throughout the session, Jared shares lots of practical tips. He also says the process is not always fast or easy, even for him.

**Jared Walker:** I talked to a hospital today, um, in Texas. I submitted that application in March and I'm still finding it. It's like a \$75,000 bill. Um, and he's not going to have to pay it. I will get it, but it's been annoying.

**Emily Pisacreta:** As things wrapped up, Jared asked: Did people feel like they were ready to actually jump in and help out somebody, like a family member?

**Jared Walker:** I'm seeing thumbs up and I love it.

**Emily Pisacreta:** He encourages them to go for it, and Elise shares a sign up form for people who want to commit time to working with strangers, too, as official dollar for volunteers.

**Jared Walker:** It's seriously, you guys, I'm telling you when you get a call with somebody and tell them that their medical bills are gone, it's the coolest freaking thing in the whole world. You'll do it once or twice and you'll just get hooked.

**Emily Pisacreta:** He sees opportunities everywhere.

**Jared Walker:** I was at a bar the other day and the bartender said, like, I overheard them say like, oh, I had to go to the ER the other day. Um, and I just gave him my card and was like, oh, like, I can help with that

**Dan:** Emily has compiled a ton of tips from the training about applying for charity care, which you can find on our website.

And Jared has promised to send a link to where YOU can sign up for his next training.

All of this-- the way Jared is mobilizing people, and the way we've seen people, over the course of these last four episodes, coming together to push for changes in our laws, over the course of twenty years, including folks mobilizing for a big win just this year. This gives me a lot of hope. A lot of energy.

I think a big part of this show's job is to spread some of that energy around. I hope it's working for you. I'll keep feeding you information about how YOU can put that energy to work.

Meanwhile, another part of this show's job is to help us have a super-clear understanding of what we're up against. So the next few episodes are about health insurance.

Starting with: We spend 12 million hours a week on the phone with our insurance companies. A Stanford professor measured it.

But the big news is: I've been talking with some people who have spent YEARS wrangling with insurance. And winning. They've got some big insights for us.

That starts in two weeks. Till then, take care of yourself.

Hey, by the way: I've learned some REALLY interesting things about the fight for charity care-- interesting, useful-- that just didn't fit here. Some of that's going to show up in our newsletter. Along with a link to Emily's writeup of Jared's top charity-care tips. If you're not a subscriber, this is a GREAT time to sign up. Arm and a Leg Show dot com slash Newsletter.

This episode of An Arm and a Leg was produced by me, Dan Weissmann, with help from Emily Pisacreta, and edited by Marian Wang. Daisy Rosario is our consulting managing producer. Adam Raymonda is our audio wizard. Our music is by Dave Winer and Blue Dot Sessions.

This season of an arm and a leg is a co production with Kaiser health news. That's a nonprofit news service about healthcare in America, an editorially independent program of the Kaiser family foundation. Kaiser health news is not affiliated with Kaiser

Permanente, the big healthcare outfit. They share an ancestor. This guy, Henry J Kaiser. He had his hands in a lot of different stuff.

He poured concrete-- like for the Hoover Dam. Built a chunk of the U.S. cargo fleet for World War II. Made cars. When he died, more than 50 years ago, he left half his money to the foundation that later created Kaiser health news. You can learn more about him and Kaiser health news at arm and a leg show dot com slash Kaiser.

Diane Webber is national editor for broadcast and Taunya English is senior editor for broadcast innovation at Kaiser health news. They are editorial liaisons to this show.

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And: thanks to everyone who is pitching in financially to help get this show made. We could not do it without you. And everyone is absolutely welcome to join in at arm and a leg show dot com, slash, support Thank you!