

**LISA REYNOLDS, MD**  
**STATE REPRESENTATIVE**  
**District 34**



## **HOUSE OF REPRESENTATIVES**

Good afternoon, Chair Nosse, Vice Chairs Goodwin and Nelson.

For the record, my name is Lisa Reynolds, and I'm the state representative for Oregon House District 34.

I am grateful to be before you today to talk about HB 3320, a bill that aims to ensure low-income and uninsured Oregonians can get the medical attention they seek, without receiving illegitimate bills and without being threatened by collections agents.

As you well know, I am a pediatrician. And, as a medical professional, it is my life's work to serve and advocate for the health of all Oregonians, especially those who face significant barriers to health care.

As you've also heard me say before, poverty is a vicious cycle that causes toxic stress. It impairs both physical and mental health, and, especially for families with young children, it can disrupt early relational health. It's why I often talk about ending child poverty.

And, when it comes to medical care, I believe in making sure that patients and families can access care without having to go bankrupt.

I am very, very proud to practice pediatrics in a state that covers all kids with the Oregon health plan. And, as noted in a Kaiser Health News article carried by the [Oregonian just last week](#), Oregon will become the first state in the nation that will continuously cover all kids from birth to 6 years old. Other states are scrambling to follow suit. And, Oregon is one of 30 states that has opted to cover women for the full year postpartum with health care coverage. We are the envy of my pediatric colleagues from other states and I am the envy of my Oregon physician friends who take care of adults. It's important to note that Oregon is taking great strides to cover more adults with health insurance. But we are not there yet.

So what do we do with those Oregonians, already struggling to meet their basic needs, who are low-income and/or uninsured and need medical attention? Enter Oregon's non-profit hospitals, who have a legal – and I would say moral responsibility – to care for this vulnerable population.

*“Non-profit hospitals”* means that hospital earnings cannot benefit shareholders or individuals. These hospitals do not pay any federal, state, or local taxes. The [value of that status amounts to \\$28 billion nationally](#). In exchange for these tax exemptions, the hospitals are required to provide charity care and other benefits to their community.

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[HB 3076](#), passed in 2019, required Oregon's nonprofit hospitals to screen patients' eligibility for charity care, the term we use for the free or discounted health services for patients who cannot afford to pay their hospital bills. The intent behind this bill was to prevent medical debt for Oregon's most vulnerable and to enliven the charitable missions of nonprofit hospitals.

So I was shocked – I think I even gasped out loud – after The [New York Times](#) reported in September about Providence Health System's aggressive tactics to collect payments from people who qualified for charity care. The Washington State Attorney General, Bob Ferguson, has [filed a consumer protection lawsuit](#) alleging that Providence wrongly claimed those patients owed a total of more than \$73 million.

Our attorney general, Ellen Rosenblum, has launched an investigation into Providence.

Other reports, including some that will be discussed by panelists today, shine a light on how we need stronger compliance with the state law. Many of our hospitals are sending vulnerable people into a cycle of debt when they should be offering assistance.

We find that charity care has not been adequately implemented throughout Oregon, even though we passed HB 3076, requiring that low-income Oregonians receive financial assistance with their bills. In fact, only 1 out of Oregon's 60 nonprofit hospitals has effectively provided full, fair, and consistent charity care to eligible patients.<sup>1</sup>

The result? Low-income patients meant to be covered are sent to debt collectors and sued in small claims court for bills they were never supposed to pay in the first place. Of course, these folks do not have the means to hire lawyers to defend them throughout this process. And we know that medical debt is the most common reason for bankruptcy filings, making these families more vulnerable in terms of housing security and more.

Some of the consumers will share their stories of being buried in expenses that make them unlikely to pursue the care that they need.

Look, it's past time: All nonprofit hospitals must abide by charity care standards to uphold their obligations to patients and communities.

This bill has been worked on with SEIU, the Oregon Association of Hospitals and Health Systems, OHSU, and Providence Health Systems and I thank them for their good faith efforts to

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<sup>1</sup>Dollar For, [Pointless Debt](#), 2023.

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right these wrongs. Providence is in support of this bill, and OAHHS supports the amendment currently in progress.

So, what does the bill do? Here are some of the highlights:

- In order to ensure that eligible patients get access to financial assistance, there will be widespread screening for financial assistance prior to bills being sent. We all know these bills, or things that look like bills, are confusing and difficult to understand. Furthermore, financial assistance programs need to be easily accessible online. The appeals process, if denied, needs to be easily accessible for consumers.
- And, If a patient pays for services that should have been covered by law under financial assistance, then they will be refunded that amount plus any other costs associated with collecting.

Some of our panels will cover additional details on this important legislation, including concepts that are being developed amongst stakeholders to improve this legislation.

In medicine, we all live by the code, “first do no harm,” which includes how we treat the patients that receive bills for our services. In many cases, what Oregonians have experienced was the exact opposite.

I hope you will join me in supporting House Bill 3320.