

Rep. Zach Stephenson
Chair, House Commerce Finance and Policy Committee
449 State Office Building
St. Paul, MN 55155

Rep. Tim O'Driscoll
Ranking Member, House Commerce Finance and Policy Committee
237 State Office Building
St. Paul, MN 55155

March 12, 2024

Enclosed please find our supplemental letter in support of the proposed Minnesota Debt Fairness Act. Please be in touch if you have questions or if Cancer Legal Care can help in any other way. Thank you for your consideration, efforts, and leadership on this very important legislation.

Regards,

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Founder and Executive
Director
Cancer Legal Care

Erin Hartung, Esq.
Director of Legal Services
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Cancer Legal Care

Catherine London, Esq.
Advocacy Chair,
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Cc: Simon Brown, Committee Administrator (Simon.Brown@house.mn.gov)
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Rep. Liz Reyer, HF 4100 Author (rep.liz.reyer@house.mn.gov)

**Cancer Legal Care Supplemental Statement¹ on Proposed Minnesota Debt Fairness Act
(HF 4100/SF4065)**

At the March 4, 2024 hearing before the House Commerce Finance and Policy Committee, Attorney General Ellison expressed that medical debt is not like other consumer debt. The purpose of this statement is to add context and commentary to Attorney General Ellison's statement. **Medical debt is unlike other consumer debt not just because a person does not choose to get sick, but also because medical debt is uniquely fraught with complicated issues** far beyond the reasonable knowledge and skills of average consumers such as billing errors, complex billing processes and coding schemes, improper health insurance denials, health insurance bureaucracy navigation, and inconsistent and (and oftentimes, confidential) provider-insurance network contract terms and implications.

Since 2019, Cancer Legal Care has provided health insurance appeal and provider billing dispute services to our clients under our ICARE program (Insurance Claim Advocacy and REsolution). In this role, we have gathered monetary figures regarding our client's medical debt, and in particular, medical debt which never rightfully should have been assigned to our clients to pay.

Of particular relevance to the proposed Minnesota Debt Fairness Act, we document the amount of charges that our clients have incurred after receiving a medical service or treatment ("post-treatment charges"). This is important because these post-treatment charges have been, or will be, actually billed to our clients as their responsibility to pay (as opposed to charges for services which are denied in a pre-treatment phase, which are not billed to our clients because the service has not and/or will not be provided).

Of these post-treatment charges, from 2019 through January of 2024 Cancer Legal Care's ICARE program has recovered and/or protected 37 clients from paying a total of **\$2,270,477.65** in charges stemming from improper health insurance denials and/or improper health insurance coverage issues, and 6 clients from a total of **\$40,609.57** in charges stemming from health care provider billing errors and other health care provider billing issues. The health insurance denial-related charges (\$2,270,477.65) ranged from \$200.00 to \$360,000.00 per client, averaging to \$61,364.26 per client. The health care provider billing error-related charges (\$40,609.57), ranged from \$231.00 to \$21,870.00 per client, averaging to \$6,768.26 per client.

As these figures and the complicated issues behind them illustrate, medical debt cannot reliably, incontrovertibly, or properly be assigned to a consumer as their rightful responsibility to pay. Furthermore, our clients and many other consumers bearing medical debt oftentimes do not have the resources, knowledge, physical or emotional capacity, or privilege of ample free time to dispute improper medical charges assigned to them. For these reasons and others, **Cancer Legal Care wholeheartedly supports the Minnesota Debt Fairness Act and urges the committee to vote in approval.**

¹ Cancer Legal Care has previously submitted an Official Statement to the Committee.