

California ACORN has been working in local cities and at the State Level to find ways to help reduce medical costs for families who find themselves either uninsured or underinsured. Unfortunately, many low income families are burdened by thousands of dollars of medical debt because of the inadequacy of their insurance policies. As a result ACORN members have made it a top priority to develop new state policies and to work with designated non profit hospitals to make sure they are providing the necessary Charity Care Services to community residents.

During the 2009 Legislative Session, ACORN has partnered with Health Access California to co-sponsor Assembly Bill 1503, authored by Assemblymember Ted Lieu (D-El Segundo) which ensures fair pricing for emergency physician services for uninsured and underinsured consumers. Due to our broken health care system, a majority of our members are forced to rely on emergency room physicians for care because they are uninsured or underinsured, and have no other option. Our members are not alone. In California, six million people remain uninsured, while millions more are underinsured. Much to our dismay, current California law virtually forces emergency room physicians to pursue collections against uninsured patients in order to get paid. We are finding that people are often harassed by creditors, forced into bankruptcy, and in some instances were forced to refinance home loans which led to becoming a victim of predatory lending.

In 2006, the legislature passed AB 774 (Chan), which prohibits hospitals from charging uninsured and underinsured patients with incomes below 350% of the federal poverty level more for services than what the government would pay under Medicare or Medi-Cal. AB 774 only applied to hospitals. Physicians who provide emergency services, however, must bill their patients and pursue collections before they can receive reimbursement through the Maddy Emergency Medical Services Fund (the Maddy Fund was created in the 1980s to reimburse physicians who provide emergency care to the uninsured). Some physicians charge uninsured patients for services at inflated prices and aggressively pursue collections, contributing to medical debt. AB 1503 (Lieu) would provide the same consumer protections with respect to physicians that the uninsured and underinsured now enjoy with respect to hospitals.

Working with non-profit hospitals to ensure charity care is offered is another key priority for ACORN members in this area. For years San Diego ACORN has been working with various hospital to get the medical debt of low income community members removed through the hospital's charity care program. In recent years community members who are in debt from local hospitals have been coming to ACORN to seek assistance. Because no agreement exists between these hospitals and ACORN we have not always been able to help these people. This problem has led to the latest development in the Charity Care campaign which focuses on ensuring that all non-profit hospitals be required to meet a standard minimum level of charity care granted yearly. As it stands there is no dollar amount, a nor percentage of charity care that non-profit hospitals are required to grant. The non profit tax status of these hospitals allows them to receive tax breaks, however many of these hospitals are not providing the Charity Care services that those breaks were meant to cover. ACORN is working in 14 cities to change this phenomenon. Over the next year San Diego ACORN will be documenting cases and stories of low income community members who are drowning in medical debt due to non-profit hospitals, in order to

show the disparities in charity care granted. The goal is to get the Board of Equalization to implement a standard level of charity care granted by all non-profits. Although this work is currently only happening in San Diego, there is potential to move the same program in San Jose and Los Angeles. If you or someone else may need more information or if you are burdened with medical debt, please contact California ACORN at 213-747-4211.