

COVID Medical Debt & Other Consumer Issues

**NY Statewide Senior Action Council
2020 Virtual Convention
October 14, 2020**

**Chuck Bell, Programs Director
Consumer Reports**

NY State Medical Debt Legislation

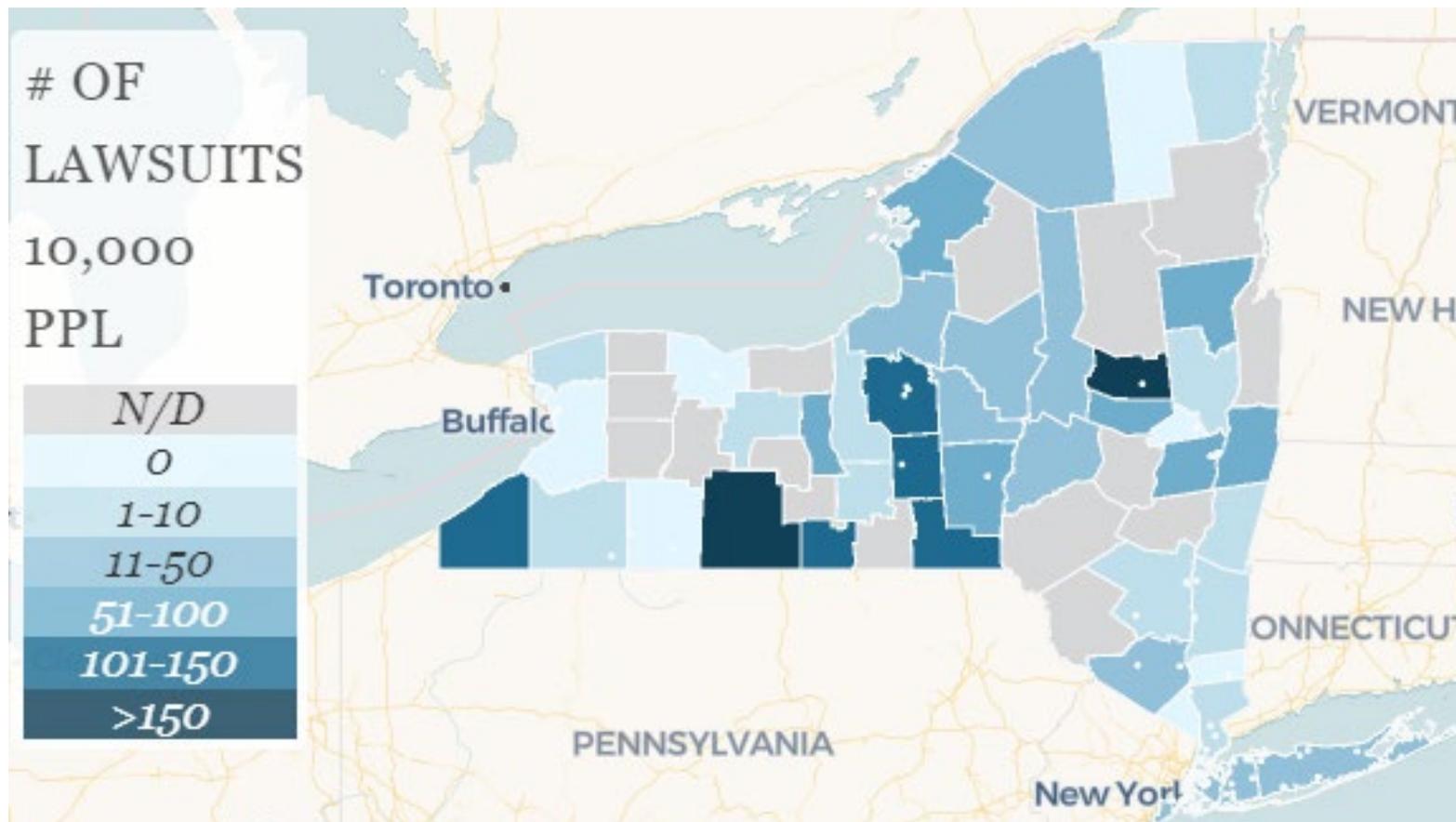
- **Patient Medical Debt Protection Act (A-6757 & S6757A) AM Richard Gottfried-Sen. Gustavo Rivera**
- **COVID-19 Pandemic Medical Debt Bill (A-10506 & S8365A) AM Richard Gottfried-Sen. Gustavo Rivera**



Patient Medical Debt Protection Act (A.6757/S.6757A)

Problem	Example	Solution
Hospitals send patients confusing and duplicative bills	Chandak G. went to the hospital for kidney stones, and got 27 different bills from the ER, radiologist and many others	One itemized bill , written in plain language, delivered within 7 days after every hospital visit
Nonprofit hospitals sue patients for outstanding bills long after a hospital visit, charging 9% interest rates	A patient was sued over 5 years after his hospital stay; the bill totaled \$25,000, including \$7,000 in interest	Reduce the statute of limitations from 6 years to 2 years, and reduce the maximum interest rate to 3% .

NY State Medical Debt Legislation



40,000 lawsuits against NY state patients
between 2015 and 2019

Patient Medical Debt Protection Act (A.6757/S.6757A)

Problem	Example	Solution
Patients are on the hook for surprise bills that result from provider and plan misinformation.	Claudia K. visited a surgeon who her provider directory said was in-network -- but he wasn't. He sent her a \$101,000 bill for neck surgery , of which insurance paid less than \$5,000.	Hold patients harmless for provider and plan misinformation.
Patients are charged for hospital overhead, known as facility fees .	Sintora S. went in for a mammogram, expecting to be charged a co-pay, but then received a surprise \$149 facility fee .	Ban facility fees; patients should not be charged for hospital overhead.

Patient Medical Debt Protection Act (A.6757/S.6757A)

Problem	Example	Solution
There is no uniform hospital financial aid form , forcing financially needy patients to jump through hoops to get the assistance they need.	Patients must go through different aid processes and forms when they go to different hospitals, creating confusion and barriers to access.	One uniform hospital financial aid form to be used by all hospitals in New York.
Waiver forms presented in hospitals and provider officers leave patients responsible for unspecified and unanticipated expenses.	Patients sign waiver form upon hospital admission; agreeing to pay for any costs, even if not covered by their insurance.	Outlaw patient financial liability waiver forms.

Patient Medical Debt Protection Act (A.6757/S.6757A)

Problem	Example	Solution
NY Dept of Health is trying to build a health care cost comparison website , but some hospitals claim their price data is “ proprietary ” and can’t be shared with the public .	Missing price information when trying to compare cost of an MRI or a knee replacement.	Require hospitals to allow insurance carriers to report cost data , and allow patients to compare prices on common procedures.

- **Stop collection actions by hospital or providers during pandemic, improve notice requirements to patients**
- **Protect uninsured patients against debt collection**
- **Limit interest rates for medical debts to “reasonable rate”**
- **Preserve coverage for consumers who are having difficulty paying premiums**

Partial Victories!

- **Statute of Limitations for Medical Debt Lawsuits reduced from 6 years to 3 years (achieved!)**
- **Surprise billing fix for provider directory errors (achieved!)**
- ***Gov Cuomo support for reducing medical debt interest rate from 9% to 3% (put in 2019 state budget – but not achieved yet!!)***

- **Surprise Billing Reforms – (H. 2328 and S 1895)**
Prevent balance billing, extra charges for COVID-19 testing and treatment
- **HR 6470 / S 1581 – Rep. Katie Porter / Sen Jeff Merkley bill to extend moratorium on negative credit information for medical debt from 6 months to 1 year**



HR 1046 – Medicare Competitive Negotiation & Licensing Act



Rep. Lloyd Doggett (D-TX)

- **Requires CMS to negotiate with drug companies regarding prices for drugs covered under the Medicare prescription drug benefit. (Current law prohibits the CMS from doing this)**
- **CMS must consider certain factors into account during negotiations, including:**
 - **the clinical- and cost-effectiveness of the drug,**
 - **the financial burden on patients, and**
 - **unmet patient needs.**

- **If the CMS is unable to negotiate the price of a drug, such drug is subject to competitive licensing in order to further its sale under Medicare**
- **If the drug is not offered at competitive prices to fed gov't, the drug is subject to additional licensing for sale to any federal program (e.g., Medicaid).**



NEW YORKERS FOR RESPONSIBLE LENDING

- **Statewide coalition of 160 organizations promoting fair, affordable, accessible financial services**
 - **Mortgage Working Group**
 - **Consumer Finance Working Group**
 - **Student Loan Working Group**
 - **Insurance Working Group**

Shut Down Deed Theft! (A.5615 and S.1688)



- In New York, some homeowners have been tricked into signing over their property deeds by scam artists, who pretend to help with mortgage loans in default or foreclosure.
- Fraudulent companies target financially struggling homeowners, sometimes claiming that the victim's home is already up for auction. They are sophisticated operators who take advantage of loopholes in the law.
- The new bill improves protections for homeowners with distressed loans, creating better legal remedies against fraud and deception. The bill also provides much tighter regulation of “distressed property consultants” to make sure homeowners are treated fairly.



NEW YORKERS FOR RESPONSIBLE LENDING

Student Loan Borrower Bill of Rights

All student loan borrowers in New York **have certain rights...**



https://www.dfs.ny.gov/consumers/student_protection

- **Private Student Loan Protections**
 - **Unfair debt collection practices**
 - **Disability protections**
 - **Robo-signing**
 - **Co-Signer Release**
- **Predatory Auto Lending**
 - **Interest Rate Markups**
 - **Add-ons (e.g. rustproofing, VIN etching, service contracts, credit insurance, etc.)**
 - **Repossessions**

- **Comprehensive Broadband Connectivity Act**, A.6679C Ryan/S.8805 Metzger. (“Broadband Mapping Bill”) (Passed!!)
- Requires the public service commission to review broadband and fiber optic services within the state and requires the expansion of broadband and fiber optic services.
- **Public Utility Law Project (PULP)** – Nonprofit statewide utility advocate. Helped pass moratorium on utility shutoffs during the Pandemic
- Contact Toll Free: **877-669-2572**

Block Robocalls!

FREE TV HOW TO WATCH MORE AND PAY NOTHING | **THE CBD CRAZE:** IS IT SAFE? WILL IT EASE YOUR PAIN?

SAFETY UPDATE: THE RACE TO REDUCE CAR CRASHES

CR Consumer Reports®

REVIEWS & RATINGS

- Headphones Under \$20
- Vacuum Blenders
- Replacement Windows
- Toyota RAV4
- "Light" Ice Cream

**MAD ABOUT
ROBOCALLS?**

SO ARE WE!



INSIDE
How to win back your privacy and sanity

- **Approximately 48 billion robocalls were placed in 2018 – 1,500 per second, 5.4 million per hour, 131 million per day.**
- **40-45% of robocalls are estimated to be scam calls**
- **These calls are not just annoying, but a major avenue for invading consumer privacy and cheating people out of their savings**
- **70% of consumers told CR they have stopped answering their phone, if they don't recognize the number**

The Robocall Prevention Act (NY) – S.3297A and A.675A

PENDING

- **Requires telephone companies to make call blocking technology available to customers for free;**
- **Gives New Yorkers the right to request that callers like debt collectors stop robocalling them;**
- **Prohibits fraudulent “spoofing” using disguised numbers;**
- **Provides additional protections against robocalls for landlines, which have less protection than cell phones under federal law;**
- **Grants the State Attorney General new enforcement powers to go after scammers, and gives New Yorkers a private right of action to sue illegal robocallers;**
- **Requires the State of New York to issue annual reports on robocalls and make recommendations for further action against robocalls.**



Strengthen NY Consumer Protection Law (A.679 & S2407)

- **Like other states, New York has a “mini-FTC act” against Unfair, Deceptive and Abusive Practices. This is the general business law that the Attorney General and consumers can use to directly challenge deceptive practices and consumer fraud in the marketplace.**
- **As a private citizen, you can go to court to seek damages when you are hurt by scams and consumer fraud.**
- **The problem is, New York’s general consumer protection law is weaker than laws in 39 other states. We ban deceptive acts and practices -- but unfortunately -- not practices that are simply unfair or abusive to consumers.**
- **Consumers rely heavily on the NY Attorney General to enforce the law. But, the AG’s resources are limited.**

CONSUMER PROTECTION IN THE STATES

A 50-STATE EVALUATION OF UNFAIR AND
DECEPTIVE PRACTICES LAWS



March 2018

NCLC
NATIONAL
CONSUMER
LAW
CENTER

PENDING

Strengthen NY Consumer Protection Law (A.679 & S2407)

- An example of a practice that might be “unfair” but not “deceptive” is the 2017 Equifax customer data breach, through which personal financial information for up to 145 million customers inadvertently released to identity thieves. Consumers were seriously hurt, but in New York they can’t bring a case against Equifax under our consumer protection law.
- High-pressure sales tactics are also “unfair” trade practices. Examples include: intimidation, coercion, personal disparagement, emphasizing social difficulties, refusing to let customers leave until they sign contracts, using relays of salesmen until the consumer succumbs, preventing consumers from taking the time to consider a decision and its consequences, and dismantling equipment and refusing to reassemble it unless the consumer purchases the service.
- There are many types of scams and frauds that the New York AG and consumers and their attorneys could directly challenge and prevent, if we strengthen our NY consumer protection law.



EQUIFAX DATA BREACH

By the numbers



May-July 2017

Hackers gain access to Equifax consumer files



September 2017

Equifax goes public with the breach

148 million Total number of U.S. consumers impacted by the breach

What was stolen?

146.6 million ... Consumer names, dates of birth

145.5 million ... Social Security numbers

99 million ... Addresses (city, state, ZIP)

27.3 million ... Gender

20.3 million ... Phone numbers

17.6 million ... Driver's license numbers

1.8 million ... Email addresses

209,000 ... Credit or other payment card numbers

What can you do?

Sign up for credit monitoring
Free services like My LendingTree and Credit Karma can help alert you to suspicious activity.

Temporarily lock your credit report with a credit lock
Equifax, Experian and TransUnion have a credit lock feature.

Respond quickly to fraud
You can be your own best line of defense sometimes.

Contact Information

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INSIDE

How to win back your privacy and sanity

For more info, contact:

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