



**TESTIMONY
OF
CONNECTICUT HOSPITAL ASSOCIATION
PUBLIC HEALTH COMMITTEE
Thursday, February 20, 2003**

SB 568, An Act Concerning Hospital Debt Collection Practices

The Connecticut Hospital Association opposes **SB 568, An Act Concerning Hospital Debt Collection Practices**. As proposed, SB 568 would reduce the amount a hospital can claim as judgment interest, transfer court costs to the hospital, discourage wage attachments and liens, limit the ability to sue spouses for unpaid debts, and require debt collection notices in Spanish and English.

The Connecticut Hospital Association opposes SB 568 for several reasons. First, if passed it would be in direct conflict with other existing statutory hospital debt collection obligations. It has been the longstanding practice of the State (in Rate Setting, 1973-1994, and Uncompensated Care Pool Regulation, 1992 to the present), to require hospitals to make every effort to collect funds owed. The clearest current codification of the State's mandate is found in section 19a-662. That statute requires a hospital engaging in inefficient or inappropriate provision of uncompensated care to modify its procedures and protocols, including collection procedures and protocols that are deemed by the state to be inadequate. In addition, failure to reduce bad debt may result in loss of disproportionate share funding under the statute.

Second, we oppose SB 568 because it is needlessly excessive, given the existing statutes as well as numerous regulations circumscribing debt collection practices. Hospitals debt collection practices are currently regulated by The Fair Debt Collection Practices Act "FDCPA" (15 USC 1692 et seq.), Connecticut common law and regulations that mirror FDCPA, The Connecticut Department of Consumer Protection, The Office of Health Care Access, The Department of Public Health, and many other debt collection statutes that apply to hospitals as well as other entities (Connecticut General Statutes, 52-350f, 52-598, 52-356d, 52-356a, 52-380a, 52-355a, 52-361a, 52-367a, 52-367b, 52-400a, 52-356b, 52-195c, 52-204, 52-391, 52-279, 52-285, and 52-328). Passage of this bill would make debt collection practices extremely confusing and administratively difficult to accomplish.

Thank you for consideration of our position.