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October 1, 2024 Interview: Bobby Peterson, Executive Director ABC for Health, Inc. (608) 261-6939

Hospitals in Milwaukee County Fall Short on Community Charity Care Investments

New Report Informs Community Health Needs Assessment on Access to Health Coverage and Care

Madison, WI – Medical debt is a public health crisis in Milwaukee, Wisconsin, and across the country. A new report issued by ABC for Health, Inc. pushes hospitals in Milwaukee County to improve access to health coverage and care issues to justify extensive tax breaks and better serve patients affected by health disparities and medical debts. Nationally, hospitals dedicated on average about 2.3% of revenues to charity care while Milwaukee hospital struggle to even reach 1%. "Milwaukee County hospitals spend *below* the national average on care for the poor, reaping far greater advantages from their tax-exempt status than they repay to the local community," says Bobby Peterson, Public Interest Attorney and Executive Director of ABC for Health, Inc. "If these hospitals met the 2.3% national average, they could eliminate most of the annual medical debt in Milwaukee County."

The report, "Access to Health Care & Coverage: ABC for Health, Inc. Recommendations for Milwaukee County Hospitals" reviews the community care promises Milwaukee hospitals made to the IRS, taxpayers, and communities they serve. "Milwaukee hospitals must do better to fulfill their promises," says Peterson. Federal laws set reporting requirements for non-profit hospitals that should at least balance with the extensive tax breaks they receive. Peterson notes, as part of a Community Health Needs Assessment, hospitals must address community care/access issues. He continues, "Insufficient, inaccessible hospital financial assistance policies contribute to patient medical debt." Peterson says hospitals fail to properly educate staff to help patients navigate health care coverage programs and instead persist in sending patients to collections, and worse, engage in credit reporting of medical debt. Red tape, strict deadlines, and unfair and inconsistent hospital policies create obstacles in a one-sided collections fight against vulnerable patients with medical debt.

In the report, ABC for Health offers common sense recommendations for improvement, timed to coincide with the 3-year cycle of the required Community Health Needs Assessment process. While the Community Health Needs Assessment process is vast, Peterson says ABC for Health's area of expertise is in access to health care and coverage programs. He says a thoughtful Community Health Needs Assessment must include data on access to care and medical debt issues and consumer assistance strategies.

Peterson concludes, "Hospitals have a legal and moral obligation to provide charity care to the region's most vulnerable residents. With a thoughtful and proactive approach, hospital financial assistance provides a powerful shield against medical debt for low-income community members."

Read a copy of the Report.

<u>ABC for Health, Inc</u>., is a Wisconsin-based, nonprofit, public interest law firm that promotes health equity and social justice. ABC for Health helps clients impacted by health disparities due to income, race, or poverty to connect to health care coverage and services in Wisconsin. ABC for Health's mission is to provide information, advocacy tools, legal services, and expert support needed to obtain, maintain, and finance health care coverage

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