

## Johns Hopkins Hospital Breaks the Promise of Patient Care

- ▶ Hopkins is a not-for-profit institution that receives tens of millions annually in federal, state, and local tax breaks. In 2017 alone, Hopkins received \$164.4 million in tax exemptions and \$25 million in rate support to provide charity care, \$3.3 million of which was in excess of actual charity care provided.<sup>13</sup>
- ▶ In return for subsidies and tax breaks, Hopkins is supposed to provide charity care or discounted care to low-income patients who lack insurance, or who lack enough insurance to cover their often substantial out-of-pocket expenses.<sup>14</sup>
- ▶ Case records, however, show that some patients taken to court by Hopkins likely could have qualified for free or reduced costs.
- ▶ Hopkins' excess charity care funds from 2017 alone could have forgiven nearly all of the \$3.4 million sought in medical debt cases filed by Hopkins in Maryland courts from 2015 to 2018.

*"I want to make sure this doesn't happen to anyone else."*

### ▶ Eric Simmons

*Eric went to Johns Hopkins Hospital in 2013 for an ankle injury that ultimately caused him to lose his job at a bakery. Eric later got a more difficult job at Amazon. In 2014, Eric was sued for \$524 for his hospital visit and had his Amazon wages garnished by Johns Hopkins Hospital for his medical debt.<sup>15</sup>*

***"Stop lying, and tell the truth. I was never offered charity care. [Hopkins] withheld information from me, information that could have helped me and my family live more prosperously. Years later, we're still playing catch-up. We've finally paid off the debt to Hopkins, but I want to make sure this doesn't happen to anyone else."***

— Eric Simmons

***If you or someone you know was affected by Hopkins' medical debt lawsuits, please call 818-237-8072.***

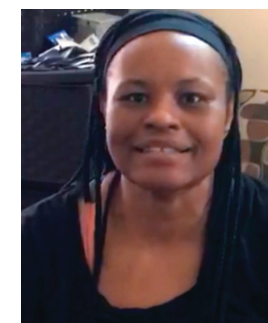
# Taking Neighbors to Court: Johns Hopkins Hospital Medical Debt Lawsuits

- ▶ Since 2009, Johns Hopkins Hospital has filed more than 2,400 lawsuits in Maryland courts seeking payment of alleged medical debt from former patients.<sup>1</sup>
- ▶ Through its aggressive use of medical debt litigation, Hopkins is creating additional hardships for thousands of its neediest patients. While these lawsuits can be financially catastrophic for the indebted patients, the amounts sought are trivial for the hospital. In 2018, medical debt sought by Hopkins in court accounted for less than one-tenth of 1 percent of Hopkins' operating revenue.<sup>2</sup>
- ▶ The number of medical debt lawsuits brought by Hopkins is rising. After 2013 there was a dramatic increase in the number cases, ranging from 310 to a high of 535 in 2016. In 2018, 428 cases were filed.
- ▶ These lawsuits have also targeted Baltimore residents living in economically distressed neighborhoods. Of the top 10 zip codes where Hopkins medical debt defendants reside, nine are located in Baltimore. The 21213 zip code area, which contains the largest number of residents sued by Hopkins, is 90 percent African American and has a poverty rate nearly triple the state average.<sup>3</sup>

## ENDNOTES

- 1 | Based on review of thousands of electronic case dockets and hundreds of case files.
- 2 | Audited financials – Johns Hopkins Hospital.
- 3 | U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates.
- 4 | District Court of Maryland, Case No. 10100203312017.
- 5 | Maryland judiciary case search online database.
- 6 | Case No. 010100001362017, Baltimore City District Court and Case No. 080400066432016, Towson District Court.
- 7 | Debt in America. The Urban Institute. Updated 6 December 2017. [https://apps.urban.org/features/debt-interactive-map/?type=medical&variable=perc\\_debt\\_collect](https://apps.urban.org/features/debt-interactive-map/?type=medical&variable=perc_debt_collect).
- 8 | "From the emergency room to the courtroom: VA. Medical providers sued patients for nearly \$590 million over past 5 years." *Virginia Mercury*. Katie O'Connor, Ned Oliver. 8 August 2018.

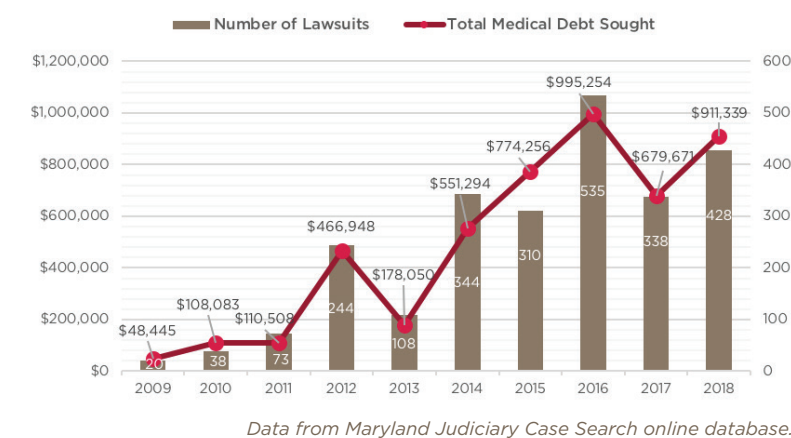
- 9 | "Consumer credit reports: A study of medical and non-medical collections." Consumer Finance and Protection Bureau. December 2014. [https://files.consumerfinance.gov/f/201412\\_cfpb\\_reports\\_consumer-credit-medical-and-non-medical-collections.pdf](https://files.consumerfinance.gov/f/201412_cfpb_reports_consumer-credit-medical-and-non-medical-collections.pdf).
- 10 | U.S. Population (2014), U.S. Census Bureau.
- 11 | District Court of Maryland, Case No. 80400129162017.
- 12 | U.S. Bankruptcy Court, District of Maryland (Baltimore), Petition #18-19210.
- 13 | National Nurses United, "Breaking the Promise of Patient Care, How Johns Hopkins Hospital Management Short-changes Baltimore and Puts Patients and the Community at Risk." December 2018. [https://act.nationalnursesunited.org/page/-/files/graphics/1118\\_JHH\\_CharityCare\\_Report\\_web.pdf](https://act.nationalnursesunited.org/page/-/files/graphics/1118_JHH_CharityCare_Report_web.pdf).
- 14 | Ibid.
- 15 | District Court of Maryland, Case No. 10100132652014.



### ▶ Bonita Bordley

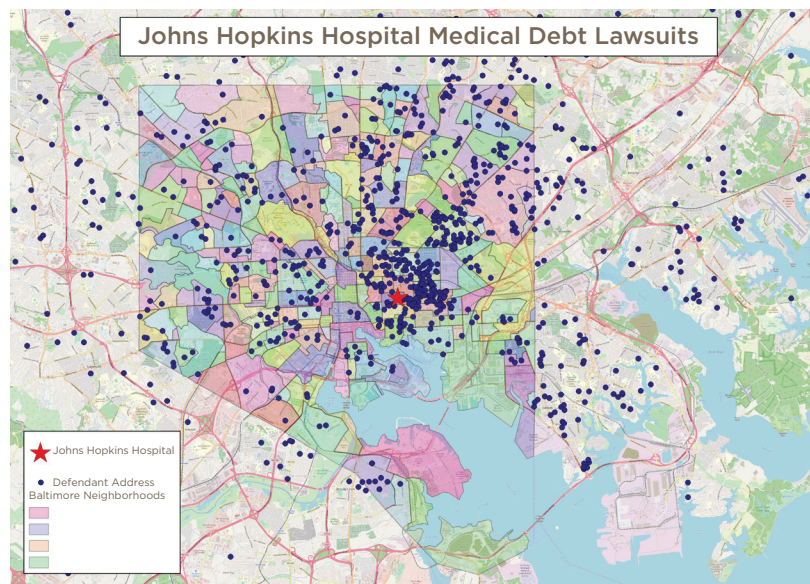
*Bonita is a Baltimore public school teacher. In 2015, her daughter had surgery after a car accident and, in 2017, Johns Hopkins Hospital sued Bonita for nearly \$14,000. A judgment was ruled against Bonita last year and she is burdened with debts she cannot pay.<sup>4</sup>*

Johns Hopkins Medical Debt Lawsuits 2009 - 2018



## Troubling Collections Tactics Used by Johns Hopkins Hospital

- ▶ Hopkins employs hardball tactics such as wage and property garnishments and years-long pursuit of patients to collect a median amount of \$1,438 of alleged medical debt per patient. Hopkins has even taken patients to court for as little as \$280. Since 2009, Hopkins has gone to court to target the wages or bank accounts of patients, with more than 400 garnishments ordered that sought \$800,000 for medical debt.<sup>5</sup>
- ▶ Since 2009, Johns Hopkins Hospital has gone to court to garnish the wages of its own employees and Johns Hopkins University more than any other employer, often to recoup amounts that its own health insurance won't cover. To garnish a patient's wages, Hopkins must first obtain a judgment in court before proceeding to force employers to withhold earnings from the patient's paycheck.
- ▶ Amazon and Walmart, employers known for paying low wages, are the most frequently targeted employers in the private sector for garnishment actions brought by Hopkins.
- ▶ In two cases, Hopkins obtained garnishment orders to clear out less than \$100 from patients' bank accounts after winning judgments. Dozens of cases also reveal that Hopkins patients filed for bankruptcy at least in part because of their medical debt burden.<sup>6</sup>



2009 - 2018. Neighborhood statistical area boundaries based on 2010 census block geography.

## A CALL TO ACTION

- ▶ *In Baltimore, 32 percent of the non-white population has medical debt in collections, as does 19 percent of the white population,<sup>7</sup> demonstrating a substantial need for a far more compassionate approach on the part of Hopkins to poor and working people seeking medical care.*
- ▶ *Through its aggressive use of medical debt litigation, Hopkins continues to expose itself to reputational harm while creating a financially toxic environment that makes life more difficult for thousands of working people and their families in the Baltimore community.*
- ▶ *To make good on its mission to provide the highest quality of care and service for all people, **Hopkins should stop suing its neighbors for medical debt,** reform its financial assistance policies and practices, and apply the excess charity care funding it receives from the state of Maryland to the full use and benefit of the Baltimore community.*

## FAQ

- ▶ **Doesn't every hospital sue patients to collect money that is owed them?**  
**No.** Bon Secours Hospital has not filed any medical debt lawsuits since 2008, according to the Maryland judiciary online database. Bon Secours also stopped filing medical debt lawsuits in Virginia in 2008 because the hospital's leadership determined that doing so is contrary to the hospital's mission to provide quality health care to all.<sup>8</sup>
- ▶ **If someone hasn't paid their medical bill, isn't that their own fault?**  
**No.** Health care is a human right regardless of ability to pay. And many Americans cannot afford to pay their medical bills, especially as the cost of medical care increases. In 2014, 43 million Americans had unpaid medical debts,<sup>9</sup> accounting for approximately 13 percent of the population in the United States.<sup>10</sup> Hopkins can do a better job of educating patients about financial assistance resources available to them.
- ▶ **Would Hopkins suffer financially if they did not go after the people who don't pay their bills?**  
**No.** The state of Maryland provides special funding for hospitals, based on a formula that averages past years' charity care and bad debts. Since 2014, Hopkins has received an excess of public funding for the charity care it provided.
- ▶ **I've heard Hopkins does a lot of good for the community. Are you saying that is not true?**  
**Hopkins provides some community benefits, but the institution could be doing much more,** given that it receives tens of millions of dollars annually in taxpayer subsidies. Hopkins should make full use of excess charity care dollars and stop suing patients for medical debt.

*"Hopkins should find some compassion for its patients because their current practices can cause financial devastation."*



▶ **Mary Scott**

*Mary went to the Johns Hopkins Hospital ER for acute bronchitis in October 2016, lacking insurance, but employed on modified compensation as a medical records clerk. Hopkins sued her in July 2017 for the ER visit and obtained a judgment against her two months later. Mary then began dealing with someone called "Ms. Smith" from "JH Law." She agreed to pay \$100 per month and did so for about five months with the help of her adult children.<sup>11</sup>*

*The debt was so great, however, that Mary declared bankruptcy in November 2018.<sup>12</sup> This has all affected Mary's anxiety and well-being tremendously.*

***"They should really emphasize that charity care is available. Every patient should be informed. The way they go after people is aggressive, especially for those of us that are living paycheck to paycheck. Hopkins should find some compassion for its patients because their current practices can cause financial devastation."***

**— Mary Scott**