



## MINNESOTA NURSES ASSOCIATION

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**April 10, 2025**

Co-Chair Her and Co-Chair O’Driscoll  
Minnesota House Commerce Finance & Policy Committee  
75 Rev. Dr. Martin Luther Dr. Jr. Blvd.  
St. Paul, MN 55155

Dear Co-Chair Her, Co-Chair O’Driscoll, and Members of the Committee,

On behalf of the 22,000+ members of the Minnesota Nurses Association (MNA), I am writing to express support for HF 1646, which would appropriate \$5 million to pay off medical debt of Minnesotans who were unable to pay medical bills after reasonable collection efforts were undertaken by hospital providers. This important legislation builds upon the 2024 Minnesota Debt Fairness Act, which is transforming the medical debt system in Minnesota through protections, such as removing medical debt from credit bureau tracking, preventing bans on necessary medical care due to unpaid debt, and banning the transfer of medical debt to a spouse after death.

Eight years ago, members of the Minnesota Nurses Association worked with Undue Medical Debt (formerly RIP Medical Debt) to purchase the past due accounts of 1,800 Minnesota families, freeing them from the burden of over \$2.6 million in oppressive medical debt. At the time, MNA spoke with dozens of patients who were experiencing wage garnishment, being hounded by hospitals or collection agencies, facing bankruptcy, having to find new places to get their care because their healthcare providers refused to schedule appointments for patients with outstanding balances, and, in some cases, forgoing necessary medical treatments to get out from under their existing medical debt.

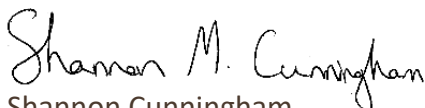
Since that time, there has been very little improvement in the number of Americans being forced to take on medical debt. According to a survey published just last month by West Health-Gallup Healthcare, more than 31 million Americans (12%) reported needing to borrow about \$74 billion last year to pay for healthcare despite most respondents having some form of health insurance. This same survey showed significant disparities in the need to borrow money for healthcare by both age and race. For example, almost 20% of Americans aged 49 and under needed to borrow money to cover medical costs, compared to just 9% of those 50 to 64 and only 2% for those who were Medicare-eligible. It also found that Black and Hispanic adults were significantly more likely to report having borrowed money than white adults.

The racial disparity of medical debt in Minnesota specifically is highlighted by a 2023 report from the Minnesota State Bar Association (MSBA) Access to Justice Committee which showed significant racial disparities in debt collection in Minnesota. The MSBA report found that the rate of debt claims filed against Black and Latino Minnesotans is more than twice that of non-Hispanic white Minnesotans.

The same report also looked at the top filers of medical debt cases in Minnesota. Of all medical debt collection filings in Minnesota courts, 60% of court cases are filed by just six different healthcare groups. Fairview Health Services leads that list with 20% of all medical debt collection filings being made by them, followed by 5 others including HealthEast Care System (10%) and Mayo Health System (4.6%).

It is clear that medical debt will continue to be an issue in our state and country until a sustainable solution is found. While the Minnesota Nurses Association believes that moving to a one-payer healthcare system that reduces administrative burdens, eliminates profit motives, and treats all patients equally remains the best and most sustainable answer, we continue to support other solutions in the interim, including HF 1646, which would provide immediate debt relief for Minnesotans that are tied down by medical debt that they accrued because of a failed healthcare system and not through any fault of their own.

Please work with patients, advocates, and the people to pass this great bill and give financial relief to those who need it.



Shannon Cunningham  
Director of Governmental and Community Relations  
Minnesota Nurses Association