



*Advocacy & Benefits Counseling for Health, Inc.
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**PRESS RELEASE
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Interview: Bobby Peterson: (608) 444-7197

Report: Patients Sued for Medical Debt Lack Legal Help

Madison, WI – In a sampling of medical debt collections actions in Wisconsin, where health systems sought over \$10 million in judgements, patients were represented by an attorney in fewer than 1% of cases. Health systems were always represented. “We identified a stunning lack of legal representation for patients saddled with medical debt,” says Bobby Peterson, Public Interest Attorney at ABC for Health, Inc. This finding is shared in a new report issued by ABC for Health titled “[Medical Debt & Collections: A Better Way Forward for Wisconsin.](#)” ABC staff and students spent over 18 months researching a sampling of over 5,000 Wisconsin circuit court public record entries of health systems-based collections actions in 2017-2019. The data, a small sample of actual collection actions taken against patients, identified a lack of legal representation for patients as a grave inequity and a primary obstacle to battling the current medical debt crisis. The report also includes recommendations for a better way forward for Wisconsin with improved, proactive patient assistance.

“Medical debt compounds financial stress for low and moderate income Wisconsin families, amplifying existing health inequities and disparities,” says Peterson. He continues, “Our findings exposed an often indifferent medical debt collections system that profits by punishing low income patients who cannot afford their medical bills and lack access to equal justice under the law. The blatant inequity for people with medical bills is striking, with the medical collections industry thumb on the scales of justice.”

Peterson says, “The lack of access to appropriate health insurance or coverage is a cause of major headaches for patients as bills pile up and their credit score spirals down. Our report identifies that even prior to the COVID pandemic, many uninsured or underinsured Wisconsinites struggled with medical bills.”

ABC for Health’s recent review of circuit court records and years of applied research point to new strategies, services, and technologies to help patients obtain coverage and help health systems get paid. Its report identifies and recommends a proactive, common sense approach to remedy some of these wrongs and to promote improved access to health care coverage and care for those with low and moderate income levels in Wisconsin. “We need to improve access to civil legal assistance to help address the dramatic disparity in legal representation and invest more in civil legal services. We need to examine the cozy relationship between certain health systems and the medical debt collections side of the revenue cycle industry. And we need proactive patient engagement to help patients secure long-term coverage and stop the debt cycle before it begins,” says Peterson.

Read a copy of the Report: [Medical Debt & Collections: A Better Way Forward for Wisconsin.](#)

For more information on managing or avoiding medical debt, see ABC for Health’s [Fighting Forward Guidebook.](#)

ABC for Health, Inc., is a Wisconsin-based, nonprofit, public interest law firm dedicated to linking children and families, particularly those with special health care needs, to health care benefits and services. 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 and services.

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