



**For Immediate Release**  
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## **MADIGAN LEGISLATION TO REDUCE HOSPITAL CHARGES FOR UNINSURED**

### ***Legislation Unanimously Passes House with Support of Illinois Hospital Association***

Chicago – In light of inflated hospital prices charged to the uninsured, which have led to crushing financial hardships for many uninsured families, Attorney General Lisa Madigan has drafted new legislation to provide deep discounts off of hospital charges and to cap hospital bills for eligible uninsured patients. The Hospital Uninsured Patient Discount Act (House Amendment No. 2 to Senate Bill 2380), sponsored by State Rep. Karen May (D-Highland Park), today unanimously passed the Illinois House and now moves to the Senate for concurrence. The amendment signifies one of the most aggressive efforts by any state in the country to address health care accessibility and affordability for the uninsured.

“Uninsured patients are charged much higher rates for hospital services than insured patients whose rates are negotiated by insurance companies,” Attorney General Madigan said. “On average, Illinois hospitals charge the uninsured 200 percent above cost, leading families to terrible financial hardship and even bankruptcy. This bill will help ease that burden and make hospital care more accessible and affordable to more than 83 percent of Illinois families who do not have health insurance.”

“This is an issue of basic fairness,” said May. “The uninsured are the only people who are billed the full sticker price for hospital care. Eligible Illinois residents will now be able to receive a hospital bill closer to what everyone else is paying. It’s an issue I’ve been working on for nearly three years, and I thank the Attorney General’s office and the Illinois Hospital Association for working out a plan to make it a reality.”

“Inflated billing charges at hospitals create a harsh financial burden for the uninsured in Illinois, sending many families into bankruptcy. This legislation will provide substantial relief for thousands of hard-working individuals seeking to pay their hospital bills,” said State Sen. Schoenberg (D-Evanston), chief Senate sponsor of the proposal. “Once again, Attorney General Madigan has demonstrated her leadership in protecting Illinois consumers through this innovative agreement.”

The Act has the support of the Illinois Hospital Association (IHA), which recently reached an agreement with the Attorney General’s office on the terms set forth in the legislation.

The Act would:

- Provide substantial relief by dramatically cutting hospital charges for the uninsured by 35 to 65 percent; and
- Place an annual cap on the amount that hospitals can collect from eligible uninsured patients, limiting this total amount to 25 percent of the patient's family income during a 12 month period.

Those eligible must fall within 600 percent of the Federal Poverty Level (\$127,200 for a family of four in 2008) at non-rural hospitals and 300 percent of the Federal Poverty Level (\$63,600 for a family of four in 2008) at rural hospitals.

“This legislation reflects the commitment of hospitals across the state to help meet the health care needs of the uninsured, while serving their communities in as many ways as possible,” IHA President Ken Robbins said. “Recognizing that more and more people are uninsured, the IHA Board strongly supports this groundbreaking initiative. For the past several months, we have worked collaboratively with the Attorney General’s Office to develop a meaningful proposal that can be implemented by hospitals. We appreciate the patience of the General Assembly during this process, and we applaud the Attorney General’s staff for their role in this achievement.”

The Attorney General’s office would be responsible for administering and ensuring compliance with the Act, including the development of any rules necessary for implementation and enforcement.

The Hospital Uninsured Patient Discount Act also has the support of many organizations working to protect consumers and uninsured patients, including AFSCME, SEIU, the Sargent Shriver National Center on Poverty Law, Citizen Action, and Health & Disability Advocates.

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