DISCHARGED INTO DEBT

NONPROFIT HOSPITALS FILE LIENS ON PATIENTS' HOMES

Community Service Society | Fighting Poverty Strengthening New York

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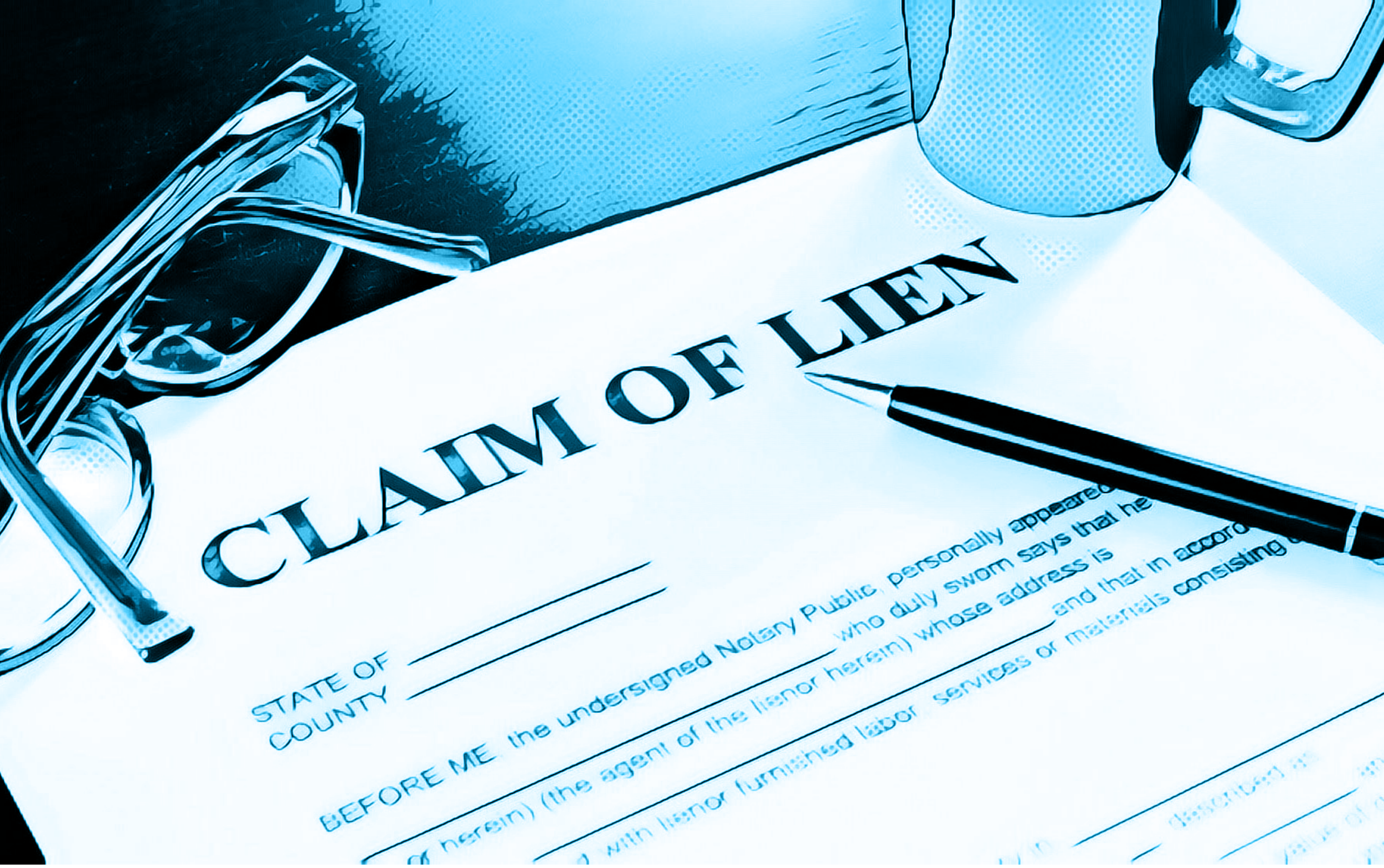

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ROBIN HOOD

Executive Summary

This report examines how New York's nonprofit hospitals secure liens against patients' homes in the wake of a medical debt judgment, jeopardizing both the physical and fiscal health of their patients. Between 2017 and 2018, nonprofit charitable hospitals in New York imposed 4,880 liens on the homes of their patients with oustanding medical bills. Simultaneously, these 56 hospitals collected over $442 million in state funds (called the Indigent Care Pool) to support their provision of uncompensated care. This state pool is designed to help cover care for patients who are unable to pay.

The counties with the most liens tend to be rural and poor. The practice of nonprofit hospitals taking liens against their patients' homes to satisfy a medical debt disproportionately occurs in Western and Central New York, although it also happens with some frequency in Long Island. Nearly 80 percent of the liens occur in counties with median incomes that are below 300 percent of poverty for a family of four. For residents in these counties, home ownership is crucial to their family's economic security and physical health.

Research described in this report indicates that medical debt is strongly associated with housing insecurity, which in turn is related to poor health outcomes. In recognition of the importance that home ownership plays in the health and economic security of their residents, 10 states have laws that bar hospitals and other creditors from securing liens against primary residences. Another three states have specific homeowner protections for health care patients. In New York, a bill to protect patients' homes from aggressive medical debt collectors is pending in the state legislature (S6522/A7363)—and its passage is long overdue.

Introduction

Over half of New Yorkers struggle with health care affordability, often leading them to delay or avoid care.[1] Those who do seek care routinely run into confounding billing problems that escalate into medical collection actions. The U.S. Consumer Financial Protection Bureau has determined that over half (58 percent) of all collection actions are for medical debt.[2] The Community Service Society of New York has issued a series of *Discharged into Debt* reports that describe how New York's nonprofit, charitable hospitals sued over 52,000 New Yorkers between 2015 and 2020 in pursuit of medical debt.

Discharged into Debt described the pervasiveness of medical debt collection cases. It found that few patients defend themselves in these court cases—and that many patients appear to be unaware they have been sued.[3] The median amount of these medical debt cases was just $1,900.[4] While $1,900 is a substantial amount of money for individual patients, even when added up these cases do little to affect the operating margins of the suing hospitals.

Discharged into Debt: A Pandemic Update documented that hospitals sued nearly 4,000 patients during the 10-month height of the COVID-19 pandemic, when courts were effectively closed to patients.[5] *Discharged Into Debt: Racial Disparities and Medical Debt in Albany County* revealed how medical debt lawsuits disproportionately impact low-income communities of color.[6] It also described how these hospital judgments led to wage garnishments of low-wage workers, whose occupations in fast food, retail, and health care would typically render them eligible for financial assistance under New York State law. Finally, it explored how the four profiled hospitals in Albany County had secured 340 liens against their patients' homes.

THE RELATIONSHIP BETWEEN MEDICAL DEBT AND HOUSING INSECURITY

Under New York State law, nonprofit hospitals may secure liens against a patient's home after they have prevailed in court in a medical debt case. When a lien is placed on a patient's home, it gives the hospital the right to secure payment of the debt from the proceeds from the sale of that home before they go to a patient.[7] It also becomes part of the public record. When a lien is placed on a property, it remains in place until paid or released, even if the property is sold or otherwise transferred to someone else.[8] And although the three major credit reporting agencies have stopped including civil judgments in their credit reports, this information is still available to lenders.[9]

In practice, a homeowner with a judgment lien generally cannot sell the property without paying off the debt.[10] A judgment lien clouds title to property and can prevent the homeowner from refinancing or obtaining an additional loan, including a home equity loan.[11] As a result, a judgment lien can reduce the value of what is, for most people, their main asset and source of future economic security.

Many studies have documented the nexus between illness, medical debt, and housing insecurity:[12]

- A major study using a national longitudinal dataset concluded that becoming ill and having chronic conditions increased the risk of mortgage defaults and foreclosures.[13]
- An analysis of foreclosures in Arizona found that two-fifths of all respondents cited medical bills as a cause of foreclosure and 57 percent of respondents identified medical debt or medical illness as a cause of their foreclosure.[14]
- An in-depth study of the relationship between medical debt and foreclosures in Alabama found that 44 percent of foreclosures had medical debts, with one nonprofit people-facing hospital accounting for 90 percent of all medical judgments.[15] This study found that African American couples in foreclosure were twice as likely as white couples to have judgments for medical debt and that single African American women were three times as likely as white women to have medical debt.[16]
- A major ProPublica investigation revealed that one collection agency used by a Missouri hospital system had a policy to place liens anytime it secured a judgment over $1,000 in a medical debt case.[17]
- A study of homeless individuals in Seattle found that nearly half of the respondents reported having trouble paying their medical bills and one-third believed that medical debt was in part responsible for their current unhoused status.[18] The study found that people who had trouble paying their medical bills experienced an episode of homelessness that was two years longer than those who did not.[19]

In New York, the Cuomo administration's Medicaid Redesign Team (MRT) identified housing insecurity as cause for heightened Medicaid costs in the state. To this end, over the past decade, New York State's Medicaid program invested over $650 million in various initiatives to stabilize housing for Medicaid patients.[20] According to the New York State Department of Health, this resulted in as much as 15 percent in Medicaid program savings per patient whose housing was successfully stabilized.[21]

In recognition that stable housing is vital to their residents' physical and fiscal health, 10 states and jurisdictions enacted protections on family homes from liens, including: Arkansas, Washington, D.C., Florida, Iowa, Kansas, Maryland, Oklahoma, Puerto Rico, South Dakota, and Texas.[22] These debtor protection laws are typically called "homestead exemption" statutes and protect all or a portion of a debtor's home from liens and foreclosure.

Three additional states have specific protections for patients' homes in medical debt cases (Ohio) or in the event the patient has a catastrophic illness or injury (Louisiana and West Virginia).[23] For example, the Louisiana statute prohibits creditors from seeking to place a lien or foreclose on the full value of a debtor's home if the debt is the result of a catastrophic or terminal illness or injury. New York's homestead exemption law is far more restrictive, only protecting a dollar value that ranges from $75,000 to $150,000 depending on the region.[24]

Findings

NEW YORK'S NONPROFIT HOSPITALS FILE LIENS ON THOUSANDS OF PATIENTS' HOMES ANNUALLY

Under New York State law, all hospitals are 501(c)(3) charities that, unlike their patients, pay no income or property taxes. In addition to these tax benefits, the state supports its nonprofit hospitals with an annual $1.1 billion Indigent Care Pool (ICP) fund. The ICP fund is designed to support the provision of hospital financial assistance to low- and moderate-income patients as well as offset hospitals' uncompensated care losses.[25] As a condition of receiving ICP funding, state law permits hospitals to file a lien to enforce a court judgment for a medical bill. While hospitals are barred from physically foreclosing on that lien, the existence of a lien, as described above, can significantly destabilize a patient's economic security.[26]

Hospitals that participate in the state ICP program must file Institutional Cost Reports (ICRs) that provide self-reported data about the number of liens that they have secured against their patients' homes.[27] Hospital filings with the New York State Department of Health disclose that 56 nonprofit hospitals reported placing liens on 4,880 patients' homes in 2017 and 2018, the most recent years for which data is available.[28]

In New York, the median amount patients are sued for is $1,900.[29] Applying this amount to the lien cases would mean that 4,880 patients' homes are in jeopardy for a total amount of $9.3 million in outstanding medical bills. The practice of taking liens is occurring even though collectively these 56 hospitals received $442 million from the state's 2017 and 2018 ICP allocations.[30] In other words, the 56 hospitals received an estimated 48 times more in ICP funds than the medical debt they sought to secure through liens on their patients' homes.

Most hospitals in New York, 133 out of 189 that submitted ICRs to the Department of Health, do not report filing liens on patients' homes. However, the practice is particularly common amongst certain hospital systems. Table 1 describes the number of liens filed by hospital system. In 2017 and 2018, St. Peter's Health Partners took the most liens (955), followed by Northwell Health (830). Together, these two systems account for nearly 40 percent of the liens hospitals placed in 2017 and 2018 (37 percent). Nine other health systems took between 100 and 500 liens in 2018: Albany Medical Center, United Health Services, Oneida Health, Bassett Healthcare Network, Nuvance, Guthrie, WMC Health, Cayuga Health System, and Arnot Health. Another nine hospital systems took fewer than 100 liens in 2017 and 2018.

Ownership of some these hospitals has changed over the past five years. Accordingly, in some cases, the hospitals' current parent systems may not have been responsible at the time these liens were placed. However, the systems that have acquired these hospitals over the years now have the ability to remove the liens placed on their patients' homes in prior years and to stop the practice altogether at their newly-affiliated hospitals.

TABLE 1: LIENS BY HOSPITAL SYSTEM: 2017 AND 2018[31]

NAME OF SYSTEM*	Number of liens filed in 2017 and 2018	Percent of all liens	Number of associated hospitals filing liens
St. Peter's Health Partners	955	20%	4
Northwell	830	17%	10
Albany Med	482	10%	4
United Health Services	395	8%	3
Nathan Littauer	358	7%	1
Oneida Health	316	7%	1
Bassett Healthcare Network	293	6%	6
Ellis Hospital	230	5%	1
Nuvance	159	3%	3
Guthrie	154	3%	2
WMC Health	148	3%	3
Cayuga Health System	134	3%	1
Arnot Health	104	2%	3
UPMC	83	2%	1
NYU	48	1%	1
Ascension	47	1%	1
Mohawk Valley Health System	31	.6%	1
Long Island Community Hospital	28	.6%	1
Garnet Health System	24	.5%	2
Lewis County General Hospital	23	.5%	1
Montefiore	18	>.5%	1
UR Medicine	8	>.5%	2
Trinity Health	6	>.5%	1
Erie County Medical Center	3	>.5%	1
TLC Health Network	3	>.5%	1
Total	4,880	100%	56

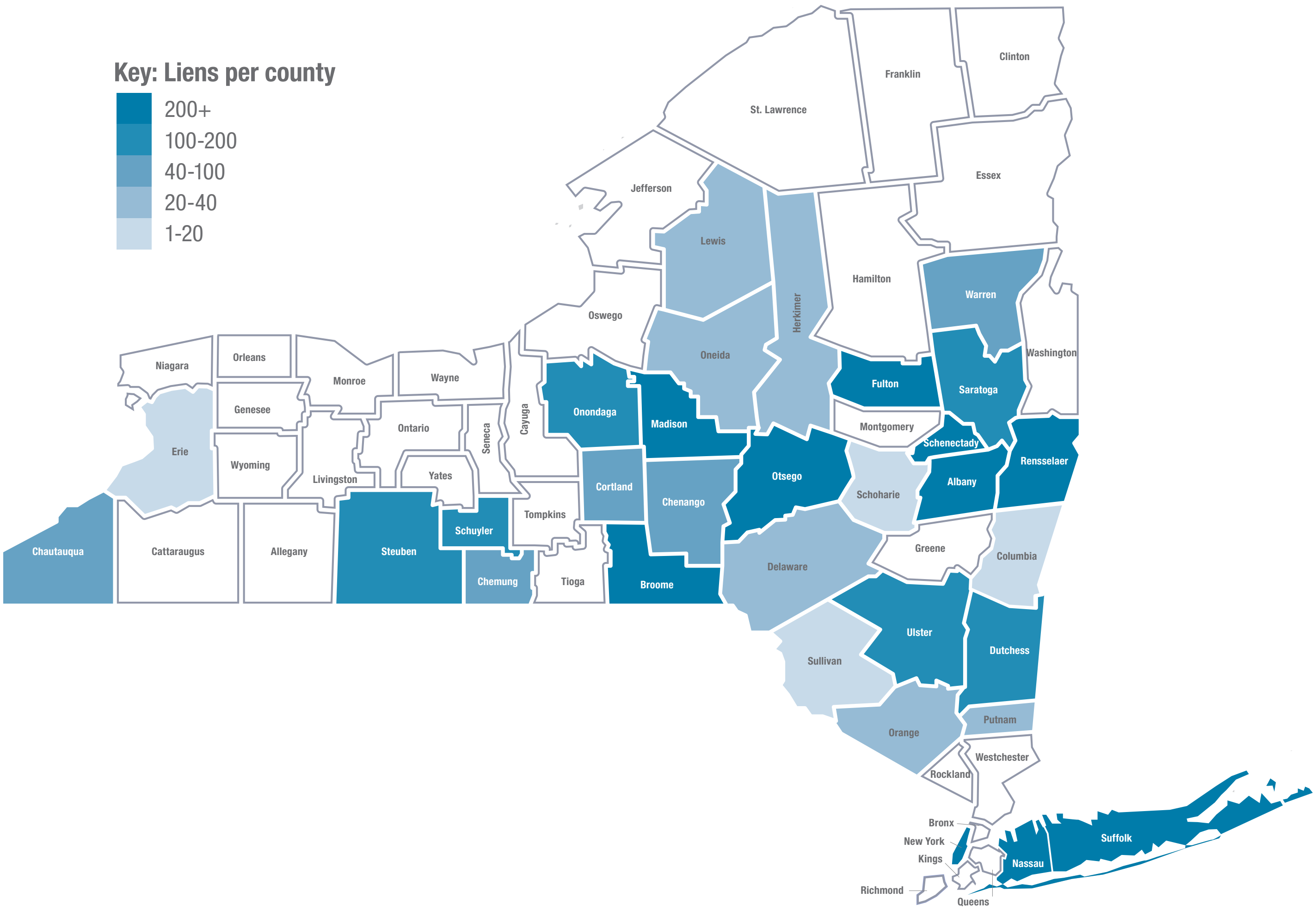
*System affiliations are identified on hospitals' websites.

REGIONAL VARIATIONS

In their reports to the Department of Health, New York's hospitals list the number of liens placed, but do not report where those patients live. To identify regional lien patterns, CSS attributed the liens to the county in which the reporting hospital is located.

The practice of hospitals taking liens against patients' homes is most pervasive in hospitals based in these 15 counties, where 100 or more liens were placed against patients' primary residences: Albany, Rensselaer, Suffolk, Broome, Fulton, Madison, Nassau, Schenectady, Otsego, Ulster, Dutchess, Schuyler, Saratoga, Onondaga, and Steuben. Liens are rarely imposed in the five boroughs of New York City, with the exception of Manhattan where 40 were placed. The intensity of color on Map 1 indicates the counties where liens are most numerous.

MAP 1: GEOGRAPHICAL DISTRIBUTION OF LIENS PLACED BY NONPROFIT HOSPITALS



The raw numbers in the map disguise the impact that liens have on a per capita basis in New York. An analysis of hospital lien activity based on every 10,000 county residents indicates that hospitals are pursuing liens most aggressively in the following regions: the Capital Region, the Southern Tier, the Mohawk Valley, Central New York, and the Mid-Hudson.[32] The practice occurs to a lesser extent in Western New York and the North Country. Only one New York City-area hospital (Northwell's Lenox Hill) placed liens on its patients' homes.

Lien activity in some parts of the state is often driven by the actions of a single hospital. For example, Schuyler County in the Fingers Lakes region is the second least populous county in the state but had the highest rate of liens placed per capita: 38 for every 10,000 residents (see Table 2 for the number of liens placed by county). These liens (67 in all) were placed by Schuyler Hospital, which is part of the Cayuga Health System. Fulton County residents also have liens placed against their homes at high rates (34 per 10,000 residents). All 358 of these liens were secured by Nathan Littauer Hospital. In Madison County, 22 out of every 10,000 residents had liens placed on their homes due to the 316 liens placed by one hospital, Oneida Healthcare.

In Otsego County and the Capital Region (Rensselaer and Albany Counties), liens are being placed by multiple hospitals. Two Bassett Healthcare Network hospitals—A.O. Fox Memorial and Bassett Medical Center—put Otsego County residents in fourth place with 19 liens placed for every 10,000 residents. Four hospitals affiliated with St. Peter's Health Partners (Albany Memorial, Samaritan Hospital of Troy, St. Mary's Hospital, and St. Peters Hospital) drive up rates for Albany and Rensselaer counties (to 17 and 11 per 10,000 residents respectively).

TABLE 2: REGIONAL DISTRIBUTION OF HOSPITAL LIENS PER 10,000 STATE RESIDENTS

COUNTY	Liens placed by hospitals in county	Liens per 10,000 county residents	Number of hospitals placing liens	ICP funds allocated to lien-taking hospitals in the county	Median income	Percent of poverty level for a family of four
Schuyler	134	37.6	1	$1,769,000	$52,300	195%
Fulton	358	33.5	1	$5,307,000	$50,500	190%
Madison	316	22.3	1	$1,947,000	$61,600	235%
Otsego	226	19	2	$11,785,000	$54,000	205%
Rensselaer	547	17.2	2	$8,174,000	$69,000	260%
Albany	691	11.3	3	$30,391,000	$66,300	250%
Broome	369	9.7	2	$27,834,000	$52,200	195%
Schenectady	230	7.4	1	$11,604,000	$65,500	245%
Cortland	62	6.5	1	$2,308,000	$56,000	210%
Steuben	115	6	3	$7,665,000	$53,700	205%
Chemung	82	4.9	2	$6,098,000	$54,900	205%
Lewis	23	4.4	1	$1,397,000	$54,500	205%
Ulster	142	4	2	$15,919,000	$64,300	245%
Chenango	61	3.7	1	$3,341,000	$52,000	195%
Delaware	31	3.5	4	$3,098,000	$49,500	185%
Chautauqua	86	3.4	2	$4,172,000	$46,800	175%
Schoharie	19	3.1	1	$1,491,000	$57,700	220%
Herkimer	35	2.9	1	$1,472,000	$54,600	205%
Saratoga	129	2.8	1	$5,936,000	$84,300	320%
Dutchess	136	2.3	2	$12,816,000	$81,200	305%
Suffolk	500	1.7	5	$49,220,000	$101,000	380%
Warren	52	1.5	1	$7,333,000	$61,000	230%

COUNTY	Liens placed by hospitals in county	Liens per 10,000 county residents	Number of hospitals placing liens	ICP funds allocated to lien-taking hospitals in the county	Median income	Percent of poverty level for a family of four
Columbia	18	1.5	1	$5,467,000	$66,800	250%
Onondaga	119	1.3	2	$20,093,000	$61,400	230%
Putnam	23	1.2	1	$4,008,000	$104,500	395%
Nassau	253	0.9	5	$117,093,000	$116,100	440%
Sullivan	12	0.8	1	$13,850,000	$57,400	215%
Allegany	7	0.8	1	$2,734,000	$48,400	185%
Oneida	31	0.7	1	$5,147,000	$56,000	210%
Orange	30	0.4	2	$18,371,000	$79,900	300%
New York	40	0.1	1	$27,233,000	$86,600	325%
Erie	3	>0.1	1	$6,662,000	$58,100	220%
Totals	4,880		56	$441,738,000		

New York State law requires nonprofit hospitals to offer financial assistance to uninsured patients whose household income is less than 300 percent of the federal poverty level in exchange for ICP funding. Table 2 displays the counties where the most liens are placed on a per capita basis. The final column indicates that many of the communities in which patients have liens placed on their homes as a result of medical debt are low- or moderate-income communities. Nearly 80 percent (25 out of 32) of these counties have median incomes below the hospital financial assistance law threshold of 300 percent of the federal poverty level. Seven out of the 32 counties—including the top two counties where the most liens are placed per capita—have very low income residents, with median incomes below 200 percent of the federal poverty level. They are: Schuyler, Fulton, Broome, Chenango, Delaware, Chautauqua, and Allegany.

It is important to note that the Affordable Care Act offers financial assistance to households earning up to 400% of the federal poverty level in recognition of the high costs of health care. Many hospitals voluntarily offer financial assistance at even higher income levels.

A complete list of liens placed between 2017 and 2018 by hospital name is displayed in Appendix A to this report.

Conclusion

HOW NEW YORK CAN PROTECT PATIENTS FROM LIENS AND ENSURE HOUSING AND FINANCIAL SECURITY

This brief describes the link between medical debt actions taken by New York's nonprofit hospitals and the housing insecurity of their patients. Across the country, nonprofit hospitals have announced the cancellation of decades worth of court judgments and liens.[33] However, these voluntary moves elsewhere have yet to be followed on a large scale by New York's nonprofit hospitals despite advocacy overtures requesting that they discontinue engaging in large scale lawsuits, wage garnishments, and liens against their patients.

New York State has invested billions of dollars in its nonprofit hospitals to support the provision of uncompensated care. These funds come with the requirement to offer financial assistance to low- and moderate-income patients who cannot afford their medical bills. In recognition of the impact of housing instability on health outcomes and health care costs, the state has further invested hundreds of millions of dollars in providing stable housing for its Medicaid beneficiaries. Yet the data displayed above reveals that New York's hospitals are legally jeopardizing thousands of patients' homes each year—particularly in low-income counties of Western and Central New York. Taking liens on the homes of patients destabilizes their families, threatens their long-term economic security, and potentially exacerbates the very health conditions for which they incurred their medical bills.

Ten states have laws that provide unlimited protection for their residents' homes in court actions. Three other states provide specific protections for patients' homes. In March 2021, the State of Maryland enacted a broad patient medical debt protection law that bars hospitals from many aggressive collection actions, including securing liens against their patients' homes in order to satisfy a medical debt.

A bill currently pending in both houses of the New York State Legislature (S6522 – Rivera / A7363 – Gottfried) would follow suit and prohibit hospitals from imposing liens against patients' primary residences in medical debt collection actions. Consistent with the affordable housing agenda of the Department of Health's Medicaid Redesign Team and sound health policy, this bill should be enacted into law as soon as possible to protect New York patients and their homes from aggressive medical debt collectors.

APPENDIX A: NUMBERS OF LIENS PLACED AGAINST PATIENT HOMES BY HOSPITAL, RANKED FROM HIGHEST TO LOWEST

Hospital Name	Ownership/ Affiliations (2020)	County	Beds (2020)	ICP received in 2017 and 2018	Number of liens placed on primary residences in 2017 and 2018
Samaritan Hospital of Troy	St. Peter's Health Partners	Rensselaer	257	$3,827,147	396
St. Peter’s Hospital	St. Peter's Health Partners	Albany	442	$10,173,422	391
Nathan Littauer Hospital	Independent	Fulton	74	$5,307,402	358
John T. Mather Memorial Hospital of Port Jefferson	Northwell	Suffolk	248	$4,058,438	350
United Health Services	United Health Services	Broome	500	$19,487,501	322
Oneida Healthcare	Oneida Health	Madison	101	$1,947,351	316
Albany Medical Center Hospital	Albany Med	Albany	748	$16,799,211	283
Ellis Hospital	Independent	Schenectady	368	$11,603,892	230
Bassett Medical Center (previously Mary Imogene Bassett Hospital)	Bassett Healthcare Network	Otsego	180	$8,926,064	189
North Shore University Hospital	Northwell	Nassau	756	$43,928,827	152
St. Mary’s Hospital/Samaritan	St. Peter's Health Partners	Rensselaer	20	$4,346,951	151
Schuyler Hospital	Cayuga Health System	Schuyler	25	$1,769,336	134
Vassar Brothers Medical Center	Nuvance	Dutchess	365	$10,583,086	130
Saratoga Hospital	Albany Med	Saratoga	171	$5,936,483	129
HealthAlliance Hospital Broadway Campus	WMC Health	Ulster	150	$10,439,797	121
Crouse Hospital	Northwell	Onondaga	465	$10,673,051	113
Guthrie Corning Hospital (Previously Corning Hospital)	Guthrie	Steuben		$3,217,312	92
UPMC Chautauqua (Previously Woman’s Christian Association)	UPMC	Chautauqua	10	$2,742,034	83
South Shore University Hospital (Previously Southside Hospital)	Northwell	Suffolk	305	$15,655,146	64
Guthrie Cortland Medical Center (Previously Cortland Regional Medical Center Inc)	Guthrie	Cortland	162	$2,308,145	62
Chenango Memorial Hospital Inc	United Health Services	Chenango	58	$3,341,250	61

Hospital Name	Ownership/ Affiliations (2020)	County	Beds (2020)	ICP received in 2017 and 2018	Number of liens placed on primary residences in 2017 and 2018
Arnot Ogden Medical Center	Arnot Health	Chemung	266	$4,198,798	60
Glens Falls Hospital	Albany Med	Warren	391	$7,333,070	52
Winthrop-University Hospital	NYU	Nassau	591	$12,161,946	48
Lourdes Hospital (Previously Our Lady of Lourdes Memorial Hospital)	Ascension	Broome		$8,346,266	47
Lenox Hill Hospital	Northwell	New York	632	$27,233,105	40
Peconic Bay Medical Center	Northwell	Suffolk	140	$5,753,360	38
Aurelia Osborn Fox Memorial Hospital	Bassett Healthcare Network	Otsego	53	$2,858,714	37
Little Falls Hospital	Bassett Healthcare Network	Herkimer	25	$1,471,856	35
St. Elizabeth Medical Center	Mohawk Valley Health System	Oneida	201	$5,147,384	31
Long Island Jewish Medical Center	Northwell	Nassau		$50,979,169	29
Long Island Community Hospital (Previously Brookhaven Memorial Hospital Medical Center Inc)	Independent	Suffolk	306	$17,639,710	28
Lewis County General Hospital	Independent	Lewis	31	$1,397,040	23
Putnam Hospital Center	Nuvance	Putnam	164	$4,007,631	23
St. Joseph's Hospital of Elmira	Arnot Health	Chemung	125	$1,899,050	22
Ira Davenport Memorial Hospital Inc.	Arnot Health	Steuben	125	$2,005,273	22
HealthAlliance Hospital Mary's Avenue Campus	WMC Health	Ulster	150	$5,479,187	21
Huntington Hospital	Northwell	Suffolk	348	$6,113,394	20
Cobleskill Regional Hospital	Bassett Healthcare Network	Schoharie	25	$1,491,353	19
Columbia Memorial Hospital	Albany Med	Columbia	192	$5,467,271	18
St. Luke's Cornwall Hospital	Montefiore	Orange	242	$6,401,110	18
Albany Memorial Hospital	St. Peter's Health Partners	Albany	165	$3,418,418	17
Delaware Valley Hospital Inc	United Health Services	Delaware	25	$967,635	12
Glen Cove Hospital	Northwell	Nassau	247	$7,069,311	12
Plainview Hospital	Northwell	Nassau	204	$2,953,720	12
Garnet Health Medical Center (Previously Orange Regional Medical Center)	Garnet Health	Orange	383	$11,970,107	12
Garnet Health Medical Center Harris Campus (Previously Catskill Regional Medical Center – Harris)	Garnet Health	Sullivan	154	$13,850,120	12

Hospital Name	Ownership/ Affiliations (2020)	County	Beds (2020)	ICP received in 2017 and 2018	Number of liens placed on primary residences in 2017 and 2018
Jones Memorial Hospital (Previously Memorial Hospital of Wm F & Gertrude F Jones)	UR Medicine	Allegany	49	$2,733,546	7
Tri-Town Regional Healthcare	Bassett Healthcare Network	Delaware	5	$616,364	7
Margaretville Hospital	WMC Health	Delaware	15	$678,859	6
O'Connor Hospital	Bassett Healthcare Network	Delaware	23	$835,194	6
Northern Dutchess Hospital	Nuvance	Dutchess	84	$2,232,835	6
St. Joseph's Hospital Health Center	Trinity Health	Onondaga	451	$9,420,427	6
Brooks Memorial Hospital	TLC Health Network	Chautauqua	65	$1,430,401	3
Erie County Medical Center	Independent	Erie	573	$6,662,302	3
St. James Mercy Hospital	UR Medicine	Steuben	15	$2,442,629	1
			Total	$441,738,401	4,880

APPENDIX B: DESCRIPTION OF HOW LIENS ON PRIMARY RESIDENCES WORK IN NEW YORK

A hospital (creditor) can sue a patient (debtor) in court to secure payment of an outstanding medical bill. A review of over 1,000 civil court cases files found that hospitals were always represented by an attorney, while 97 percent patients were unrepresented.[35] Medical debt cases that CSS reviewed often ended in default; that is, the patient did not appear in court to defend themselves.[36]

The court issues a judgment when a hospital wins its case. Judgments in these cases typically include the amount claimed by the hospital and court fees.[37] In many cases, the courts also grant the hospitals' request for the statutory judgment interest rate of 9 percent, court fees, and attorney fees. After a judgment is entered by the clerk, the hospital can place a lien on the patient's real property—in other words, their home.[38] A monetary judgment that serves as a basis for the lien can last as long as 20 years.[39] Every time a patient pays, it restarts this 20-year statute of limitations for a judgment.[40] A docketed judgment that serves as a lien on real property must be renewed after 10 years.[41]

Notes

1. Altarum Healthcare Value Hub and Community Service Society of New York, "New Yorkers Struggle to Afford High Healthcare Costs; Support a Range of Government Solutions Across Party Lines," Data Brief No. 37, March 2019, https://www.healthcarevaluehub.org/advocate-resources/publications/new-yorkers-struggle-afford-high-healthcare-costs-support-range-government-solutions-across-party-lines.
2. Consumer Financial Protection Bureau, "Market Snapshot: Third-Party Debt Collections Tradeline Reporting," July 2019 available at: https://files.consumerfinance.gov/f/documents/201907_cfpb_third-party-debt-collections_report.pdf.
3. Hospitals routinely use high-volume debt collection law firms that are alleged to engage in improper debt collection practices. For example, in *Burks v. Gotham Process Inc*, Mullooly, Jeffery, Rooney & Flynn LLP, et al (20 civ. 1001) (EDNY), a law firm used by Northwell Health system and NYU Winthrop is alleged to hire process servers who fail to serve the summons and complaints. Another firm is alleged to fail to use attorneys and inadequately investigate the amount allegedly owed in its collection cases. ***See*** *Bureau of Consumer Financial Protection v. Forster & Garbus, LLP*, Civil Action No. 2:19-cv-2928, filed May 17, 2019, https://files.consumerfinance.gov/f/documents/cfpb_forster-garbus_complaint_2019-05.pdf.
4. A. Dunker, E. Benjamin, "Discharged Into Debt: New York's Nonprofit Hospitals Are Suing Patients," March 2020, https://www.cssny.org/publications/entry/discharged-into-debt.
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6. A. Dunker, E. Benjamin, "Discharged Into Debt: Racial Disparities and Medical Debt in Albany County," March 2021, https://www.cssny.org/publications/entry/discharged-into-debt-medical-debt-and-racial-disparities-in-albany-county.
7. N.Y.C.P.L.R., §5203.
8. James M. Pedowitz, "Title Insurance in New York Today," 68-FEB N.Y. St. B.J. 12, February 1996.
9. Consumer Financial Protection Bureau, "Quarterly Consumer Credit Trends, Public Records," February 2018, https://files.consumerfinance.gov/f/documents/cfpb_consumer-credit-trends_public-records_022018.pdf; https://risk.lexisnexis.com/products/riskview-liens-and-judgments-report. In a settlement with the New York State Attorney General, the three major credit reporting agencies have agreed not to report and display information about medical debt for 180 days. ***See*** "Settlement agreement, In the Matter of the Investigation by Eric T. Schneiderman, Attorney General of the State of New York, of Exsperian Information Solutions, Inc.; Equifax Information Services, LLC; and TransUnion LLC," March 2015.
10. "What is the Difference Between a Property Lien and a Judgment Lien?" *Nolo*, https://www.nolo.com/legal-encyclopedia/difference-between-property-lien-judgment-lien.html. A judgment lien is a general lien on real property signifying the right of the judgment creditor to order the sale of all or part of the debtor's property to satisfy the judgment. *Won Bok Lee v. Won Sun Lee*, 466 Md. 601, 223 A.3d 478 (2020).
11. C Edwards, "Can I still sell my home when I have a judgement?" *Sapling*, https://www.sapling.com/8036454/can-still-sell-home-judgment; A Asad "How can you refinance with a judgement?" *SF Gate*, https://homeguides.sfgate.com/can-refinance-judgment-6846.html.
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13. J. Houle, D. Keene, "Getting Sick and Falling Behind: Health and the Risk of Mortgage Default and Home Foreclosure," *J. Epidemial Community Health,* 2015:69:382-387.
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15. B. Lichtenstein, J. Weber, "Losing Ground: Racial Disparities in Medical Debt and home Foreclosure in the Deep South," *Family and Community Health,* 2016 Vol. 39, No. 3 178-187.
16. *Id*.
17. P. Kiel, "From the E.R. to the Courtroom: How Nonprofit Hospitals are Seizing Patients' Wages," *Pro Publica*, Dec. 19, 2014.
18. J. Bielenberg, M. Futrell, B. Stover, A. Hagopian,

"Presence of Any Medical Debt Associated with two Additional Years of Homelessness in Seattle Sample," *Journal of health Care Organizations, Provisions, and Financing*, 2020, Vol. 57: 1-10.

19. Id.

20. Medicaid Redesign Team "Supportive Housing, Investing in the Social Determinants of Health," N.Y. State Department of Health, September 2017, https://www.health.ny.gov/health_care/medicaid/redesign/2017/docs/mrt_evaluation.pdf.

21. N.Y. State Department of Health, "Housing is Healthcare: Supportive Housing Evaluation," https://www.health.ny.gov/health_care/medicaid/redesign/supportive_housing/evaluation.htm.

22. Arkansas (Ark. Const. art. 4); Washington DC (D.C. Code § 15-501(a)(14)), Florida (Fla. Stat. Ann. §§222.01, 222.02, & Fla. Const. Art. X §4); Iowa (Iowa Code Ann. § 561.156); Kansas (Kan. Stat. Ann. §60-2301); Maryland (Md Health Code §19-214.1); Oklahoma (31 Okla. St. Ann §2); Puerto Rico (PR Home Protection Act No. 195); South Dakota (S.D. Cod. Laws §43-45-3); and Texas (Tex Const. Art XVI, §§50, 51 & Tex Prop. Code §§41.001-.002).

23. Ohio (Ohio Rev. Code Ann. §§ 2329.66(A)(1)(a), 2329.661); Louisiana (La. Rev. Stat. Ann. § 20:1); and West Virginia (W. Va. Code § 38-9- 3).

24. N.Y.C.P.L.R. §5206(a).

25. N.Y. Pub. Health L. Section 2807-k(9-a).

26. N.Y. Pub. Health L. Section 2807-k(9-a)(h).

27. Each hospital in New York is required to report to the New York State Department of Health on a variety of financial and other data through the Institutional Cost Report (ICR). The ICR's Exhibit 50 asks hospitals to report whether liens have "been placed on the primary residences of patients," and if so, how many. The liens data used in this report is derived from the hospitals' submissions to the New York State Department of Health.

28. This data was provided by the New York State Department of Health to the Community Service Society of New York pursuant to a freedom of information law request.

29. A. Dunker, E. Benjamin, "Discharged Into Debt: New York's Nonprofit Hospitals Are Suing Patients," March 2020, https://www.cssny.org/publications/entry/discharged-into-debt.

30. ICP funding allocations used in this report were provided to the authors by the New York State Department of Health. Hospital-specific ICP funding indicated in Tables 1 and 2 represent the amount those hospitals received in 2017 and 2018 using an allocation methodology developed by the Department that is based on care provided in 2015 and 2016.

31. Sums may differ due to rounding.

32. Counties were placed in regions according to New York's Regional Economic Development Councils, https://www.governor.ny.gov/sites/default/files/atoms/files/RegionalCouncilMap.pdf.

33. For example, in April 2021 the University of Virginia announced that it was discontinuing its court cases and cancelling liens against the homes of thousands of its patients. https://www.axios.com/uva-health-cancels-lawsuits-over-medical-bills-4d37e047-a8c0-4e04-990c-b90df9f6bebd.html.

34. United Health Services is two hospitals that report to New York State under the same operating certificate number: Wilson Medical, which has 280 beds, and Binghamton General, which has 220 beds.

35. *Supra* n. 4, "Discharged Into Debt," at 12 (finding 97% of patients were unrepresented).

36. *Id*.

37. Under New York State law the statutory judgment interest rate is 9 percent. ***See*** N.Y.C.P.L.R. §5004.

38. N.Y.C.P.L.R., §5203.

39. Pursuant to N.Y.C.P.L.R. §211(b), the statute of limitations on a money judgment in New York is 20 years and the judgment is "presumed to be paid and satisfied" after the 20 years, with some exceptions listed in the statute.

40. ***See***, *In re Hyde's Estate*, 31 N.Y.S.2d 497, 177 Misc. 666, 1941 N.Y. Misc. LEXIS 2413 (N.Y. Sur. Ct. 1941).

41. N.Y.C.P.L.R. §5203.

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