

**Strong Medicine Needed:
What the CFPB Should Do to Protect
Consumers from Unfair Collection
and Reporting of Medical Debt**

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By

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BACKGROUND ON MEDICAL DEBT

A. Introduction

The collective scope and impact on consumers from medical debt is enormous. According to the Commonwealth Fund, nearly 75 million working age adults (or about 41%) experienced problems with medical bills in 2012.¹ In addition, 41 million adults (or about 22%) were contacted by a collection agency for unpaid medical bills.²

While the Affordable Care Act will help by expanding insurance coverage for millions of Americans, medical debt will still remain a problem for many.³ Medical debt often afflicts consumers with insurance in the form of uncovered expenses, insurance denials, co-pays, deductibles and even billing errors. A landmark study noting the relationship between bankruptcy and medical expenses found that 75% of these “medical bankruptcy” debtors had health insurance coverage at the onset of illness.⁴

The Consumer Financial Protection Bureau (CFPB) has the power to prevent some of the negative impacts of medical debt and to better protect consumers. Much of the medical debt that actually harms consumers is in the hands of debt collectors, not healthcare providers. The CFPB has extensive authority over debt collectors and is in process of developing new regulations to govern debt collection.⁵ This rulemaking proceeding provides the opportunity for the CFPB to take several important steps. The CFPB should:

- supervise larger medical debt collection agencies;
- require debt collectors to give consumers a notice before “parking” medical debt on their credit reports;
- prevent reporting of medical debt to credit reporting agencies before the consumer has a chance to dispute non-payment of the debt with his or her health insurer or apply for financial assistance or charity care;

¹ Sara R. Collins, et al., The Commonwealth Fund, *Insuring the Future: Current Trends in Health Coverage and the Effects of Implementing the Affordable Care Act*, April 2013, at 6, available at http://www.commonwealthfund.org/~media/Files/Publications/Fund%20Report/2013/Apr/1681_Collins_insuring_future_biennial_survey_2012_FINAL.pdf (hereinafter “*Commonwealth Fund 2012 Biennial Report*”).

² *Id.*

³ Mark Rukavina, Medical Debt and Its Relevance When Assessing Creditworthiness, 46 *Suffolk University Law Review* 967, 968-69 (2013).

⁴ David U. Himmelstein, Elizabeth Warren, Deborah Thorne & Steffie Woolhandler, *Illness and Injury as Contributors to Bankruptcy*, Health Affairs--Web Exclusive (Feb. 2, 2005), available at <http://content.healthaffairs.org/cgi/reprint/hlthaff.w5.63v1>.

⁵ 78 Fed. Reg. 67848 (Nov. 12, 2013).

- prevent damage to a consumer’s credit report from medical debts that are disputed or result from billing errors; and
- prohibit debt collectors from dunning low-income consumers for inflated “chargemaster” prices for medical care.

B. The Enormous Amount of Medical Debt in the Hands of Debt Collectors

Medical debt represents an enormous portion of the debt collected by debt collectors. A number of studies indicate that the amount of medical debt that is turned over to debt collectors — and then in turn is reported to the three major credit reporting agencies (Equifax, Experian, and TransUnion) — is enormous:

- A 2003 Federal Reserve study found that over *half* of entries (52%) on credit reports for collection items are for medical debts.⁶
- An Ernst & Young study published in 2012 confirmed the Federal Reserve’s study, finding that medical debts constituted more than *half* (52.2%) of the debt collected by debt collection agencies — more than twice as much as credit card and other financial debt.⁷
- A 2007 study by Federal Reserve researchers found that that “health-care providers represented the most important group of customers [for debt collectors], accounting for more than a quarter of all revenues.”⁸
- A 2013 Federal Trade Commission report on debt buyers found that one-third of debt purchased by debt buyers from original creditors (*i.e.*, excluding resales) is medical debt.⁹

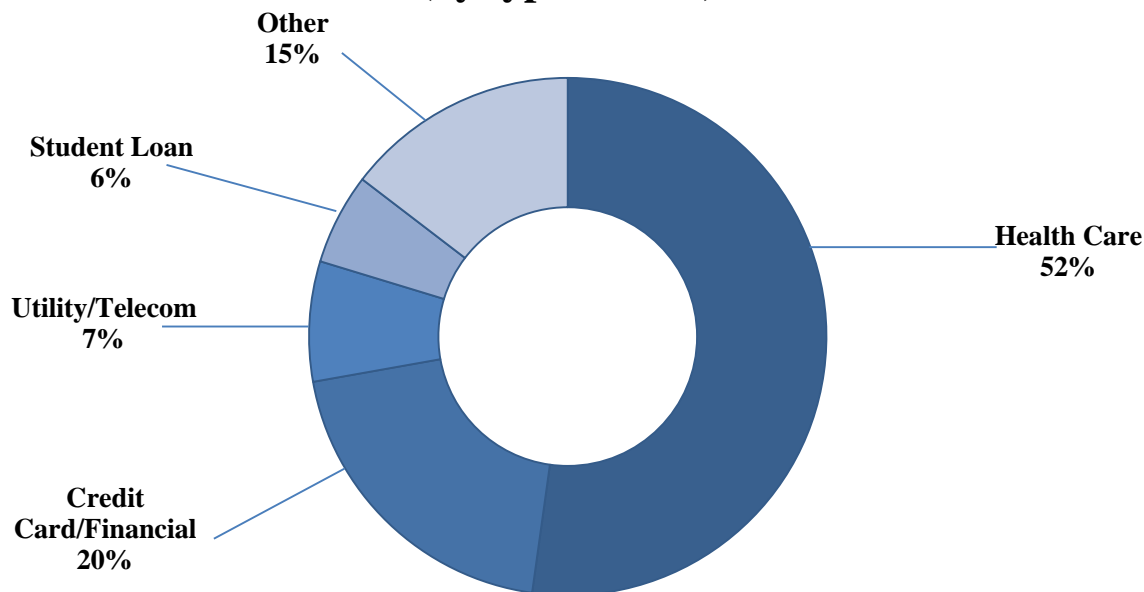
⁶ Robert Avery, Paul Calem, Glenn Canner, & Raphael Bostic, *An Overview of Consumer Data and Credit Reporting*, Fed. Reserve Bulletin 89(2), at 69 (Feb. 2003).

⁷ Ernst & Young, *The Impact of Third-Party Debt Collection on the National and State Economies*, Feb. 2012, at 8, available at www.acainternational.org/files.aspx?p=/images/21594/2011acaeconomicimpactreport.pdf.

⁸ Robert M. Hunt, Fed. Reserve Bank of Philadelphia, *Collecting Consumer Debt in America*, Bus. Rev., at 13 (2d Quarter 2007), available at http://www.phil.frb.org/research-and-data/publications/business-review/2007/q2/hunt_collecting-consumer-debt.pdf.

⁹ Federal Trade Comm’n, *Structure of Practices of the Debt Buying Industry*, at T-4, T-7 (Jan. 2013), available at www.ftc.gov/os/2013/01/debtbuyingreport.pdf. For more on debt buyers, see National Consumer Law Center, *Fair Debt Collection* § 1.4 (8th ed. 2014).

Debt Recovered by Third-Party Debt Collection Agencies in 2010 (by type of debt)



Source: Ernst & Young, *The Impact of Third-Party Debt Collection on the National and State Economies*, Feb. 2012.¹⁰

About 22% of working age adults, translating into about 41 million consumers, reported in 2012 that they had been contacted by a collection agency for unpaid medical bills.

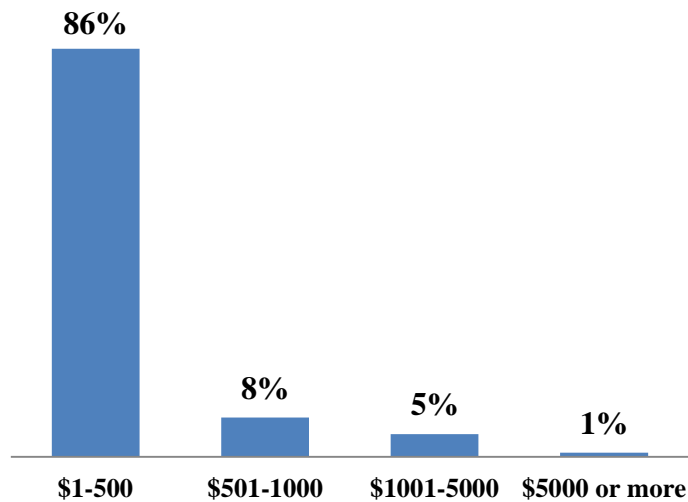
As mentioned previously, about 22% of working age adults, translating into about 41 million consumers, reported in 2012 that they had been contacted by a collection agency for unpaid medical bills. Many of these collection agencies provide information about the debts that they collect to the credit reporting agencies. Thus, tens of millions of consumers are likely to have negative information about the existence of medical debt collection account on their credit reports.

The vast majority of these medical debts are for small amounts. The Federal Reserve study discussed in the first bullet found that over 85% of medical debts on credit reports were for bills under \$500 (about \$644 adjusted for inflation).¹¹

¹⁰ Ernst & Young, *The Impact of Third-Party Debt Collection on the National and State Economies*, Feb. 2012 at 8, available at www.acainternational.org/files.aspx?p=/images/21594/2011acaeconomicimpactreport.pdf.

¹¹ Robert Avery, Paul Calem, Glenn Canner, & Raphael Bostic, *An Overview of Consumer Data and Credit Reporting*, Fed. Reserve Bulletin, at 69 (Feb. 2003).

Medical Debt Items on Credit



Source: Robert Avery, Paul Calem, Glenn Canner, & Raphael Bostic, *An Overview of Consumer Data and Credit Reporting*, Fed. Reserve Bulletin, at 69 (Feb. 2003). Percentages are rounded to the nearest whole number.

C. Unique Nature of Medical Debt

Medical debt is very different from other types of consumer debt, such as credit cards or car loans. Medical bills result from services that are frequently involuntary, unplanned, and unpredictable, and for which prices quotes are rarely provided.

Indeed, there is extremely strong evidence that medical debt collection items on credit reports are not an accurate reflection of the creditworthiness of the consumer. A study by the CFPB found that the presence of medical debt on a credit report unfairly penalizes a consumer's credit score, resulting in a credit score that is typically lower by ten points than it should be. For consumers who have medical debt on their credit reports that were paid off, their scores are up to 22 points lower than they should be.¹² In recognition of this unfairness, FICO, which is the leading provider of credit scoring models, has made several changes in its models to de-emphasize the impact of medical debt in credit scores, which will be discussed later in this report. However, additional reforms are necessary.

¹² Consumer Financial Protection Bureau, Data point: Medical debt and credit scores, May 2014, available at http://files.consumerfinance.gov/f/201405_cfpb_report_data-point_medical-debt-credit-scores.pdf.

The unique nature of medical debt is probably the cause for this unfair credit reporting penalty. Medical debt is different than other types of consumer debt for a number of reasons, including:

- **The presence of a third party payor, i.e., the insurance company.** Medical bills often end up in collection because of the complex interactions between insurers, providers and consumers. A medical bill may be turned over to a debt collector as a result of a bill being unpaid due to:

- (1) a dispute between the insurance company and provider;
- (2) a provider's failure to properly bill the insurer;¹³ or
- (3) the insurer's failure to properly reimburse the provider.

Even when errors are eventually fixed, they result in long delays in payments to providers, during which bills may be sent to debt collectors. According to the Commonwealth Fund, an estimated seven million Americans reported that their medical bills had been sent to a debt collector because of a billing mistake.¹⁴

- **Consumer confusion over the complexities of health insurance and medical billing.** Many consumers are simply confused about who has responsibility for paying a medical bill. They often do not understand notices from providers or insurers (including the infamous "Explanation of Benefits" forms that often state "This is Not a Bill"), unclear of the descriptions of the procedures they have received, and unsure of whether they or the insurer should pay the healthcare provider. One study found that nearly 40% of Americans do not understand their medical bills.¹⁵ Some of these consumers will let a medical bill go to a collection agency because of this confusion, or they believe that their insurer will pay it.

An estimated seven million Americans reported that their medical bills had been sent to a debt collector because of a billing mistake.

- **The availability of insurance coverage or charity care for low-income consumers.** Another complication of medical debt, especially for low-income consumers, is that these consumers are sometimes eligible for programs to pay their bills, including

¹³ The American Medical Association has estimated that one in five claims is processed inaccurately. American Medical Association, 2010 National Health Insurer Report Card, available at <http://www.ama-assn.org/ama/pub/news/news/2010-report-card.page>.

¹⁴ Commonwealth Fund 2012 Biennial Report, *supra* note 1, at 6.

¹⁵ Press Release, Intuit Financial Healthcare Check-Up Shows Americans Confused about Medical Statements, Apr. 27, 2010, at http://about.intuit.com/about_intuit/press_room/press_release/articles/2010/AmericansConfusedAboutMedicalStatements.html.

government insurance programs (Medicaid, Children’s Health Insurance Program or “CHIP,” worker’s compensation) or charity care. In fact, the Affordable Care Act contains important debt collection protections, discussed later in this report, that specifically prohibit nonprofit hospitals from engaging in “extraordinary collection actions” before they make a reasonable effort to determine whether a patient qualifies for the hospital’s financial assistance policy.¹⁶

- **Discriminatory or variable pricing.** One of the most ironic aspects of medical debt is that the poorest, most vulnerable patients – the uninsured and underinsured – are often charged the most: significantly higher prices than the prices charged to private and government insurers. This disparity arises because healthcare providers have a “chargemaster” list that sets forth extremely high prices for services, but then they give enormous discounts from these prices to government and private insurers – *i.e.*, every payor *except* the uninsured. The result is that uninsured patients pay several times more than private and government insurers,¹⁷ and several times more than the hospital’s actual cost of services.¹⁸

The poorest, most vulnerable patients – the uninsured and underinsured – are often charged the most.

I. THE CFPB’S OPTIONS FOR ADDRESSING MEDICAL DEBT

The CFPB has limited authority over healthcare providers, but it can address many of the problems that arise from collection of medical debt by regulating debt collectors. Much of the harm that medical debt causes to consumers’ financial lives is due to the activities of debt collectors.

For example, the vast majority of medical debt on credit reports is reported by debt collectors, not by healthcare providers. The CFPB found that 99.4% of medical debts listed on credit reports are reported by debt collectors.¹⁹

¹⁶ 26 U.S.C. § 501(r)(6).

¹⁷ See Steven Brill, *Bitter Pill: Why Medical Bills are Killing Us*, Time, Feb. 20, 2013, available at www.time.com/time/magazine/article/0,9171,2136864,00.html. See generally, National Consumer Law Center, Collection Actions § 9.1.3 (2d ed. 2011 and Supp.).

¹⁸ Gerard F. Anderson, *From “Soak the Rich” to “Soak the Poor”*: Recent Trends In Hospital Pricing, 26:3 Health Affairs 780-89 (2007) (giving examples of markups and noting that rates charged to many uninsured patients are often two-and-a-half times what most insurers actually paid and more than three times costs allowed by Medicare).

¹⁹ Consumer Financial Protection Bureau, Data point: Medical debt and credit scores, May 2014, at 4, available at http://files.consumerfinance.gov/f/201405_cfpb_report_data-point_medical-debt-credit-scores.pdf

There are several steps that the CFPB can take to protect consumers from being unfairly penalized by medical debt. As discussed in the next section, the CFPB can supervise debt collectors who specialize in collecting medical debt; alleviate some of the credit reporting harm caused by medical debt; and protect low-income consumers who are eligible for government insurance programs or charity care.

A. Supervision of Medical Debt Collectors

Under the Dodd-Frank Wall Street Reform and Consumer Protection Act, the CFPB has supervisory authority over “larger participants” in a market for consumer financial products and services.²⁰ This means that the CFPB can do more than take enforcement action against these larger participants; it can conduct regular examinations and inspect their policies, procedures and records. For the debt collection market, the CFPB has defined “larger participants” as any debt collector with receipts over \$10 million.²¹

Currently, this CFPB rule excludes medical debt from this \$10 million threshold of receipts.²² This means that a debt collector that only collects medical debts, or has just a few non-medical debt accounts, escapes CFPB supervision. To protect consumers who are being dunned for medical debt, the CFPB should include medical debt collectors in its scope of supervision.

The CFPB excluded medical debt from the \$10 million threshold because its supervision is limited to collection of debt resulting from “consumer financial product or services,” and the Bureau believed some types of medical debt did not fall within that category.²³ However, the CFPB could have included supervised medical debt collectors under a separate category, as “furnishers” of (i.e., entities that provide) information to credit reporting agencies.

B. Alleviate Some of the Credit Reporting Harms Caused by Medical Debt

The CFPB should act to prevent or reduce some of the credit reporting harms caused by medical debt. The CFPB could adopt regulations to do this under the authority granted to the Bureau by:

- the Fair Debt Collection Practices Act (FDCPA),
- the Fair Credit Reporting Act (FCRA) or
- the CFPB’s authority to ban unfair, deceptive, or abusive acts or practices.²⁴

²⁰ 12 U.S.C. § 5514(a)(1)(B).

²¹ 12 C.F.R. § 1090.105.

²² 12 C.F.R. § 1090.105(a)(3)(v).

²³ 77 Fed. Reg. 65775, 65779-80 (Oct. 31, 2012).

²⁴ 12 U.S.C. § 5531.

1. Give Consumers Notice before “Parking” Debts on Credit Reports

Many times a debt collector will furnish information about a medical debt on a credit report without actually engaging in any proactive steps to collect it, such as telephone calls or written communications. Instead, the collector will wait to collect the debt until the point in time when the consumer needs to get a mortgage or other credit. This practice is sometimes referred to as “parking” a debt.

“Parking” benefits the debt collector because the collector never needs to expend the effort, time, and resources to dun the consumer, especially if the debt is a small one. Instead, the collector just lies in wait until the consumer is required to pay the debt to obtain credit, which the consumer will be forced to do quickly in the case of a mortgage application. “Parking” harms the consumer because he or she never has the opportunity to address or contest the debt, such as by seeking charity care or contacting the insurer to see why the debt was not paid by insurance coverage.

The CFPB could prevent parking by requiring that debt collectors provide consumers with a notice before a negative item is placed on a credit report.²⁵ There is certainly precedent for such a requirement. For example, Colorado has a law that medical providers must give written notice to a consumer who has health insurance before turning an account over to a debt collector or reporting the debt to a credit reporting agency.²⁶

2. Provide for a Minimum “Charge-off” Period

For mortgages, credit cards, and other types of credit, there is usually a time period after which the mortgage or credit card account should be considered “charged off,” i.e. written off as uncollectible, if the borrower has not made a payment during that time. The banking regulators have set this time period for both credit cards (180 days from the first missed payment) and installment loans (120 days from the first missed payment).²⁷ The CFPB should require that there be similar period of time between the sending of a medical bill and when the bill can be reported as a debt collection matter on a credit report by a collector or health care provider. The CFPB has the authority to establish this requirement given its ability to regulate both debt collectors under the Fair Debt Collection Practices Act (FDCPA) and other furnishers of information (even healthcare providers) to the credit reporting agencies under the Fair Credit Reporting Act (FCRA).

²⁵ The FDCPA actually does require certain notices to consumers, 15 U.S.C. § 1692g, but the notices are generally only required when there is dunning activity. The CFPB could mandate that the notice be given even if there is no dunning activity, but the debt is reported to a credit reporting agency.

²⁶ Colo. Rev. Stat. § 6-20-202.

²⁷ See Fed. Fin. Inst. Examination Council, Uniform Retail Credit Classification and Account Management Policy, 65 Fed. Reg. 36904, June 12, 2000).

Providing a charge-off like time period between transmission of a bill and reporting the bill to a credit reporting agency is important for several reasons. For consumers with insurance, it enables them to deal with any billing problems, including any insurance appeals to be processed. For low-income consumers without insurance, it permits time for them to apply for government insurance programs (such as Medicaid or CHIP) or charity care from a non-profit hospital that might cover the bill. (Charity care might also be available to underinsured consumers with high deductibles and co-pays).

There is already precedent for such charge-off like time periods. For example, California requires that hospitals provide 150 days between sending the initial bill and sending the account to a debt collector or reporting to a credit reporting agency.²⁸ Proposed IRS regulations issued to implement the Affordable Care Act's debt collection protections provide a 120-day time period, *i.e.*, they prohibit nonprofit hospitals and their debt collectors from reporting negative information to a credit reporting agency for the first 120 days after the bill is first sent.²⁹ However, these proposed IRS regulations would only apply to nonprofit hospitals, and do not apply to other healthcare providers, such as physicians (who are often not employed by the hospital) and ambulance services.

The CFPB could adopt a requirement similar to the IRS's proposal that would provide a 120-day period before a medical bill can be reported to a credit reporting agency. This requirement should apply to medical debt from all types of healthcare providers, not just non-profit hospitals.

3. Exclude Debts Subject to Error or Insurance Disputes

Often, a medical bill is sent to a debt collector as a result of a billing error or an insurance dispute.³⁰ The debt collector, in turn, automatically sends the information to a credit reporting agency. This occurs when the medical bill is not paid due to an error caused by the provider (e.g. wrong billing code or inadequate documentation) or an insurance dispute over coverage.

These types of debt collection items previously would disproportionately and unfairly harm a consumer's credit score. The harm occurred even when the medical debt is eventually paid, as is often the case when the error is corrected, the insurer ultimately decides to cover the bill, or the consumer ends up paying it after being unable to get it covered by insurance. As discussed above, a study by the CFPB found that medical debt unfairly penalizes a consumer's credit score by resulting in a credit score that typically is lower by 10 points than it should be; paid medical debt results in credit scores that are up to 22 points lower than they should be.

²⁸ Cal. Health & Safety Code § 127425(d).

²⁹ 77 Fed. Reg. 38,148 (June 26, 2012).

³⁰ Mark Rukavina, Medical Debt and Its Relevance When Assessing Creditworthiness, 46 Suffolk University Law Review 967, 969-70 (2013).

In response to the CFPB study and general criticism over the impact of medical debt, the providers of credit scoring models have made changes to reduce the unfair penalty caused by such debt. In August 2014, FICO announced that it would no longer consider paid collection items (both medical and non-medical) in the latest version of its scoring model.³¹ A second provider of credit scoring models, VantageScore, had already made a similar change to its scoring system in March 2013.³² In addition, FICO has said it will give less weight to unpaid medical debts; consumers whose only negative item is unpaid medical debt can expect their score to increase up to 25 points.³³ A 25 point increase can make a significant difference, especially if the consumer's score is close to an important cut-off point such as the threshold between a subprime and prime score.

Even with the changes by FICO and VantageScore, CFPB action is still needed. The changes will not completely eliminate the negative impact of medical debt on credit reports. The changes are voluntary and non-binding, which means they could be reversed at any time.

They probably will not benefit mortgage applicants, because the changes only affect FICO's

latest scoring model, FICO 09. Apparently, neither FICO 09 nor VantageScore are used by mortgage industry giants Fannie Mae and Freddie Mac.³⁴

The CFPB should require that [disputed medical] debts be excluded from any credit score, and should not be considered by lenders.

Thus, the CFPB should take additional measures to address the unfair harm by medical debt on credit reports. The CFPB should require the creation of special codes for consumers to dispute medical debt collection items that are the result of a billing error or insurance dispute. It should require that, when a consumer claims that a debt resulted from such a dispute, the debt should be specially marked with a specific code of "insurance/medical billing dispute." Furthermore, the CFPB should require that such debts be excluded from any credit score, and should not be considered by lenders, unless the credit reporting agency can determine that the dispute is frivolous or irrelevant.

The CFPB can adopt these rules under its authority to issue regulations to implement the FCRA. Most notably, there is an FCRA provision that prohibits creditors from using medical information in considering a consumer's eligibility for credit unless permitted by Regulation V³⁵, which is the regulation that implements the FCRA. Currently, Regulation V (as previously written by the banking regulators) permits the consideration of medical debt. However, the

³¹ Tara Seigel Bernard, *Credit Scores Could Rise With FICO's New Model*, *N.Y. Times*, Aug. 8, 2014, B3.

³² Kevin Wack, *Credit Scoring Model Bucks the Industry Line on Paid Debts*, *Am. Banker*, Mar. 11, 2013 (VantageScore removing paid collection accounts from its latest scoring model)

³³ Tara Seigel Bernard, *Credit Scores Could Rise With FICO's New Model*, *N.Y. Times*, Aug. 78, 2014, B3.

³⁴ *Id.*

³⁵ 15 USC § 1681b(g)(2).

CFPB has the authority to amend Regulation V,³⁶ and to exclude consideration of medical debt that is the subject of provider-insurer billing errors and disputes.

The CFPB should prohibit creditors from considering medical debt resulting from insurance billing errors and disputes, because not only is such consideration particularly unfair, these issues arise only in the context of medical debt. Thus, consideration of this type of disputed debt amounts to using the existence of a medical condition against a consumer in considering the consumer's eligibility for credit.

C. Protecting Low-Income Consumers from Excessive Charges

As discussed previously, uninsured and underinsured consumers are often billed “chargemaster” or gross list prices for services. These prices are many times what insurers and government payors (Medicare, Medicaid) pay. It is unfair, if not downright unconscionable, for a provider or collector to dun a low-income consumer for an amount that is several times what a private insurer or government agency pays, especially if that consumer qualifies for charity care or financial assistance. The CFPB should adopt measures to protect low-income consumers from being harmed by collectors seeking to collect inflated chargemaster prices.

The CFPB can and should protect patients from unfair debt collection based on debts for chargemaster prices.

Indeed, a few states prohibit the imposition of chargemaster prices, and limit charges in general, for low- and moderate-income consumers.³⁷ Similarly, the Affordable Care Act prohibits hospitals from imposing chargemaster prices on consumers and requires them to charge the same amount as generally billed to insured consumers.³⁸ However, this provision only protects patients of non-profit hospitals, and the IRS has interpreted this provision to apply only to patients who qualify for financial assistance under the hospital's own policy.

The CFPB may not have the authority to regulate what a healthcare provider charges a low- or moderate-income patient. However, the CFPB can and should protect such patients from unfair debt collection based on debts for chargemaster prices. The CFPB should use its authority to ban unfair or abusive practices³⁹ to prohibit debt collectors from dunning for debts based on chargemaster prices from consumers who are low-income or eligible for charity care or financial assistance.

³⁶ 15 USC § 1681b(g)(5)(A).

³⁷ National Consumer Law Center, Collection Actions § 9.4.3 (2d ed. 2011 and Supp.) (summaries of states laws protecting medical debtors).

³⁸ 26 U.S.C. § 501(r)(5)(A) and (B).

³⁹ 12 U.S.C. § 5531.

In order to implement this recommendation, the CFPB must require that medical debt collectors inform consumers of the ability to apply for financial assistance, or to obtain discounts if they are low-income. The CFPB must establish rules and guidelines for the inquiry that a collector will need to engage in if the consumer does indeed claim to be low-income or eligible for assistance. These rules and guidelines must also ensure that collectors treat as private the information that they receive from the consumer for this inquiry, and not use it for collection purposes.

II. POTENTIAL LEGISLATION

The CFPB is not the only entity that can protect consumers from the unfair impact of medical debt collection. Congress could help consumers by taking measures, such as:

1. Prohibiting the inclusion of some or all types of medical debts on credit reports.
2. Extending the debt collection protection of the Affordable Care Act to all healthcare providers and ensuring that the protections apply to all low-and moderate-income consumers.
3. Requiring the CFPB to supervise medical debt collectors and to establish rules for the collection of medical debt.

One bill addressing medical debt has already been filed -- the Medical Debt Responsibility Act, H.R. 1767/S.160, which would require credit reporting agencies to delete paid or settled medical debt within 45 days.

III. CONCLUSION

Medical debt has an enormous and disproportionate impact on the financial health of Americans. While the ultimate solution to fix the healthcare system is difficult and requires legislative action, there are measures that the CFPB can take to help alleviate some of the burdens. This report describes the measures that are within the CFPB's existing authority.

The CFPB should:

- Supervise the larger debt collectors that focus exclusively or primarily on medical debt.
- Give consumers notice before a debt is "parked" on a credit report.
- Require a minimum period between when a medical bill is first sent to a consumer and when it can be reported to a credit reporting agency.
- Protect consumers' credit scores and provide protections when consumers dispute medical debts that result from billing errors or insurance disputes.

- Prohibit collectors from dunning for excessive chargemaster prices if the consumer is low-income or qualifies for charity care/financial assistance.

These simple measures could help tens of millions of American consumers in a manner that makes the system fairer and more beneficial for all.

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