

118TH CONGRESS
1ST SESSION

H. R. 1773

To amend the Fair Debt Collection Practices Act to provide a timetable for the collection of medical debt by debt collectors, to amend the Fair Credit Reporting Act to prohibit consumer reporting agencies from issuing consumer reports containing information about debts related to medically necessary procedures, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 23, 2023

Ms. TLAIB introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To amend the Fair Debt Collection Practices Act to provide a timetable for the collection of medical debt by debt collectors, to amend the Fair Credit Reporting Act to prohibit consumer reporting agencies from issuing consumer reports containing information about debts related to medically necessary procedures, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Consumer Protection
5 for Medical Debt Collections Act”.

1 **SEC. 2. AMENDMENTS TO THE FAIR DEBT COLLECTION**
2 **PRACTICES ACT.**

3 (a) **DEFINITION.**—Section 803 of the Fair Debt Col-
4 lection Practices Act (15 U.S.C. 1692a) is amended by
5 adding at the end the following:

6 “(9) The term ‘medical debt’ means a debt
7 arising from the receipt of medical services,
8 products, or devices.”.

9 (b) **UNFAIR PRACTICES.**—Section 808 of the Fair
10 Debt Collection Practices Act (15 U.S.C. 1692f) is amend-
11 ed by adding at the end the following:

12 “(9) Engaging in activities to collect or at-
13 tempting to collect a medical debt owed or due
14 or asserted to be owed or due by a consumer,
15 before the end of the 2-year period beginning
16 on the date that the first payment with respect
17 to such medical debt is due.”.

18 **SEC. 3. PROHIBITION ON CONSUMER REPORTING AGEN-**
19 **CIES REPORTING CERTAIN MEDICAL DEBT.**

20 (a) **DEFINITION.**—Section 603 of the Fair Credit Re-
21 porting Act (15 U.S.C. 1681a) is amended by adding at
22 the end the following:

23 “(bb) **MEDICAL DEBT.**—The term ‘medical debt’
24 means a debt arising from the receipt of medical services,
25 products, or devices.

1 “(cc) **MEDICALLY NECESSARY PROCEDURE.**—The
2 term ‘medically necessary procedure’ means—

3 “(1) health care services or supplies needed to
4 diagnose or treat an illness, injury, condition, dis-
5 ease, or its symptoms and that meet accepted stand-
6 ards of medicine; and

7 “(2) health care to prevent illness or detect ill-
8 ness at an early stage, when treatment is likely to
9 work best (including preventive services such as pap
10 tests, flu shots, and screening mammograms).”.

11 (b) **IN GENERAL.**—Section 605(a) of the Fair Credit
12 Reporting Act (15 U.S.C. 1681c(a)) is amended by adding
13 at the end the following new paragraphs:

14 “(9) Any information related to a debt arising
15 from a medically necessary procedure.

16 “(10) Any information related to a medical
17 debt, if the date on which such debt was placed for
18 collection, charged to profit or loss, or subjected to
19 any similar action antedates the report by less than
20 365 calendar days.”.

21 **SEC. 4. REQUIREMENTS FOR FURNISHERS OF MEDICAL**
22 **DEBT INFORMATION.**

23 (a) **ADDITIONAL NOTICE REQUIREMENTS FOR MED-**
24 **ICAL DEBT.**—Section 623 of the Fair Credit Reporting

1 Act (15 U.S.C. 1681s–2) is amended by adding at the end
2 the following:

3 “(f) ADDITIONAL NOTICE REQUIREMENTS FOR MED-
4 ICAL DEBT.—Before furnishing information regarding a
5 medical debt of a consumer to a consumer reporting agen-
6 cy, the person furnishing the information shall send a
7 statement to the consumer that includes the following:

8 “(1) A notification that the medical debt—

9 “(A) may not be included on a consumer
10 report made by a consumer reporting agency
11 until the later of the date that is 365 days
12 after—

13 “(i) the date on which the person
14 sends the statement;

15 “(ii) with respect to the medical debt
16 of a borrower demonstrating hardship, a
17 date determined by the Director of the Bu-
18 reau; or

19 “(iii) the date described under section
20 605(a)(10); and

21 “(B) may not ever be included on a con-
22 sumer report made by a consumer reporting
23 agency, if the medical debt arises from a medi-
24 cally necessary procedure.

1 “(2) A notification that, if the debt is settled or
2 paid by the consumer or an insurance company be-
3 fore the end of the period described under paragraph
4 (1)(A), the debt may not be reported to a consumer
5 reporting agency.

6 “(3) A notification that the consumer may—

7 “(A) communicate with an insurance com-
8 pany to determine coverage for the debt; or

9 “(B) apply for financial assistance.”.

10 (b) FURNISHING OF MEDICAL DEBT INFORMA-
11 TION.—Section 623 of the Fair Credit Reporting Act (15
12 U.S.C. 1681s-2), as amended by subsection (a), is further
13 amended by adding at the end the following:

14 “(g) FURNISHING OF MEDICAL DEBT INFORMA-
15 TION.—

16 “(1) PROHIBITION ON REPORTING DEBT RE-
17 LATED TO MEDICALLY NECESSARY PROCEDURES.—

18 No person shall furnish any information to a con-
19 sumer reporting agency regarding a debt arising
20 from a medically necessary procedure.

21 “(2) TREATMENT OF OTHER MEDICAL DEBT IN-
22 FORMATION.—With respect to a medical debt not
23 described under paragraph (1), no person shall fur-
24 nish any information to a consumer reporting agen-

1 cy regarding such debt before the end of the 365-
2 day period beginning on the later of—

3 “(A) the date on which the person sends
4 the statement described under subsection (f) to
5 the consumer;

6 “(B) with respect to the medical debt of a
7 borrower demonstrating hardship, a date deter-
8 mined by the Director of the Bureau; or

9 “(C) the date described in section
10 605(a)(10).

11 “(3) TREATMENT OF SETTLED OR PAID MED-
12 ICAL DEBT.—With respect to a medical debt not de-
13 scribed under paragraph (1), no person shall furnish
14 any information to a consumer reporting agency re-
15 garding such debt if the debt is settled or paid by
16 the consumer or an insurance company before the
17 end of the 365-day period described under para-
18 graph (2).

19 “(4) BORROWER DEMONSTRATING HARDSHIP
20 DEFINED.—In this subsection, and with respect to a
21 medical debt, the term ‘borrower demonstrating
22 hardship’ means a borrower or a class of borrowers
23 who, as determined by the Director of the Bureau,
24 is facing or has experienced unusual extenuating life
25 circumstances or events that result in severe finan-

1 cial or personal barriers such that the borrower or
2 class of borrowers does not have the capacity to
3 repay the medical debt.”.

4 **SEC. 5. EFFECTIVE DATE.**

5 This Act and the amendments made by this Act shall
6 take effect on the date that is 180 days after the date
7 of enactment of this Act.

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