JUSTICE IN AGING

FIGHTING SENIOR POVERTY THROUGH LAW

August 12, 2024

Rohit Chopra, Director
c/o George Karithanom, Regulatory Implementation &
Guidance Program Analyst, Office of Regulations
Consumer Financial Protection Bureau
1700 G Street NW
Washington, DC 20552

Submitted via www.regulations.gov

Re: Justice in Aging's Comments in response to proposed rules addressing medical debt on credit reports - Docket ID CFPB-2024-0023-0001; RIN 3170-AA54

Justice in Aging appreciates the opportunity to provide comments on the Consumer Financial Protection Bureau's (CFPB) proposal to address medical debt on credit reports. Justice in Aging is a national legal advocacy organization with the mission of improving the lives of low-income older adults. We use the power of law to fight senior poverty by securing access to affordable housing, health care, economic security, and the courts for older adults with limited resources. We focus on the needs of low-income populations who have traditionally lacked legal protections, such as women, people of color, LGBTQI+ individuals, and people with limited English proficiency.

Justice in Aging has joined the comments submitted by the National Consumer Law Center on behalf of 107 consumer, health care, civil rights, faith-based, economic development, legal services, and advocacy organizations and the comments submitted by the National Alliance for Caregiving on behalf of the Act on RAISE campaign to support family caregivers.

I. Significant Numbers of Low-Income Older Adults Have Medical Debt

As of 2022, more than 1 in 5 older adults reported having some form of medical debt.[1] For most older adults, this debt is due to co-insurance amounts charged by Medicare for routine health care visits like lab fees and diagnostic testing or for services not covered by Medicare including dental care.[2]

Among older adults, those with lower incomes are more subject to medical debt. Data shows that during the period 2019-2021, older adults dually eligible for Medicare and Medicaid were

[1] KFF, "What are the Consequences of Health Care Debt Among Older Adults?," (Jul. 26, 2024).
[2] *Id.*

WASHINGTON
1444 Eye Street, NW, Suite 1100
Washington, DC 20005
202-289-6976

LOS ANGELES
3660 Wilshire Boulevard, Suite 718
Los Angeles, CA 90010
213-639-0930

OAKLAND
1330 Broadway, Suite 525
Oakland, CA 94612
510-663-1055

more than twice as likely as older adults with private insurance to live in families with medical debt.[3] Older adults living in the South and non-Medicaid expansion states were also more likely to live in families with medical debt[4] as were Black and Hispanic older adults who had nearly two times more medical debt than older white or Asian adults.[5]

Low-income older adults are also often subject to improper medical debt due to their dual enrollment in Medicare and Medicaid. As CFPB has reported and Justice in Aging has long advocated to address, medical providers bill dually eligible individuals for amounts they do not owe despite this population being protected from billing by federal law.[6] Medical providers then turn over these improper bills to collectors or credit reporting companies, or alternatively, older adults pay these improper bills directly to the provider or by placing the debt on a credit card to pay over time. Among all older adults, 12% report paying off medical debt directly to the provider and 11% report placing medical bill on credit card to pay over time.[7]

II. Medical Debt Causes Substantial Harm to Low-Income Older Adults

The consequences of medical debt are substantial for older adults. Over 60% of older adults report that as a result of medical debt, they or someone in their household has delayed, skipped, or sought alternatives to necessary health care or prescription medications due to costs within the past year.[8]

Nearly three in ten older adults with medical debt also report that their household has been contacted by a collection agency within the past five years because of medical or dental bills and 23% say that their healthcare debt has negatively impacted their credit score. Low credit scores can impede older adults from finding and securing affordable housing. This is particularly alarming in light of the lack of affordable housing and the growing rates of homelessness among older adults. The number of people age 65 or older experiencing homelessness in the U.S. is estimated to nearly triple to 106,000 by 2030.[9]

Justice in Aging is very supportive of the proposed rule. To further ensure the economic security and wellbeing of older adults, we urge the CFPB to extend the rule to apply to **1) debt placed on medical lending products, such as the CareCredit card, and medical debt placed on general purpose credit cards; and 2) extend the medical debt ban to credit reports used for employment and tenant screening.**

---

[3] Center for Disease Control and Prevention, U.S. Dept. of Health & Human Services, Problems Paying Medical Bills: United States (2021).
[4] *Id.*
[5] *Id.*
[6] Consumer Financial Protection Bureau, Medical Billing and Collections Among Older Americans (2023).
[7] KFF, "What are the Consequences of Health Care Debt Among Older Adults?" (Jul. 26, 2024).
[8] KFF, "What are the Consequences of Health Care Debt Among Older Adults?" (Jul. 26, 2024).
[9] AISP, The Emerging Crisis of Aged Homelessness: Could Housing Solutions be Funded by Avoidance of Excess Shelter, Emergency Room and Nursing Home Costs? (2019). *See also*, Justice in Aging, Low-Income Older Adults Face Unaffordable Rents, Driving Housing Instability and Homelessness (2021).

Thank you for the opportunity to comment. If any questions arise concerning this submission, please contact me at achrist@justiceinaging.org.

Sincerely,

Amber C. Christ
Managing Director, Health Advocacy