



# PULSE

Courtesy of:  
**KeyBridge™**  
 Medical Revenue Care™  
[www.KeyBridgeMed.com](http://www.KeyBridgeMed.com)

## Your Input is Needed on Implications of CFPB Medical Debt Credit Reporting Proposal

The bureau needs to hear from a variety of industry stakeholders on its proposal, including health care providers. Here's how you can get started.

**T**he Consumer Financial Protection Bureau's comment period for the [Notice of Proposed Rulemaking \(NPRM\) for the Fair Credit Reporting Act](#)

is open, and the bureau needs to hear from health care providers for feedback on the proposal.

Comments on the NPRM are due Aug. 12.

The bureau's outline of proposals during the Small Business Review Panel process last fall included the prohibition on medical debt credit reporting, as well as new proposed rules surrounding the use of various data types, and new rules on credit header data. The proposed rule only includes the prohibition on medical debt credit reporting.

It is critical that the CFPB and lawmakers in Congress hear directly from health care provider stakeholders and their trade associations that will be impacted, both immediately and continually throughout the rulemaking process.

### Comment Request Overview

The CFPB has published the NPRM on the [Federal Register](#).

As expected, based on early [outlines on the proposal](#) (PDF) from the CFPB, the proposal stands to fundamentally alter the U.S. credit-based economy in terms of consequences for not paying your bills—and therefore practices of ACA's members and their health care provider clients.

The bureau's stated objective to completely remove any reference to outstanding medical debts from all credit reports, if achieved, will result in negative consequences for patients for many reasons, including potential resources challenges resulting from bills not being paid by patients that can do so.

On the medical debt front, "the CFPB is seeking public comment on a proposed rule amending Regulation V, which implements the FCRA, concerning medical information. The CFPB is proposing to remove a regulatory exception in Regulation V from the limitation in the FCRA on

creditors obtaining or using information on medical debts for credit eligibility determinations," according to the proposed rule. "The proposed rule would also provide that a consumer reporting agency generally may not furnish to a creditor a consumer report containing information on medical debt that the creditor is prohibited from using." Overall, the CFPB is proposing changes and seeking feedback on "how creditors and consumer reporting agencies treat medical information concerning a consumer's medical debt to ensure the use of such information is consistent with the congressional intent to safeguard consumers' privacy and restrict the use of medical information for inappropriate purposes."

The *Federal Register* notice includes a summary of the proposed rule, characteristics of medical debt in the U.S., medical debt and credit reporting, its regulatory history and stakeholder outreach prior to releasing the NPRM. Even if you don't credit report, your input is still critical. Many organizations

have shared that there have been meaningful reductions in collections, despite no credit reporting, due to the “message-behind-the-message” that medical debt should now take a lower priority over other types of debt. Reach out to the CFPB to share about your experience with medical debt collection tradelines appearing on consumer reports having potential negative consequences for consumers, including impacting consumers’ ability to obtain credit (or to obtain it at favorable rates) after experiencing, for example, a medical emergency.

Based on the actions connected to the proposal, consider sharing the impact you have seen on the repayment of medical debt. Since there are already many programs and laws in place to help consumers that truly cannot afford to repay debt, the CFPB’s efforts are more likely to encourage people that can pay their debt not to address it.

### How to Make Your Voice Heard

ACA International is finalizing grassroots advocacy resources outlining the CFPB’s rulemaking process and

ACA’s concerns, including a template letter where you can share about your provider facility and impact of the CFPB’s actions thus far and the expected impact from the NPRM.

Health care providers are also encouraged to file comments with the CFPB by Aug. 12, 2024.

### Instructions to Submit Comments to the CFPB

You may submit comments, identified by Docket No. CFPB-2024-0023 or RIN 3170-AA54, by any of the following methods:

- *Federal eRulemaking Portal:* <https://www.regulations.gov>. Follow the instructions for submitting comments. A summary of this document will be available at <https://www.regulations.gov/docket/CFPB-2024-0023>.
- *Email:* [2024-NPRM-MEDICAL-DEBT@cfpb.gov](mailto:2024-NPRM-MEDICAL-DEBT@cfpb.gov). Include Docket No. CFPB-2024-2023 or RIN 3170-AA54 in the subject line of the message.
- *Mail/Hand Delivery/Courier:*

Comment Intake—2024 NPRM FCRA Medical Debt Information, c/o Legal Division Docket Manager, Consumer Financial Protection Bureau, 1700 G Street NW, Washington, DC 20552.

In light of the serious implications of this proposal, ACA is working to make grassroots advocacy easy for members and health care providers, increasing the impact of those efforts.

If you’d like to share feedback to inform ACA’s comments, contact the advocacy team at [advocacy@acainternational.org](mailto:advocacy@acainternational.org)—but remember it’s equally important that the CFPB receive a variety of individual comments in response to the request for information on how the proposal will impact third-party debt collectors and first-party servicers at health care providers.

Reach out to the CFPB today!

# U.S. Health Care Spending Surges to Nearly \$4.8 Trillion in 2023

In 2023, national health care spending saw continued growth, fueled by increased insurance coverage and rising personal health care costs, according to recent findings.

In 2023, the U.S. witnessed a substantial increase in health care spending, reaching nearly \$4.8 trillion, according to the CMS Office of the Actuary.

This surge, fueled by expanded insurance coverage and growing healthcare costs, highlights significant shifts in the nation’s health care landscape.

The latest report from federal actuaries published in *Health Affairs* reveals that health care expenditures in the U.S. surged by 7.5% in 2023, outpacing the nominal GDP growth rate

of 6.1% for the same period. This growth pushes health care’s share of GDP slightly higher, reaching 17.6% compared to 17.3% in the previous year. The increase in spending was driven primarily by an unprecedented rise in the insured population, expected to reach 93.1% in 2023.

A key factor contributing to this rise in coverage was the [winding down of pandemic-era Medicaid enrollment flexibilities](#), which saw a peak of 91.2 million beneficiaries last year. Additionally, enhancements in subsidies

under the Inflation Reduction Act of 2022 and special enrollment periods further boosted private health insurance enrollment by 2.9%, resulting in a 10.4% increase in privately insured Americans. With more Americans covered by health insurance, there was a notable uptick in health care service usage, directly influencing the overall expenditure growth. Additionally, the report highlighted a 2.5% increase in health care prices measured by the Personal Health Care Price Deflator, surpassing pre-pandemic rates and

# ACA Sponsors Webinar on CFPB's Proposed FCRA Rule for HFMA Members

**A**CA International is hosting a live webinar through the Healthcare Financial Management Association (HFMA) at 1 p.m. CT July 10, “[Healthcare Credit Reporting Rule: What You Need to Know.](#)”

The webinar is only open to HFMA members.

As a provider client of an ACA member company, if you are a member of HFMA, this webinar is an opportunity to learn about the Consumer Financial Protection Bureau's proposed rule and understand the questions the CFPB is asking the provider community.

In it, speakers Jack Brown, president of Gulf Coast, Leah Dempsey, shareholder at Brownstein Hyatt Farber Schreck LLP, Tim Haag, president and CEO of State Collection Service, and economist Andrew Nigrinis, Ph.D., who formerly worked as a CFPB enforcement economist, will cover how the CFPB



and its new proposed rule will make it more difficult for health care providers to collect patient balances of all types (e.g., early-out, self-pay and balance-after-insurance).

Participants will learn about the impact of the CFPB's perverse incentive for patients to go uninsured and hear

the latest from legal, regulatory and economics experts in Washington about the plans and timelines for this proposed policy.

Registration for the HFMA members-only webinar is available [here](#).

## U.S. Health Care cont. from page 2

contributing to higher spending levels. Looking ahead, despite projections of decreased Medicaid enrollment as eligibility processes return to normal, national health care expenditures are anticipated to continue their upward trajectory over the next decade. The CMS actuaries predict an average annual growth rate of 5.6% from 2023 to 2032, culminating in over \$7.7 trillion in health care spending by the end of the period. By 2032, health care's share of GDP is expected to rise to 19.7%.

Additionally, Medicare is projected to experience the highest average spending growth rate of 7.4% over the next decade, driven by the aging Baby Boomer population entering the program at a rate of 2% annually. Comparatively, private health insurance, Medicaid, and out-of-pocket expenditures are forecasted to grow at rates of 5.6%, 5.2%, and 4.7%, respectively.

In terms of specific health care services and goods, the report predicts similar growth rates across the board.

Hospital expenditures are expected to grow by 5.7% annually, while physician and clinical services and prescription drugs are projected to see growth rates of 5.6% and 6%, respectively, throughout the projection period.

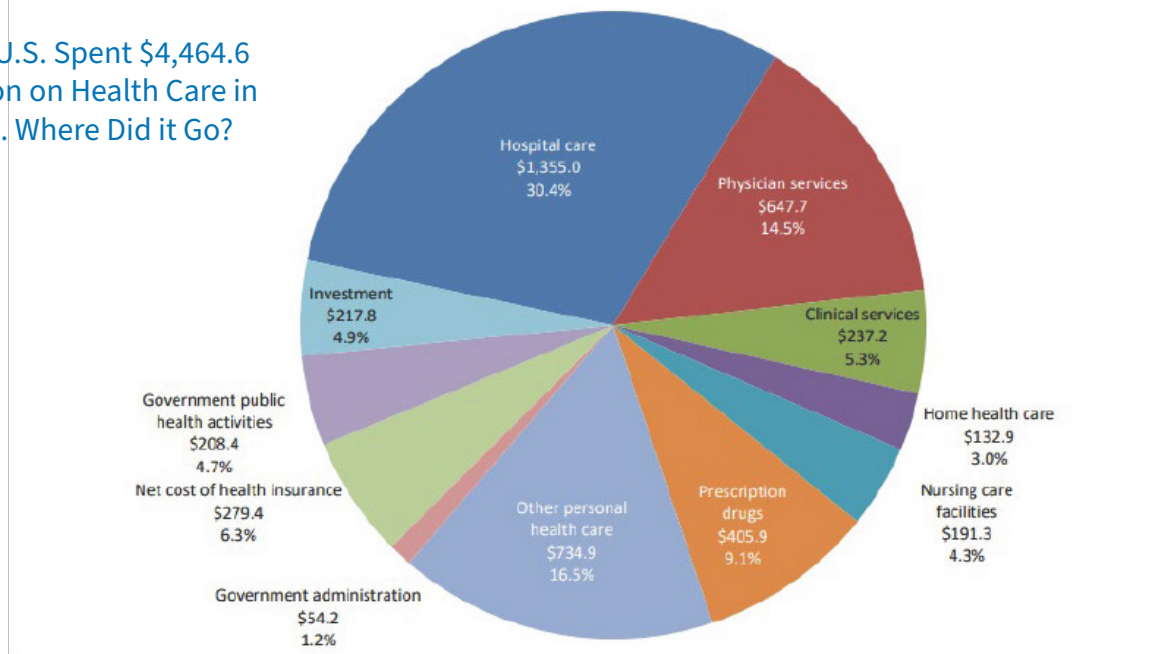
The researchers of the study conclude that as the COVID-19 pandemic's temporary effects on spending and enrollment subside, health care spending patterns will align more closely with longterm economic and demographic trends.

[Read the report here.](#)

## Health Spending in the U.S. Rebounds to Pre-Pandemic Growth Rates in 2022

In 2022, health spending in the U.S. surged by 4.1% to reach \$4.4 trillion, amounting to \$13,493 per capita. This growth rate mirrors pre-pandemic levels seen in 2019, indicating a return to familiar patterns after the turbulence caused by COVID-19. Key categories contributing to this expenditure include hospital care, physician services, prescription drugs, and various other personal health care costs.

The U.S. Spent \$4,464.6 Billion on Health Care in 2022. Where Did it Go?



**Source:** [National Health Care Spending In 2022: Growth Similar To Prepandemic Rates.](#)



is a monthly bulletin that contains information important to health care credit and collection personnel. Readers are invited to send comments and contributions to:

**Communications Department**  
**ACA International**  
**3200 Courthouse Lane**  
**Eagan, MN 55121**  
[comm@acainternational.org](mailto:comm@acainternational.org)

Note: Requests for reprints or additional information on material herein must be made through the ACA International member who sponsored your receipt of this publication.

Do we have your correct name, title and address? Please advise your sponsor of any corrections.

This information is not to be construed as legal advice. Legal advice must be tailored to the specific circumstances of each case. Every effort has been made to assure that this information is up to date as of the date of publication. It is not intended to be a full and exhaustive explanation of the law in any area.

This information is not intended as legal advice and may not be used as legal advice. It should not be used to replace the advice of your own legal counsel.

© 2024 ACA International. All Rights Reserved.

