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August 12, 2024

Director Rohit Chopra  
Consumer Financial Protection Bureau  
1700 G Street NW  
Washington, DC 20552

Re: Docket No. CFPB–2024– 0023 or RIN 3170–AA54: Prohibition on Creditors and Consumer Reporting Agencies Concerning Medical Information (Regulation V)

Dear Director Chopra:

Thank you for the opportunity to comment on the Consumer Financial Protection Bureau’s Notice of Proposed Rulemaking (NPRM) addressing medical debt on credit reports. The Asian and Pacific Islander American Health Forum (APIAHF), together with its national partners, represents the leading health equity organizations focused on Asian Americans (AAs) and Native Hawaiians and Pacific Islanders (NHPIs), respectfully submits the following response. We strongly support the CFPB’s proposed rule, which will help tens of millions of individuals who have been unfairly burdened by medical debt on their credit reports.

With a national network of over 250 community-based organizational partners in over 43 states and territories, APIAHF is the nation’s oldest and largest health advocacy organization dedicated to improving the health and wellbeing of over 26 million AAs and NHPIs across the U.S. and its territories. APIAHF influences policy, mobilizes communities, and strengthens programs and organizations to improve the health of AAs and NHPIs.

**Medical debt is a serious issue for the AA and NHPI community.**

According to a survey conducted by the U.S. Census, approximately 10 percent of Asian American households carry medical debt.<sup>1</sup> In fact, medical debt is one of the top issues of concern for AA and NHPI adults. About 62 percent of AA and NHPIs say their household financial situation is good, but only a quarter are confident in their ability to cover an unexpected medical bill, while 4 in 10 are “not very” or “not at all” confident.<sup>23</sup>

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<sup>1</sup> Neil Bennett & Jonathan Eggleston et al. *19% of U.S. Households Could Not Afford to Pay for Medical Care Right Away*, (Apr. 7, 2021), <https://www.census.gov/library/stories/2021/04/who-had-medical-debt-in-united-states.html>.

<sup>2</sup> AP-NORC/AAPI AAPI Data, *Few Within AAPI Communities are Feeling Very Confident About Their Finances*, (Jan. 30, 2024), <https://apnorc.org/projects/few-within-aapi-communities-are-feeling-very-confident-about-their-finances/>.

<sup>3</sup> The Associated Press, *US Asians and Pacific Islanders Worry Over Economy, Health Care Costs*, AP-NORC/AAPI Data Poll Shows, U.S. News and World Report, (Jan. 30, 2024), <https://www.usnews.com/news/politics/articles/2024-01-30/us-asians-and-pacific-islanders-worry-over-economy-health-care-costs-ap-norc-aapi-data-poll-shows>.

About 40 percent of nonelderly noncitizens do not have health insurance.<sup>4</sup> While nonelderly noncitizens only constitute 8 percent of the total U.S. population, they make up 32 percent of the total uninsured population in the country and face severe restrictions on eligibility for Medicaid, CHIP, and Marketplace coverage.<sup>5</sup> As a predominantly immigrant community – 68 percent of Asian adults in the U.S. are immigrants, with 37 percent of those who are noncitizens – there is a genuine fear of the looming consequences of medical debt.<sup>6</sup>

Medical debt can also take an emotional toll on families. Culturally, there is a sense of obligation to provide for elders. Nearly 24 percent of Asian American households are multi-generational, and many of these households have foreign-born grandparents who do not qualify for Medicare.<sup>7</sup> Among Asian American caregivers, many of whom may not identify themselves as caregivers due to cultural expectations causing underreporting, they are generally older and in poorer health than their non-caregiver counterparts, including a higher prevalence of chronic health conditions.<sup>8</sup> Many of these caregivers are often immigrants and may not speak English as a primary language.<sup>9</sup>

Approximately 32 percent of AAs and 12.5% of NHPs are limited English proficient (LEP).<sup>10</sup> LEP adults are less likely to have health insurance coverage and face high levels of uninsurance and health insurance coverage disruptions, leaving them vulnerable to medical debt.<sup>11</sup> This language barrier is further compounded by the complexities and jargon of medical billing, which is a challenge for even native English speakers.<sup>12</sup> Many LEP speakers face difficulties understanding technical terms, some of which may not have equivalent terms in some languages. Even if equivalent terms exist, translations may create more confusion than clarity.<sup>13</sup> Frequently, no sufficient resources are available, including support from certified interpreters, to assist LEP speakers in providing clarity on costs and coverage.

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<sup>4</sup> Matthew Buettgens & Urmi Ramchandani, *The Health Coverage of Noncitizens in the United States, 2024*, Urban Institute (May 2023), <https://www.urban.org/sites/default/files/2023-05/The%20Health%20Coverage%20of%20Noncitizens%20in%20the%20United%20States%202024.pdf>.

<sup>5</sup> *Id.*

<sup>6</sup> Neil G. Ruiz, Luis Noe-Bustamante et al. *Appendix: Demographic Profile of Asian American Adults*, Pew Research Center (May 8, 2023), <https://www.pewresearch.org/2023/05/08/asian-american-identity-appendix-demographic-profile-of-asian-american-adults/>.

<sup>7</sup> D’Vera Cohn, Juliana Menasce Horowitz et al. *The Demographics of Multigenerational Households*, Pew Research Center, (Mar. 14, 2022), <https://www.pewresearch.org/social-trends/2022/03/24/the-demographics-of-multigenerational-households/>.

<sup>8</sup> Christina E. Miyawaki, *Caregiving Attitudes and Needs of Later-generation Chinese-American Family Caregivers of Older Adults*, Sage Journals, (June 17, 2020), <https://journals.sagepub.com/doi/10.1177/0192513X20930366>.

<sup>9</sup> Christina E. Miyawaki, Erin D. Boulding et al. *Characteristics of Asian American Family Caregivers of Older Adults Compared to Caregivers of Other Racial/Ethnic Groups: Behavioral Risk Factor Surveillance System 2015-2020*, National Library of Medicine, (Dec. 20, 2022), <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC10408680/>.

<sup>10</sup> Adewale A. Maye & Stevie Marvin, *Examining the Economic Impact of Language Proficiency on AAPI Populations*, Economic Policy Institute, (June 18, 2024), <https://www.epi.org/blog/examining-the-economic-impact-of-language-proficiency-on-aapi-populations/>.

<sup>11</sup> Natalia Ramirez, Kewei Shi et al. *Access to Care Among Adults with Limited English Proficiency*, National Library of Medicine, (Jul. 26, 2022), <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC9971409/>.

<sup>12</sup> Cedar, *2024 Healthcare Financial Experience Study*, (2024), <https://www.cedar.com/2024-healthcare-financial-experience-study/>.

<sup>13</sup> Consumer Financial Protection Bureau, *Spotlight on Serving Limited English Proficient Consumers*, (Nov. 2017), [https://files.consumerfinance.gov/f/documents/cfpb\\_spotlight-serving-lep-consumers\\_112017.pdf](https://files.consumerfinance.gov/f/documents/cfpb_spotlight-serving-lep-consumers_112017.pdf).

Familial obligation, immigrant status, and LEP all contribute to the vulnerability of the AA and NHPI community to medical debt. Without adequate protections and supporting resources, AAs and NHPIs face significant challenges to not just their physical and mental wellbeing but also their financial wellbeing.

**Medical debt is not predictive of creditworthiness.**

The CFPB’s research in both the NPRM and earlier reports indicates that medical debt on credit reports does not provide added predictiveness for credit underwriting.<sup>14</sup> That is why one of the two major credit scoring providers stopped considering medical debt in its latest model, citing “minimal effects on predictive performance.”<sup>15</sup>

Finally, we urge the CFPB to include three additional protections in its final rule. First, the CFPB should extend the credit reporting ban to include medical debt on general-purpose credit cards and medical payment products, such as CareCredit cards. Second, the CFPB should also prohibit the inclusion of medical debt on credit reports for employment or tenant screening. Third, the CFPB should address common abuses with medical payment products, for example, by prohibiting deferred interest on credit cards, prohibiting providers from issuing medical credit cards or loans to patients whose insurance covers a procedure or who qualify for financial assistance, and prohibiting services from being charged to a credit card before they are rendered.

Thank you for the opportunity to comment. If you have any questions, please contact the APIAHF policy team ([policy@apiahf.org](mailto:policy@apiahf.org)).

Respectfully submitted,

Asian & Pacific Islander American Health Forum (APIAHF)  
Association of Asian Pacific Community Health Organizations (AAPCHO)  
Asian Pacific Partners for Empowerment, Advocacy, and Leadership (APPEAL)  
National Council of Asian Pacific Islander Physicians (NCAPIP)

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<sup>14</sup> Kenneth P. Brevoort & Michelle Kambara, *Data Point: Medical Debt and Credit Scores*, Consumer Financial Protection Bureau, (May 2014), [https://files.consumerfinance.gov/f/201405\\_cfpb\\_report\\_data-point\\_medical-debt-credit-scores.pdf](https://files.consumerfinance.gov/f/201405_cfpb_report_data-point_medical-debt-credit-scores.pdf).

<sup>15</sup> VantageScore, <https://www.vantagescore.com/faq/what-was-the-rationale-for-removing-medical-debt-from-vantagescore-4-0/> (last visited Aug. 7, 2024).

