



*The Commonwealth of Massachusetts*  
*Commonwealth Health Insurance Connector Authority*  
*100 City Hall Plaza*  
*Boston, MA 02108*

Maura T. Healey  
Governor

Kimberley Driscoll  
Lieutenant Governor

Kathleen E. Walsh  
Board Chair

Audrey Morse Gasteier  
Executive Director

August 12, 2024

Comment Intake—2024 NPRM FCRA Medical Debt Information  
c/o Legal Division Docket Manager  
Consumer Financial Protection Bureau  
1700 G Street NW  
ATTN: CFPB-2024-2023  
Washington, DC 20552

**Re: Notice of Proposed Rulemaking, “Prohibition on Creditors and Consumer Reporting Agencies Concerning Medical Information (Regulation V)” (Published in Federal Register Volume 89, Number 118, page 51682 on June 18, 2024)**

Dear Director Chopra:

The Massachusetts Health Connector (“Health Connector”), a state-based Marketplace (SBM) authorized under the Patient Protection and Affordable Care Act of 2010 (“ACA”), appreciates the opportunity provided by the Consumer Financial Protection Bureau (CFPB) to comment on the proposed rule, “Prohibition on Creditors and Consumer Reporting Agencies Concerning Medical Information (Regulation V)”.

Founded in 2006 as part of bipartisan state health reform, the Massachusetts Health Connector is the longest-running State-Based Marketplace (SBM) in the country. The Health Connector is designed to connect Massachusetts residents and small businesses with high quality, affordable health coverage and to promote universal health coverage in the Commonwealth. Today, the Health Connector serves over 320,000 individuals and over 14,000 small business employees from over 2,000 businesses. The Health Connector’s efforts have contributed to the Commonwealth’s status as the healthiest state in the nation,<sup>1</sup> with a nation-leading health insurance rate over 98%,<sup>2</sup> and among the lowest-cost average Marketplace premiums in the country in 2024.<sup>3</sup>

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<sup>1</sup> See <https://wellbeingindex.sharecare.com/wp-content/uploads/2023/09/CWBI-State-Rankings-Report20230828.pdf>

<sup>2</sup> Center for Health Information and Analysis (CHIA) 2023 Massachusetts Health Insurance Survey (MHIS), at <https://www.chiamass.gov/massachusetts-health-insurance-survey>.

<sup>3</sup> [Kaiser Family Foundation analysis](#) of data from Healthcare.gov, state rate review websites, and state plan finder tools. [Analysis of CMS Public Use Files](#).

**The Health Connector strongly supports the Consumer Financial Protection Bureau’s proposed rule because it would promote fairer credit access and is in line with the Health Connector’s goals of improving affordability and equity for residents of the Commonwealth.** Massachusetts state health reform and the Health Connector’s continued focus on affordability play a role in Massachusetts residents having less medical debt in collections (4%) than residents across the U.S. (12%).<sup>4</sup> Despite near universal health insurance coverage in Massachusetts and continued focus on improving access and affordability, health care costs and medical debt are still a concern for many residents and families in the Commonwealth. This proposed rule, if finalized, would help protect and raise credit scores of people struggling with medical debt by establishing stricter limits on how creditors can use medical information. The 2023 Massachusetts Health Insurance Survey (MHIS) conducted by the Center for Health Information and Analysis (CHIA) found that about 41% of Massachusetts residents reported that their family faced health care affordability issues over the past 12 months, and about 13% of Massachusetts residents reported that their family held medical debt, or family medical bills that are being paid over time.<sup>5</sup> Similarly, 14% of Health Connector members report having medical bills that are being paid over time.<sup>6</sup>

**If finalized, the CFPB’s proposed rule would promote equity because medical debt disproportionately impacts Black and Hispanic communities as well as people with low incomes.** Consistent with national trends, CHIA’s 2023 MHIS found that the burden of affordability issues on families is greater for Hispanic residents (58%) and non-Hispanic Black residents (49%) than for non-Hispanic White residents (39%).<sup>7</sup> Three in five (60%) Massachusetts residents with a family income at or below 138% of the federal poverty level (FPL) reported that their family had difficulties paying for health care in the past 12 months.<sup>8</sup> Non-Hispanic Black residents (20%) as well as residents with someone in their family who went without insurance in the past 12 months (29%) were most likely to report family medical debt.<sup>9</sup> In addition, according to 2023 Health Connector non-group survey data, almost two thirds of Black members (61%) are paying off medical bills between \$2,000 and \$4,000, compared to 19% of White members.<sup>10</sup> As the CFPB notes in their proposed rule, addressing medical debt not only improves access to credit, especially for Black and Hispanic populations, but also increases access to high-value follow-up care and leads to better health outcomes.

**Research has shown that medical debt has limited predictive value for credit underwriting purposes since consumers often have limited ability to control the timing and types of medical services that are required. In addition, the complexity of health insurance and medical billing may lead to inaccurate medical debt information.** Most people who carry medical debt are insured. Among the 13% of Massachusetts residents with family medical debt, most (86%) reported that this debt had been incurred for care obtained when the resident and all members of the resident’s family had health insurance coverage. Over three-quarters (78%) reported that they held medical debt from care that had to be paid as part of their health plan deductible, and about three-fifths (63%) reported that

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<sup>4</sup> Urban Institute (2024). The Changing Medical Debt Landscape in the United States, at [The Changing Medical Debt Landscape in the United States \(urban.org\)](#) – Note: Percentages are rounded throughout letter

<sup>5</sup> Center for Health Information and Analysis (CHIA) 2023 Massachusetts Health Insurance Survey (MHIS), at [Massachusetts Health Insurance Survey \(chiamass.gov\)](#)

<sup>6</sup> Massachusetts Health Connector 2024 Customer Experience Survey

<sup>7</sup> Center for Health Information and Analysis (CHIA) 2023 Massachusetts Health Insurance Survey (MHIS), at [Massachusetts Health Insurance Survey \(chiamass.gov\)](#)

<sup>8</sup> Center for Health Information and Analysis (CHIA) 2023 Massachusetts Health Insurance Survey (MHIS), at [Massachusetts Health Insurance Survey \(chiamass.gov\)](#)

<sup>9</sup> Center for Health Information and Analysis (CHIA) 2023 Massachusetts Health Insurance Survey (MHIS), at [Massachusetts Health Insurance Survey \(chiamass.gov\)](#)

<sup>10</sup> Massachusetts Health Connector 2024 Customer Experience Survey

they held medical debt from copayments or coinsurance. Just over half of residents reported that they held medical debt from care not covered by their health plan (54%).<sup>11</sup>

The Health Connector is committed to addressing affordability challenges for Massachusetts residents and thanks the CFPB for its proposed rule addressing medical debt. We thank you for consideration of our comments and strongly encourage finalization of the proposed rule to promote fairer access to credit, improve privacy protections for consumers' medical information, and advance equity in the Commonwealth and across the U.S.

Sincerely,

A handwritten signature in cursive script that reads "Audrey Morse Gasteier".

Audrey Morse Gasteier

Executive Director

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<sup>11</sup> Center for Health Information and Analysis (CHIA) 2023 Massachusetts Health Insurance Survey (MHIS), at [Massachusetts Health Insurance Survey \(chiamass.gov\)](https://chiamass.gov)

