



General Assembly

February Session, 2022

Raised Bill No. 411

LCO No. 3160



Referred to Committee on INSURANCE AND REAL ESTATE

Introduced by:
(INS)

AN ACT CONCERNING MEDICAL DEBT ON CREDIT SCORES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2022*) (a) For the purposes of this
2 section:

3 (1) "Consumer reporting agency" means any person who (A)
4 regularly engages, in whole or in part, in the practice of assembling or
5 preparing consumer reports for a fee, (B) obtains information primarily
6 from sources other than insurance institutions, and (C) furnishes
7 consumer reports to other persons.

8 (2) "Debtor" has the same meaning as provided in section 38a-646 of
9 the general statutes.

10 (3) "Medical debt" means a debt arising from the receipt of health care
11 services.

12 (4) "Resident" has the same meaning as provided in section 12-505 of
13 the general statutes.

14 (b) The Insurance Department shall adopt regulations in accordance
15 with chapter 54 of the general statutes to establish the minimum amount
16 of a claim or debt arising from a collection of medical debt that shall be
17 reported to a consumer reporting agency. Such medical debt reporting
18 requirements shall apply to insured and uninsured residents for
19 treatment at a hospital. Such minimum amount shall exclude from
20 consideration medical debt where there is an indication of fraud,
21 misrepresentation or bad faith on the part of the debtor.

22 (c) The Insurance Department shall only report medical debt that
23 meets the following criteria:

24 (1) The medical debt is classified as currently not collectible. For
25 purposes of this subdivision, the medical debt is currently not collectible
26 if the Insurance Department has exhausted available collection efforts,
27 including referrals for administrative offset and enforced collection;

28 (2) The medical debt is not owed by an insured or uninsured resident
29 who is determined by the Insurance Department to be catastrophically
30 disabled or has reported a gross household income below the applicable
31 geographically adjusted income limits that would entitle an insured or
32 uninsured resident to cost-free health care medications or beneficiary
33 travel; and

34 (3) The outstanding medical debt amount is greater than twenty-five
35 dollars, or such higher amount as prescribed by the Insurance
36 Department in accordance with chapter 54 of the general statutes. Such
37 minimum threshold set forth in this subdivision will not apply if there
38 is an indication of fraud, misrepresentation or bad faith on the part of
39 the insured or uninsured resident in connection with the medical debt.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2022</i>	New section

Statement of Purpose:

To put in place limitations regarding reporting of medical debt to consumer reporting agencies for insured and uninsured resident medical treatment in hospitals.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]