
OLR Bill Analysis

sSB 395 (File 264, as amended by Senate "A")*

AN ACT CONCERNING THE REPORTING OF MEDICAL DEBT.

SUMMARY

This bill (1) prohibits Connecticut health care providers and hospitals or entities owned by or affiliated with hospitals from reporting medical debt to credit rating agencies for use in a credit report and (2) voids any medical debt that is reported to credit rating agencies.

The bill relatedly requires the health care providers to have in their contracts with collection entities for the purchase or collection of medical debt a provision that prohibits reporting the debt to credit rating agencies.

Under the bill, medical debt is an obligation or alleged obligation to pay for received health care goods (e.g., products, devices, durable medical equipment, and prescription drugs) or services (i.e., services for the diagnosis, prevention, treatment, cure, or relief of a health condition, illness, injury, or disease). It excludes debts charged to a credit card unless the card is issued under a plan offered specifically to pay for these goods and services.

*Senate Amendment "A" changes the definition of "medical debt," including by defining the types of health care services that could result in medical debt under the bill. It also makes technical and conforming changes.

EFFECTIVE DATE: July 1, 2024

COMMITTEE ACTION

Human Services Committee

Joint Favorable Substitute

Yea 17 Nay 4 (03/19/2024)