

CFPB Finalizes Rule Removing Medical Debt from Credit Reports



Healthcare Law Update

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John D. Fanburg
Managing Member & Chair, Healthcare

Jonathan J. Walzman
Member, Healthcare

Andrew M. Kuder
Associate, Healthcare

BRACH | EICHLER^{LLC}
Counsellors at Law

CREDIT REPORT

YOUR CREDIT SCORE :

795

Credit score range : Excellent

Report Summary :

Credit Score grades

Excellent :	701-800
Good :	501-700
Fair :	351-500
Uncertain :	301-350
Poor :	300 and below

2/7/2025

On January 7, 2025, the Consumer Financial Protection Bureau (CFPB) published a [final rule](#) that prohibits medical debt from being included on credit reports. Under the new rule, credit reporting agencies will be prevented from including medical debt in an individual's credit report and lenders will not be permitted to use medical information in determining whether to extend credit. The rule also restricts credit reporting agencies from furnishing reports to creditors containing medical debt information that creditors are barred from using.

The final rule is set to become effective in March, although it is expected that the rule will be challenged by debt collection groups, which can delay implementation. The rule only erases medical debt from credit reports but does not eliminate the debt itself. According to the CFPB, this rule will remove \$49 billion in medical bills from the credit reports for roughly 15 million Americans, boosting credit scores by an average of 20 points, and is expected to result in the approval of approximately 22,000 additional mortgages annually.

[Click Here to read the entire February 2024 Healthcare Law Update now!](#)

For more information, contact:

John D. Fanburg, Chair | 973.403.3107 | jfanburg@bracheichler.com

Jonathan J. Walzman | 973.403.3120 | jwalzman@bracheichler.com

Andrew M. Kuder | 973.403.3141 | akuder@bracheichler.com

Authors

The following attorneys contributed to this insight.



John D. Fanburg

Managing Member
Healthcare Law, Cannabis Industry
973.403.3107 · 973.618.5507 Fax
jfanburg@bracheichler.com



Jonathan J. Walzman

Member
Healthcare Law, Corporate
Transactions & Financial Services
973.403.3120 · 973.618.5561 Fax
jwalzman@bracheichler.com