

Medical Debt Collection Data on Consumer Credit Reports

Medical Debt Changes on Credit Reports

The three credit bureaus announced changes to Medical Debt Collection Data reported by collection agencies and debt buyers. The CRA's (Credit Reporting Agencies) agreed to three changes on medical collection accounts: **no longer displaying paid accounts, waiting 1 year from the date of first delinquency to accept this data, and no longer accepting medical collections under at least \$500.** Approximately 70% of medical collections will be impacted by these changes.

What Medical Debt **IS** Affected?

- Medical collections that have been paid off
- Medical collection accounts less than one year old
- Medical collection accounts under \$500 (effective early 2023)

What Medical Debt **IS NOT** Affected?

- Medical debt exceeding \$500 and owed for more than a year
- Medical debt on a loan or credit card

Important Dates:

- ✓ **Effective July 1, 2022**
Paid medical collection debt will no longer be included on consumer credit reports.
- ✓ **Effective July 1, 2022**
The time period before unpaid medical collection debt will appear on a consumer's report will be increased from 6 months to a year.
- ✓ **Effective March 30, 2023**
Medical debt collection accounts under a predefined minimum threshold (\$500 or less) will no longer be included on a consumer credit report.