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# Mapping State Efforts to Address Medical Debt

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The healthcare affordability crisis has resulted in an estimated 100 million Americans, or 41% of adults (<https://kffhealthnews.org/diagnosis-debt/>), holding some form of medical debt. The consequences of medical debt are profound, from financial strain ([https://files.consumerfinance.gov/f/documents/cfpb\\_medical-debt-burden-in-the-united-states\\_report\\_2022-03.pdf](https://files.consumerfinance.gov/f/documents/cfpb_medical-debt-burden-in-the-united-states_report_2022-03.pdf)) to worsened health outcomes (<https://www.commonwealthfund.org/publications/surveys/2023/oct/paying-for-it-costs-debt-americans-sicker-poorer-2023-affordability-survey>), as people delay or forgo health services and medications to prevent further debt. Medical debt also has significant health equity implications as there is a disproportionate impact (<https://apps.urban.org/features/debt-interactive-map/?type=medical&variable=medcoll>) on those with low incomes, poor health status, and communities of color such as Black and Latino/a populations. This is a “uniquely American problem (<https://chw.princeton.edu/news/podcast-only-america-easing-burden-medical-debt>),” but fortunately, states are moving to eradicate medical debt for low income residents, which testimonials show (<https://unduemedicaldebt.org/stories/>) dramatically improves recipients’ quality of life.

At the same time, states are also working to protect residents from the financial consequences of medical debt by prohibiting its inclusion in credit reports. In July 2025, a federal judge in Texas reversed a ruling by the Consumer Financial Protection Bureau (CFPB) under the previous federal administration that would have removed medical debt from all credit reports and prohibited lenders from considering medical debt information when determining eligibility for credit. In October, CFPB issued an interpretive rule (<https://www.federalregister.gov/documents/2025/10/28/2025-19671/fair-credit-reporting-act-preemption-of-state-laws>) suggesting that the Fair Credit Reporting Act generally preempts state laws that touch broad areas of credit reporting; however, the interpretive rule does not carry the force of law. In the absence of this federal protection, policymakers at the state level continue to enact their own laws and fortify protections for consumers against medical debt.

**The map below highlights state action to cancel medical debt and/or prohibit medical debt reporting.** For more information, see this *Health Affairs Forefront* article (<https://www.healthaffairs.org/content/forefront/growing-policy-wave-medical-debt-cancellation-states-taking-action>) which examines the burgeoning trend of state efforts to cancel medical debt for just pennies on the dollar. For other state policy options to address medical debt, see recent research from the Commonwealth Fund (<https://www.commonwealthfund.org/publications/fund-reports/2025/jul/state-protections-against-medical-debt-look-policies-across-us>).

*Map updated as of: 12/23/2025*

# State Efforts to Cancel Medical Debt and Prohibit Medical Debt Reporting

