



NATIONAL ASSOCIATION OF CONSUMER ADVOCATES

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November 2, 2009

The Honorable Mary Jo Kilroy
U.S. House of Representatives
1237 Longworth House Office Building
Washington, DC 20515-3515

Dear Congresswoman Kilroy:

The National Association of Consumer Advocates, a national non-profit organization of more than 1500 attorneys, law professors, and other consumer advocates committed to promoting justice to consumer, is writing to thank you for your leadership in introducing the Medical Debt Relief Act of 2009.

This legislation will address the growing problem of medical debt on consumers' credit reports. The number of American adults under the age of 65 carrying medical debt jumped from 21 percent in 2005 to 28 percent in 2007. According to the Commonwealth Fund, nearly 78 million working age adults accrued medical debt in 2007. That same year, twenty-eight million Americans were contacted by a collection agency for unpaid medical bills. Many consumers are not even aware that medical bills are found on their credit reports as a "debt in collection." Unfortunately, one negative medical collection mark can drop a consumer's credit score, potentially costing that consumer thousands of dollars in higher interest rates on home and automobile loans, credit cards and other revolving lines of credit. Moreover, even after consumers have paid off delinquent medical debt, the negative information stays on their credit record for seven years.

We endorse your proposal that would require the removal of medical accounts, which have been fully paid within 30 days of being settled, from a consumer's credit report. The Medical Debt Relief Act of 2009 will prevent millions of consumers from being unduly burdened with calls from collection agencies and from having their credit records tarnished after they have successfully paid off their medical bills.

We thank you for introducing the Medical Debt Relief Act and are in support of this valuable piece of legislation.

Sincerely,

Ellen Taverna
Legislative Associate