



Medical Debt Can No Longer Appear on Credit Reports in New York

As of December 13, 2023, the [Fair Medical Debt Reporting Act](#) prohibits New York hospitals, health care professionals, and ambulance providers from reporting medical debt to credit agencies. This means medical debt cannot appear on a consumer's credit report no matter when the debt was incurred.

What should I do if there is medical debt on my credit report?

Dispute the debt! The U.S. Consumer Protection Financial Bureau [provides information on how to dispute errors on a credit report](#) with a credit reporting company and a template letter you can use as a guide.

Any medical debt that appears on your credit report after December 13, 2023 was illegally reported by your health care provider. When a provider illegally reports the debt, the debt becomes void and you no longer need to pay it.

What qualifies as medical debt?

Bills from New York hospitals, health care professionals, and ambulance providers are considered medical debt.

Are medical debts charged to my credit card covered by this law?

No. This law only applies to medical debts that are directly reported to a credit agency. Medical debts that are part of a credit card bill, with other charges, are not covered by this law. Unpaid credit card bills that include medical debts can still be reported to a credit reporting agency.

Can my balance on a specially issued medical credit card be reported to a credit agency?

Medical debts that are charged to medical credit cards are covered by the new law and cannot be reported to a credit agency. Medical credit cards are issued only for paying for health care services, products, or devices. "Care Credit" is a well-known medical credit card. Debts charged to medical credit cards cannot be reported to credit agencies, even if you incurred the charge in the past. It is important to note that medical credit cards have much higher and more aggressive interest rates than other cards.¹

¹ <https://communitycatalyst.org/resource/deferred-interest-credit-cards-are-a-trap/>

Medical debt owed to New York hospitals, providers and ambulances cannot appear on your credit report, even if you moved out of state. But medical debt provided by out-of-state health care providers can still be reported to a credit agency.

Can a debt collector still pursue me for medical debt?

Yes. New York hospitals, providers, and facilities can still sell medical debts to collection agencies. But this debt cannot be reported to a credit reporting bureau. You have the right to ask the debt collector to verify the debt and to dispute it. More information on communicating and negotiating with debt collectors is available [here](#).

Can I be sued for medical debt if I don't pay it?

Yes. This law does not prevent consumers from being sued for medical debt. It only ensures that most medical debt will not show up on your credit reports. More information on responding to a medical debt lawsuit is available [here](#). It's important to note that in New York, consumers cannot have their wages garnished or a lien placed on their home after a medical debt lawsuit. Information on the New York law banning wage garnishing and liens on a primary residence in a medical debt judgment can be found [here](#).

Call Community Health Advocates if you need help resolving a medical debt at: 888-614-5400.