



January 27, 2025

Oppose Senate Bill 349
House Bill 428

On behalf of ACA International, the Association of Credit and Collection Professionals (ACA), I respectfully write this memo in opposition to House Bill 438 and Senate Bill 349. The legislation uses an overly broad definition of medical debt which would lead to unintended negative consequences for Maryland consumers and businesses well outside the scope of the legislation's intent.

ACA International was founded in 1939 and is the nation's largest trade association for the accounts receivable industry, representing approximately 1,700 members across the country. These members include credit grantors, third-party collection agencies, asset buyers, attorneys, and vendor affiliates in an industry that employs more than 125,000 worldwide.

The definition of medical debt in this bill should be amended to clarify that medical debt is debt owed directly to a health care facility or health care provider. If left unchanged, the legislation would cover purchases for goods or services not usually considered to be "medical debt" such as a bottle of aspirin charged to a credit card. It would also cover any open line of credit that is use partially to pay for a medical expense even if all other charges to the line of credit have absolutely nothing to do with any medical service or product.

We respectfully ask the legislature to consider a more clearly defined definition, which clarifies that medical debt is debt owed directly to a medical service provider. The text below would accomplish this request:

"Medical debt information means medical information that pertains to a debt owed by a consumer to a person whose primary business is providing medical services, products, or devices, or to such person's agent or assignee, for the provision of such medical services, products, or devices. Medical debt information includes but is not limited to medical bills that are not past due or that have been paid."

The above definition would still provide consumers with the protections the legislation aims to accomplish while avoiding the unintended consequences of wrapping in all lines of credit and impacting all Maryland consumers and business.

Thank you for your consideration.

Sincerely,



Andrew Madden

VP Government & State Affairs