

Harris Backs Slashing Medical Debt. Trump's 'Concepts' Worry Advocates.

Medical debt forces many Americans to take on extra work, give up their homes and cut spending on food and other essentials.

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Patient and consumer advocates are looking to Kamala Harris to accelerate federal efforts to help people struggling with medical debt if she prevails in next month's presidential election.

And they see the vice president and Democratic nominee as the best hope for preserving Americans' access to health insurance. Comprehensive coverage that limits patients' out-of-pocket costs offers the best defense against going into debt, experts say.

The Biden administration has expanded financial protections for patients, including a landmark proposal by the Consumer Financial Protection Bureau to remove medical debt from consumer credit reports.

In 2022, President Joe Biden also signed the Inflation Reduction Act, which limits how much Medicare enrollees must pay out-of-pocket for prescription drugs, including a \$35-a-month cap on insulin. And in statehouses across the country, Democrats and Republicans have been quietly [working together](#) to enact laws to rein in debt collectors.

But advocates say the federal government could do more to address a problem that burdens 100 million Americans, forcing many to take on extra work, give up their homes, and cut spending on food and other essentials.

"Biden and Harris have done more to tackle the medical debt crisis in this country than any other administration," said Mona Shah, senior director of policy and strategy at Community Catalyst, a nonprofit that has led national efforts to strengthen protections against medical debt. "But there is more that needs to be done and should be a top priority for the next Congress and administration.

At the same time, patient advocates fear that if former President Donald Trump wins a second term, he will weaken insurance protections by allowing states to cut their Medicaid programs or by scaling back federal aid to help Americans buy health insurance. That would put millions of people at greater risk of sinking into debt if they get sick.

In his first term, Trump and congressional Republicans in 2017 tried to repeal the Affordable Care Act, a move that independent analysts concluded would have stripped health coverage from millions of Americans and driven up costs for people with preexisting medical conditions, such as diabetes and cancer.

Trump and his GOP allies continue to attack the ACA, and the former president has said he wants to roll back the Inflation Reduction Act, which also includes aid to help low- and middle-income Americans buy health insurance.

“People will face a wave of medical debt from paying premiums and prescription drug prices,” said Anthony Wright, executive director of Families USA, a consumer group that has backed federal health protections. “Patients and the public should be concerned.”

The Trump campaign did not respond to inquiries about its health care agenda. And the former president doesn’t typically discuss health care or medical debt on the campaign trail, though he said at last month’s debate he had “concepts of a plan” to improve the ACA. Trump hasn’t offered specifics.

Harris has repeatedly pledged to protect the ACA and renew expanded subsidies for monthly insurance premiums created by the Inflation Reduction Act. That aid is slated to expire next year.

The vice president has also voiced support for more government spending to buy and retire old medical debts for patients. In recent years, a number of states and cities have purchased medical debt on behalf of their residents.

These efforts have relieved debt for hundreds of thousands of people, though many patient and consumer advocates say retiring old debt is at best a short-term solution, as patients will continue to run up bills they cannot pay without more substantive action.

“It’s a boat with a hole in it,” said Katie Berge, a lobbyist for the Leukemia & Lymphoma Society. The patient group was among more than 50 organizations that last year [sent letters](#) to the Biden administration urging federal agencies to take more aggressive steps to protect Americans from medical debt.

“Medical debt is no longer a niche issue,” said Kirsten Sloan, who works on federal policy for the American Cancer Society’s Cancer Action Network. “It is key to the economic well-being of millions of Americans.”

The Consumer Financial Protection Bureau is developing regulations that would bar medical bills from consumer credit reports, which would boost credit scores and make it easier for millions of Americans to rent an apartment, get a job, or secure a car loan.

Harris, who has called medical debt “critical to the financial health and well-being of millions of Americans,” enthusiastically backed the proposed rule. “No one should be denied access to economic opportunity simply because they experienced a medical emergency,” she said in June.

Harris' running mate, Minnesota Gov. Tim Walz, who has said his own family struggled with medical debt when he was young, signed a state law in June [cracking down on debt collection](#).

CFPB officials said the regulations would be finalized early next year. Trump hasn't indicated if he'd follow through on the medical debt protections. In his first term, the CFPB did little to address medical debt, and congressional Republicans have long criticized the regulatory agency.

If Harris prevails, many consumer groups want the CFPB to crack down even further, including tightening oversight of medical credit cards and other financial products that hospitals and other medical providers have started pushing on patients. These loans lock people into interest payments on top of their medical debt.

"We are seeing a variety of new medical financial products," said April Kuehnhoff, a senior attorney at the National Consumer Law Center. "These can raise new concerns about consumer protections, and it is critical for the CFPB and other regulators to monitor these companies."

Some advocates want other federal agencies to get involved, as well.

This includes the mammoth Health and Human Services department, which controls hundreds of billions of dollars through the Medicare and Medicaid programs. That money gives the federal government enormous leverage over hospitals and other medical providers.

Thus far, the Biden administration hasn't used that leverage to tackle medical debt.

But in a potential preview of future actions, state leaders in North Carolina recently won federal approval for a medical debt initiative that will make hospitals take steps to alleviate patient debts in exchange for government aid. Harris praised the initiative.

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