United States Senate

WASHINGTON, DC 20510

October 28, 2025

Robert F. Kennedy Jr.
Secretary
U.S. Department of Health and Human Services
200 Independence Avenue S.W.
Washington, D.C., 20201

Dear Secretary Kennedy:

Unexpected medical debt has pushed millions of people and families into bankruptcy.[1] Republicans have shut down the government instead of participating in a bipartisan process to make sure 15 million Americans don't get kicked off their health care and even more see their health insurance premiums double. If Republicans continue with their health care cuts, medical debt will almost certainly skyrocket. We write to ask the Department of Health and Human Services (HHS) for information on how many families will be pushed into medical debt-induced bankruptcy by the Trump Administration's health care cuts.

Medical debt collection information is often riddled with mistakes—with almost half of all medical bills containing at least one error[2]—while causing real harm to families' financial stability. Many people are hit with collection notices for debts they never owed, that were billed incorrectly, or that should have been paid by insurance. Yet these false reports cause lasting damage to their credit scores, which has profound impacts on entire families.

Given growing evidence that medical debt is not a good indicator of creditworthiness, on January 7, the Consumer Financial Protection Bureau (CFPB) finalized a rule to eliminate medical debt from consumer credit reports, which would have removed an estimated $49 billion in medical bills from the credit reports of 15 million Americans.[3] The rule also would have banned credit reporting companies from sharing medical debt information with lenders and prohibited lenders from considering medical debt in their lending decisions,[4] aiming to make credit more affordable and accessible for working families while preserving the predictive value of their credit reports.

Despite the rule's vital role in protecting consumers from medical debt burdens, on April 30, the CFPB joined industry groups opposed to it in a joint motion to have it overturned—putting

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[1] Am J Public Health, "Medical Bankruptcy: Still Common Despite the Affordable Care Act," David U Himmelstein, Robert M Lawless, Deborah Thorne, Pamela Foohey, Steffie Woolhandler, March 2019, https://pmc.ncbi.nlm.nih.gov/articles/PMC6366487/.

[2] Consumer Reports, "How to Lower Your Medical Bills," Lisa Gill, May 5, 2022, https://www.consumerreports.org/money/medical-billing/how-to-lower-your-medical-bills-a3379293456/.

[3] Consumer Financial Protection Bureau, "CFPB Finalizes Rule to Remove Medical Bills from Credit Reports," press release, January 7, 2025, https://www.consumerfinance.gov/about-us/newsroom/cfpb-finalizes-rule-to-remove-medical-bills-from-credit-reports/.

[4] *Id.*

corporate profits ahead of the American people.[5] This means even more families will face economic hardships because of medical events outside of their control. Following this news, Democratic and Independent Senators wrote to Acting CFPB Director Vought to request that the CFPB publish all data it relied on in its decision to drop the agency's rule to remove medical debt from consumer credit reports.[6]

For the millions of Americans who have medical debt, the consequences can be devastating. Some courts have started requiring workers to funnel their paychecks directly to debt collectors for unpaid medical debt. Forty-five states now allow wage garnishment for unpaid medical bills.[7] The aftermath of these collections is dire: forcing people to decide whether to buy groceries or pay the electric bill.[8]

During the Biden Administration, HHS took action to protect consumers from surprise medical bills and excess costs that lead to medical debt-induced hardship and bankruptcy.[9] In 2023, HHS worked with the CFPB and Department of Treasury to investigate the impact of medical credit cards and other medical payments on consumers and address practices by financial companies that cause consumers to pay extra costs that drive up medical debt.[10]

We write to request information on how many families will be pushed into medical debt-induced bankruptcy by the Trump Administration's health care cuts, including the forced expiration of ACA tax credits and Republicans' massive cuts to Medicaid. Working to highlight the real costs on American families, and to push back on these devastating cuts, is one of our core legislative responsibilities in Congress. Given the effect of these concerns on the ongoing government shutdown, please respond to the following questions by November 1, 2025.

1. How many Americans will be pushed into medical debt-induced bankruptcy by the Trump Administration's health care cuts?

2. How many of these Americans will be pushed into medical debt-induced bankruptcy due to the expiration of the ACA enhanced premium tax credits that President Trump and Congressional Republicans refuse to extend?

Sincerely,

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[5] USA Today, "Biden's rule to bar medical debt from credit reports could soon end. What to know," Ken Alltucker, May 1, 2025, https://www.usatoday.com/story/money/2025/05/01/trump-asks-court-to-end-biden-medical-debt-rule/83394901007/.

[6] Letter from Senators Raphael Warnock, Elizabeth Warren, et al to Consumer Financial Protection Bureau Acting Director Russel Vought, July 14, 2025, https://www.warnock.senate.gov/wp-content/uploads/2025/07/Letter-to-CFPB-Regarding-the-Medical-Debt-Rule.pdf.

[7] KFF Health News, "Workers' Wages Siphoned to Pay Medical Bills, Despite Consumer Protections," Rae Ellen Bichell, October 2, 2025, https://kffhealthnews.org/news/article/colorado-wage-garnishment-health-care-medical-debt-collections-medicaid/.

[8] *Id.*

[9] Centers for Medicare & Medicaid Services, "HHS Announces Actions to Protect Consumers and Lower Health Care Costs," press release, July 7, 2023, https://www.cms.gov/newsroom/press-releases/hhs-announces-actions-protect-consumers-and-lower-health-care-costs.

[10] *Id.*

Elizabeth Warren
Ranking Member
Committee on Banking,
Housing, and Urban Affairs

Raphael Warnock
United States Senator

Charles E. Schumer
United States Senator

Ron Wyden
United States Senator
Ranking Member, Committee
on Finance

Bernard Sanders
United States Senator

Patty Murray
United States Senator

Amy Klobuchar
United States Senator

Sheldon Whitehouse
United States Senator

Mark R. Warner
United States Senator

Kirsten Gillibrand
United States Senator

Richard Blumenthal
United States Senator

Mazie K. Hirono
United States Senator

Angus S. King, Jr.
United States Senator

Edward J. Markey
United States Senator

Cory A. Booker
United States Senator

Tammy Duckworth
United States Senator

Tina Smith
United States Senator

Jacky Rosen
United States Senator

John Hickenlooper
United States Senator

Peter Welch
United States Senator

Adam B. Schiff
United States Senator

Andy Kim
United States Senator

Cc: Acting Director Vought, Consumer Financial Protection Bureau