



May 15, 2025

House Committee on Commerce and Consumer Protection
Oregon State Capitol
900 Court St NE
Salem, OR 97301

Re: Support for SB 605A

Chair Sosa, Vice Chair Osborne, Vice Chair Chaichi, and Members of the Committee:

The Oregon Health Equity Alliance, OHEA, urges your support of SB 605 A, Ending Credit Reporting on Medical Debt with the proposed clarifying amendment. The bill aims to address the serious issue of medical debt impacting Oregonians and ensure greater financial and health equity for all.

OHEA is a people of color-led collaborative, organized to center and uplift the wisdom of our communities of color through racial justice informed health equity policies and practices. OHEA serves Clackamas, Multnomah, and Washington counties as one of nine regional health equity coalitions across Oregon.

As an organization that advocates for healthcare access, we understand when money *is limited, communities are often forced to choose between immediate, material needs over a doctor's visit. Especially medical care that may result in medical debt that will affect their livelihood.* Everyone should have the freedom, resources, and ability to seek and receive care without fear of debilitating medical debt.

Nearly one in three Oregonians has medical debt because of routine or emergency care accrued in the past two years. Unlike other forms of debt, medical debt is not by choice. It arises from unexpected emergencies or necessary, life-saving treatments. Communities of color, uninsured individuals, and disabled adults face disproportionate impacts, further exacerbating existing inequities in access to care.

SB 605 would:

- Remove existing medical debt from credit reports.

- Prohibit debt collectors, hospitals, and other reporting entities from reporting medical debt to credit reporting agencies.
- Ensure the credit reporting ban includes credit reports used for employment and tenant screening.
- Include targeted healthcare credit cards such as CareCredit in this ban.

Even when someone is covered by health insurance they can find themselves left with thousands of dollar's worth of medical bills that if left unpaid can lower their credit scores and harm their ability to access credit. Community members should not be burdened with having to pick between their health or debt that can impact their future and what they can access. Consumers applying for a loan or mortgage may feel pressured into paying off disputed medical bills to minimize harm to their credit score.

SB 605 A implements a common-sense policy to prohibit credit reporting of medical debt. Medical debt is not a predictor of creditworthiness. And on average, removing medical debt increases an individual's credit score by 20 points.

We urge your support of SB 605 A to provide Oregonians with protections so their credit isn't harmed by medical debt. The Oregon legislature has the opportunity to join many other states with similar protections, and we ask that you vote yes on this bill.

Sincerely,
Oregon Health Equity Alliance