

Major credit agencies will drop most medical debt from reports

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Most medical debt will be dropped from Americans' credit reports as of

this summer, the top three credit reporting agencies said Friday.

The announcement by Equifax, Experian, and TransUnion comes as [medical bills](#) have become the largest source of personal debt in the United States, *CBS News* reported. The three companies said they will make a number of changes in how they handle medical debt. They include dropping paid medical debt and medical collection debt under \$500 from credit reports and increasing the time period from six months to one year before unpaid medical debts in collections will appear on a credit report.

About one in five U.S. households have health care-related debt, according to the Consumer Financial Protection Bureau (CFPB), which supervises the credit agencies. Errors related to medical debt are common on credit reports, and consumers often have difficulty getting the problems cleared up, according to the agency, *CBS News* said.

In a March 1 [report](#), the bureau said it planned to "hold credit reporting agencies accountable" for inaccurate medical debt on [consumer reports](#) and also to decide whether [medical debt](#) should be included in credit reports. CFPB said Equifax, Experian, and TransUnion accounted for more than six in 10 complaints received by the agency in 2021, which is more than any other topic, *CBS News* reported.

More information: [CBS News Article](#)

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