



**STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY**
DEPARTMENT OF HEALTH - KA 'OIHANA OLAKINO

JOSH GREEN, MD
GOVERNOR OF HAWAII
KE KIA'ĀINA O KA MOKU'ĀINA 'O HAWAII

KENNETH S. FINK, MD, MGA, MPH
DIRECTOR OF HEALTH
KA LUNA HO'OKOLE

JOHN C. (JACK) LEWIN, MD
ADMINISTRATOR

March 2, 2026

TO: HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE
Representative Scot Z. Matayoshi, Chair
Representative Tina Nakada Grandinetti, Vice Chair
Honorable Members

FROM: John C. (Jack) Lewin, MD, Administrator, SHPDA, and Sr. Advisor to
Governor Josh Green, MD on Healthcare Innovation

RE: HB 2187-HD1 -- RELATING TO HEALTH CARE

HEARING: Tuesday, March 3, 2026 @ 2:00 pm; Conference Room 329

POSITION: SUPPORT with COMMENTS

Testimony:

SHPDA strongly supports HB 2187-HD1, with comments.

This bill seeks to protect Hawai'i residents from the long-term financial harm caused by medical debt by prohibiting health care providers and credit reporting agencies from reporting medical debt to consumer credit bureaus. The intent of this bill is to ensure that individuals are not penalized on their credit reports for seeking necessary medical care.

We are the only OECD country (Organization of Economic Co-Operative Development or wealthy nations) to have consumers accumulate medical debt for legitimate medical services they cannot afford. However, not only are patients unfairly treated due to the lack of guaranteed healthcare access, but the providers and hospitals are also disadvantaged due to under-reimbursement in many instances. This whole situation is not fair.

We defer to DCCA, Attorney General, and other agencies to what is legally appropriate for hospitals and providers under our unfortunate current circumstance. SHDPA is tirelessly dedicated to promoting universal access to high-quality, equitable, and affordable health care for ALL the people of the State of Hawaii. We also support monitoring medical debt accumulation by our citizens to accurately access how to fix this as soon as possible.

Thank you for hearing HB 2187-HD1. Mahalo for the opportunity to testify.

■ -- Jack Lewin, MD, Administrator, SHPDA



March 3, 2026 at 2:00 pm
Conference Room 329

House Committee on Consumer Protection and Commerce

To: Chair Scot Z. Matayoshi
Vice Chair Tina Nakada Grandinetti

From: Paige Heckathorn Choy
Vice President, Government Affairs
Healthcare Association of Hawaii

Re: **Submitting Comments**
HB 2187 HD 1, Relating to Health Care

The Healthcare Association of Hawaii (HAH), established in 1939, serves as the leading voice of healthcare on behalf of 170 member organizations who represent almost every aspect of the health care continuum in Hawaii. Members include acute care hospitals, skilled nursing facilities, home health agencies, hospices, assisted living facilities and durable medical equipment suppliers. In addition to providing access to appropriate, affordable, high-quality care to all of Hawaii's residents, our members contribute significantly to Hawaii's economy by employing over 30,000 people statewide.

Thank you for the opportunity to **submit comments** on this measure. We appreciate the legislature's focus on addressing the burden of medical debt and the downstream impacts that medical bills can have on patients and families, particularly in a high cost-of-living state like Hawaii. Hospitals and other health care providers routinely work with patients to establish payment plans, provide financial assistance, and connect individuals with available coverage options. These are all important, core functions that our members take on to ensure that individuals do not forego needed care because of potential financial burdens.

Providers also see firsthand how credit reporting tied to medical bills can add anxiety and uncertainty for patients at an already difficult time. Our members appreciate the approach in this measure and the clarity it provides around the scope of the reporting prohibition and related contractual requirements. We remain open to continued dialogue with policymakers and other stakeholders to ensure that patient protections are implemented in a way that is clear, practical, and workable for health care providers.

Thank you for the opportunity to provide our comments on this important measure.



HIPHI Board

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Dina Shek, JD
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For Children in Hawai'i*

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Hawaiian Research Office*

Danette Wong Tomiyasu, MBA
*Retired, Hawai'i State Department of
Health*

HIPHI Initiatives

Coalition for a
Tobacco-Free Hawai'i

Community-Based Research &
Evaluation

Community Health
Worker Initiatives

Environmental Health

Hawai'i Climate Change and Health
Working Group

Hawai'i Drug & Alcohol-Free Coalitions

Hawai'i Immunization Coalition

Hawai'i Oral Health Coalition

Hawai'i Public Health Training Hui

Healthy Eating + Active Living

Kūpuna Collective/Healthy Aging &
Community Living

Public Health Workforce Development

Date: February 27, 2026

To: Representative Scot Z. Matayoshi, Chair
Representative Tina N. Grandinetti, Vice Chair
Members of the House Committee on Consumer Protection & Commerce

RE: Support for HB 2187 HD1, Relating to Health Care

Hrg: Tuesday, March 3, 2026, at 2:00 PM, Conference Room 329

Hawai'i Public Health Institute,¹ **supports HB 2187 HD1**, relating to health care. This bill prohibits health care facilities, health care providers, and emergency medical services from furnishing medical debt to a consumer credit reporting agency; and prohibits consumer credit reporting agencies from reporting or maintaining medical debt information in the file on a consumer.

Medical debt is a major financial encumbrance to local families. Preventing medical debt from negatively impacting consumers' credit reports will provide economic relief to those who are struggling under the weight of healthcare costs, especially in light of Hawai'i's high cost of living.

The Medical Debt Burden

People in the United States owe at least \$220 billion in medical debt, with approximately 14 million people (6% of adults) owing over \$1,000 in medical debt and about 3 million people (1% of adults) owing more than \$10,000.²

A 2022 KFF Health Care Debt Survey found that 41% of adults currently have some debt caused by medical or dental bills. **The survey also found that a third of those with healthcare debt (35%) said that it has negatively affected their credit score.** An additional 3% of respondents said that it has caused them to declare personal bankruptcy.³ Furthermore, KFF's analysis showed that medical debt disproportionately impacts women, racial minorities, and low-income households (below \$40,000 in annual earnings).

Medical Debt Relief

In response to the growing medical debt crisis, multiple states have launched debt relief programs designed to prevent the accumulation of medical debt from

¹ Hawai'i Public Health Institute's mission is to advance health and wellness for the people and islands of Hawai'i. We do this through expanding our understanding of what creates health of people and place, fostering partnerships, and cultivating programs to improve policies, systems, and the environments where people live, learn, work, age, and play.

² [The Burden of Medical Debt in the United States](#), Kaiser Family Foundation, February 2024.

³ [Health Care Debt In The U.S.: The Broad Consequences Of Medical And Dental Bills](#), Kaiser Family Foundation, 2022.



becoming a financial barrier for working families. Twenty thousand people in Hawai'i, or roughly 2.3% of local families, carry health-related debt.⁴ Sixteen percent of residents spend more than 12% of their income on healthcare, showing the need to enact programs that prevent the accumulation of medical debt for island households.⁵

Currently, 15 states have statutes preventing medical debt from adversely impacting their residents' credit scores.⁶ For example, California enacted Senate Bill 1061 in 2024, which limits the furnishing of medical debt information to consumer reporting agencies or anyone using debt information in credit evaluations, while Colorado passed House Bill 23-1126 in 2023 to restrict consumer reports from including medical debt information.

We hope you will pass HB 2187 to prevent medical debt from continuing to undermine the financial security of our state's hardworking 'ohana.

Mahalo,

A handwritten signature in black ink that reads 'Nate Hix' in a cursive, slightly stylized script.

Nate Hix
Director of Policy and Advocacy

⁴ [The burden of medical debt in the United States](#), Peterson Center On Healthcare, February 2024.

⁵ [Holomua Collaborative Affordability Survey](#), 2025.

⁶ [The Latest on Keeping Medical Debt Out of Credit Reports](#), National Consumer Law Center, July 2025.



1001 Bishop Street | Suite 625 | Honolulu, HI 96813-2830
1-866-295-7282 | Fax: 808-536-2882
aarp.org/hi | aarphi@aarp.org | twitter.com/AARPHawaii
facebook.com/AARPHawaii

The Hawai'i State Legislature
House Committee on Consumer Protection and Commerce
Tuesday, March 3, 2026
Conference Room 329, 2:00 p.m.

TO: The Honorable Scot Matayoshi, Chair
FROM: Keali'i S. López, State Director
RE: Support for H.B. 2187, HD1 Relating to Health Care

Aloha Chair Matayoshi and Members of the Committee:

My name is Keali'i Lopez, and I am the State Director for AARP Hawai'i. AARP is a nonpartisan, social impact organization that advocates for individuals age 50 and older. We have a membership of nearly 38 million nationwide and nearly 135,000 in Hawaii. We advocate at the state and federal level for the issues that matter most to older adults and their families.

AARP Hawai'i strongly supports House Bill 2187, HD1 which would prohibit the reporting of medical debt to consumer credit bureaus. AARP policy emphasizes that credit reports must be accurate and fair, yet they often contain errors and incomplete information that can harm consumers' credit scores. Medical debt is particularly problematic because it is frequently the result of circumstances outside a person's control, and research shows it has little predictive value in assessing creditworthiness.

Older residents—especially those on Medicare—face mounting out-of-pocket medical costs due to coverage gaps and chronic health conditions. Research cited by AARP shows that older adults regularly encounter unexpected and inaccurate medical bills, and many accumulate significant medical debt even with Medicare coverage.

For Hawai'i kūpuna living on fixed incomes, a single hospitalization or specialist treatment can generate thousands of dollars in surprise charges. When such bills are sent to collections—even during disputes—older adults can see their credit scores drop through no fault of their own.

This may jeopardize:

- Access to affordable housing, including senior rental options
- Qualification for credit, including emergency loans or credit cards
- Insurance rates, which can be influenced by credit history
- Employment opportunities, where credit checks are used in hiring can unfairly lower credit scores and limit access to housing, loans, and economic stability.

House Bill 2187, HD1 is a commonsense, consumer-protective measure that reflects AARP's long-standing policy priorities for accuracy, fairness, and accountability in credit reporting. Eliminating the reporting of medical debt will protect older Hawai'i residents from unjust financial penalties resulting from unavoidable medical needs and billing errors.

AARP Hawai'i urges passage of HB 2187, HD1 to strengthen financial security and fairness for Hawai'i's residents across the state.

March 2, 2026

TO: Hawaii House Committee on Consumer Protection & Commerce

**RE: HB 2187- Relating to Health Care, Medical Debt Credit Reporting-
SUPPORT**

Chair and members of the committee,

I am Adam Zarrin, the Director of State Government Affairs for Blood Cancer United, formerly the Leukemia & Lymphoma Society. Blood Cancer United® is the largest global nonprofit focused on blood cancer patient support, research, and advocacy. The organization's mission is to cure blood cancer and improve the quality of life of all patients and their families.

We support House Bill 2187 (HB 2187).

Medical debt has become pervasive for families across America. 1 in 3 Americans has a personal experience with medical debt. This is mainly due to rising healthcare costs. Even with insurance, individuals face increasing out-of-pocket costs like deductibles and co-pays. For those with a chronic illness like a blood cancer, those costs pile up. For example, in the first year after diagnosis of acute leukemia, a patient can pay almost \$500,000 in medical bills.

Medical debt fundamentally differs from other types of debt—no one applies for or chooses to get sick or have a medical emergency. Medical billing is riddled with errors, often forcing individuals into collections or payment plans for bills they do not owe or that should have been covered by insurance.

We can protect patients from the most extraordinary types of collection actions. This bill will prohibit credit reporting of medical debt. On average, removing medical debt from a credit report increases an individual's credit score by 20 points. This is a common-sense and nonpartisan approach—having blood cancer should have no bearing on your creditworthiness.

To protect consumers, Hawaii should follow other states that have already passed similar laws or are considering them.

According to a white paper by VantageScore, removing medical debt from credit scores will not impact most consumers. Some (12 to 27%, depending on the specific VantageScore model) will experience an increase averaging 15 points. The number of individuals with a decreased credit score is negligible.

Blood Cancer United

Nevertheless, the VantageScore 3.0 and 4.0 models “maintain their effectiveness in rank ordering risk after these reporting changes.” In summary, removing medical debt from credit reports makes it easier for some to get credit, likely those with the most medical debt. However, it has little or no impact on the other consumers seeking or using credit.

We appreciate your consideration of this critical legislation. Please support HB 2187 to ensure that patients can move on with their lives without long-term financial stress caused by medical debt.



SanHi

GOVERNMENT STRATEGIES

A LIMITED LIABILITY LAW PARTNERSHIP

DATE: March 3, 2026

TO: Representative Scot Z. Matayoshi
Chair, Committee on Consumer Protection & Commerce

FROM: Mihoko Ito / Chris Delaunay

RE: **H.B. 2187, HD1 - Relating to Health Care**
Hearing Date: Tuesday, March 3, 2026, at 2:00 p.m.
Conference Room: 329

Dear Chair Matayoshi, Vice Chair Grandinetti and Members of the Committee on Consumer Protection & Commerce:

We offer this testimony on behalf of the Consumer Data Industry Association (CDIA). The Consumer Data Industry Association (CDIA) is the voice of the consumer reporting industry, representing consumer reporting agencies including the nationwide credit bureaus, regional and specialized credit bureaus, background check companies, and others.

CDIA respectfully **opposes** H.B. 2187, HD1. The bill prohibits health care facilities, providers, and emergency medical services from furnishing medical debt to consumer reporting agencies and prohibits consumer reporting agencies from reporting or maintaining medical debt information. While we recognize the Legislature's desire to assist consumers facing unexpected medical expenses, the bill raises significant federal preemption concerns under the Fair Credit Reporting Act (FCRA), including 15 U.S.C. § 1681t(b)(1)(F), which establishes uniform national standards governing the responsibilities of furnishers and consumer reporting agencies. Congress expressly preempted state laws in this area to ensure nationwide consistency in credit reporting.

This issue is currently being litigated in multiple states, including Texas, Minnesota, and Maine, where similar state restrictions on medical debt reporting have been challenged on federal preemption grounds.

For these reasons, CDIA opposes H.B. 2187, HD1. **However, if the Committee chooses to move the bill forward, we respectfully request a clarifying amendment to the definition of "medical debt."**

As drafted on page 4 of H.B. 2187, HD1, "medical debt" is defined as an "obligation or alleged obligation" of a consumer. The inclusion of "or alleged obligation" creates ambiguity and expands the bill beyond verified debt,

potentially capturing unverified charges, billing disputes, insurance-pending claims, or coding errors where liability has not been determined.

To address this concern, CDIA respectfully proposes the following amendment on page 4 of H.B. 2187, HD1:

"Medical debt" means an obligation ~~for alleged obligation~~ of a consumer to pay any amount related to the receipt of health care services, products, or devices provided to a person by a health care facility, health care provider, or emergency medical service. "Medical debt" does not include debt charged to a credit card unless the credit card is issued as open-end credit or closed-end credit, as those terms are defined in title 12 Code of Federal Regulations section 1026.2, offered specifically for the payment of health care services, products, or devices provided to a person."

Removing "or alleged obligation" would narrow the definition to established financial responsibility and improve clarity while preserving the bill's stated intent.

Thank you for the opportunity to provide testimony.



To: The Honorable Scot Z. Matayoshi, Chair
The Honorable Tina Nakada Grandinetti, Vice Chair
House Committee on Consumer Protection and Commerce

From: Paula Arcena, External Affairs Vice President
Mike Nguyen, Director of Public Policy
Maria Rallojaj, Public Policy Specialist

Hearing: Tuesday, March 3, 2026, 2:00pm, Conference Room 329

RE: **HB2187 HD1 Relating to Health Care**

AlohaCare appreciates the opportunity to provide testimony in **support of HB2187 HD1**, as a member of the Healthcare Safety Net Coalition. This measure would: (1) prohibit health care facilities, health care providers, and emergency medical services from furnishing medical debt to a consumer credit reporting agency; and (2) prohibit consumer credit reporting agencies from reporting or maintaining medical debt information in the file on a consumer.

The Healthcare Safety Net Coalition is a coalition of safety net-serving organizations advocating for better laws and policies impacting the healthcare of the state's safety net populations. Through a combination of policy advocacy, collaboration with community organizations, and engagement with government agencies, the Healthcare Safety Net Coalition works with and for low-income and underserved communities to improve healthcare outcomes, quality and experiences for the safety-net population.

AlohaCare is committed to whole-person care by addressing key social determinants of health like economic stability. Affordability is a healthcare issue. Hawai'i's cost of living is among the highest in the country, and many families are struggling to afford their basic needs. With the upcoming implementation of new federal H.R. 1 mandates, such as community engagement requirements and frequent eligibility redetermination within the Medicaid program nationally, the Congressional Budget Office estimates that this will lead to a significant increase in uninsured individuals¹. In Hawai'i, the estimated Medicaid coverage loss ranges from approximately 19,000 to 38,000 individuals. Meanwhile, recent data suggest that 1 in 10 Hawai'i residents have outstanding medical debt on their credit report. The combination of new H.R. 1 requirements, the expiration of enhanced premium tax credits, and other recent federal policy changes will likely worsen this medical debt problem.

¹ It is projected that 10 million people in the country will be uninsured by 2034 2025, July 21. *CBO's Estimate of Annual Changes in the Number of People Without Health Insurance Under Title VII, Public Law 119-21*. Congressional Budget Office



For these reasons, AlohaCare supports this measure to prevent medical debt from delaying care, obtaining housing and employment, and making sure that a health emergency does not result in lasting damage to economic opportunity.

Mahalo for this opportunity to testify in **support of HB2187 HD1.**



HAWAII APPLESEED

CENTER FOR LAW & ECONOMIC JUSTICE

Testimony of the Hawai‘i Appleseed Center for Law and Economic Justice
HB 2187 – Relating to Health Care
House Committee on Commerce and Consumer Protection
Tuesday, March 3, 2026, at 2:00 PM

LATE

Dear Chair Matayoshi, Vice Chair Grandinetti, and members of the Committee:

Thank you for the opportunity to provide testimony in support of HB 2187, which would prohibit health care facilities, providers, and emergency medical services from furnishing medical debt to consumer credit reporting agencies, and prohibit credit reporting agencies from reporting or maintaining medical debt in a consumer’s credit file.

Hawai‘i Appleseed advocates for economic justice and affordability so that all people in Hawai‘i can meet their basic needs and build long-term financial stability. Medical debt undermines this goal and continues to harm families across our state.

As the Legislature correctly finds, medical debt has grown dramatically nationwide, and while Hawai‘i’s rates are lower than the national average, the burden here is uniquely severe due to our high cost of living. One in ten Hawai‘i residents has medical debt on their credit report. For families already struggling with housing costs, food prices, and transportation, a single medical bill—often unexpected and unavoidable—can trigger lasting financial harm.

Medical debt is fundamentally different from other forms of debt. It is rarely the result of consumer choice or financial irresponsibility. Instead, it arises from illness, injury, emergencies, or gaps in insurance coverage. Yet once medical debt appears on a credit report, it can lower credit scores and create barriers to housing, employment, transportation, and even access to affordable credit. In this way, medical debt compounds hardship and can lock families into cycles of instability that have nothing to do with their ability to manage money.

By prohibiting medical providers and emergency services from furnishing medical debt to credit reporting agencies, HB2187 ensures that health care crises do not permanently damage a person’s financial future. The bill also appropriately voids any medical debt reported in violation of these protections and prevents consumer credit reporting agencies from reporting or maintaining medical debt altogether.

Importantly, this approach is not untested. Other states, including California, Illinois, and New York, have already taken action to limit or prohibit the reporting of medical debt, recognizing that credit reports should reflect financial behavior—not health emergencies. Hawai‘i should follow suit and take steps that reflect our values of fairness, compassion, and shared responsibility.

Preventing medical debt from appearing on credit reports does not eliminate a provider's ability to seek payment, nor does it excuse debt. Instead, it ensures that people are not punished financially for needing medical care. At a time when residents are being asked to shoulder rising costs across nearly every aspect of daily life, this bill is a necessary and reasonable consumer protection.

HB2187 advances economic justice, supports affordability, and helps ensure that access to health care does not come at the expense of long-term financial security. For these reasons, Hawai'i Appleseed urges the Committee to pass HB2187. Thank you for considering our testimony.

HB-2187-HD-1

Submitted on: 3/1/2026 8:44:53 PM

Testimony for CPC on 3/3/2026 2:00:00 PM

| Submitted By | Organization | Testifier Position | Testify |
|----------------------|---------------------|---------------------------|------------------------|
| Johnnie-Mae L. Perry | Individual | Oppose | Written Testimony Only |

Comments:

I, Johnnie-Mae L. Perry, Oppose 2187 HB RELATING TO HEALTH CARE.

FOR THESE REASONS:

CREDIT DEBT DECEPTION TO FINANCIAL INSTITUTION WHICH IS REGULATED BY THE FEDERAL AND THE IRS

WRITE-OFF DEBT TO TAXPAYERS

HB 2187 DOES NOT PROVIDE HAWAII COST FIGURES BUT OTHER STATES WHICH IS IRRELAVENT

LATE

HB-2187-HD-1

Submitted on: 3/2/2026 2:22:03 PM

Testimony for CPC on 3/3/2026 2:00:00 PM

| Submitted By | Organization | Testifier Position | Testify |
|---------------------|---------------------|---------------------------|------------------------|
| Terri Yoshinaga | Individual | Support | Written Testimony Only |

Comments:

I support this bill.

LATE

HB-2187-HD-1

Submitted on: 3/2/2026 9:47:26 PM

Testimony for CPC on 3/3/2026 2:00:00 PM

| Submitted By | Organization | Testifier Position | Testify |
|---------------------|---------------------|---------------------------|---------------------------|
| Ted Meehan | Individual | Support | Written Testimony Only |

Comments:

Please support this important bill. Thank you.

Ted Meehan