

September 11, 2023

Consumer Financial Protection Bureau
Attn: Octavian Carare, Supervisory Economist
1700 G St. NW
Washington, DC 20552

Re: Request for Information Regarding Medical Payment Products
Docket No. CFPB-2023-0038

Dear Dr. Carare,

Our research team at the Leonard D. Schaeffer Center for Health Policy & Economics at the University of Southern California is engaged in a study of medical payment products, which addresses several topics outlined in the Request for Information Regarding Medical Payment Products¹. Over the last five years, we have evaluated billing practices of hospitals and provider groups – this research is the latest investigation in this portfolio.

Our current study seeks to better understand the prevalence and characteristics of financing options available to prospective elective surgery patients at hospitals, including financial assistance, payment plans, and medical payment products. The study sample comprises a random selection of 10% of general and surgical hospitals in the United States. We are reviewing hospital websites and telephoning hospitals posed as potential patients inquiring about price discounting, long term payment plans, and third-party payment offers (e.g., credit card and loan). When data collection is complete, we will assess the common trends and range of financing options available at the hospitals, including differences in offerings based on hospital attributes.

In our data collection experience thus far, we are learning that there are a range of third-party financing services offered through hospitals. Sometimes third-party financial service firms are paid by hospitals to replace in-house billing departments and offer repayment plans without interest. This line of service must be distinguished from third-party financial service firms offering patients interest-bearing medical payment products, as these interest-bearing products may raise greater consumer protections concerns. We are making this important distinction as we collect data so that we can specifically identify interest-bearing products in our analyses.


Unfortunately, our research will not be published by your September 11, 2023 deadline. We look forward to sharing additional information with your agency as our research progresses. We would welcome future communication about this research subject and would be happy to discuss our study in more detail if it would be helpful.

Sincerely,

¹ The views expressed in this letter are those of the authors and do not necessarily reflect the views of the USC Schaeffer Center or the University of Southern California (USC).



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