

Press Coverage | December 2, 2024

CFPB Delays Enactment of Medical Debt Collection Guidance

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[Virginia Bell Flynn](#)

Virginia Bell Flynn, a partner in Troutman Pepper's Consumer Financial Services Practice Group, was quoted in the *AccountsRecovery.net Compliance Digest* article, "[CFPB Delays Enactment of Medical Debt Collection Guidance](#)."

The Consumer Financial Protection Bureau yesterday announced in a court filing that it has agreed to postpone the effective date of its controversial medical debt collection guidance from December 3, 2024, to January 2, 2025. This delay comes in response to a legal challenge from ACA International and other plaintiffs, who filed for a temporary restraining order and preliminary injunction against the CFPB's advisory opinion. [More details here](#).

WHAT THIS MEANS, FROM VIRGINIA BELL FLYNN OF TROUTMAN PEPPER: On November 21, 2024, the Consumer Financial Protection Bureau (CFPB) announced it had agreed to postpone the effective date of the medical debt collection guidance from December 3, 2024, to January 2, 2025. The CFPB had issued this guidance on October 1, 2024, and introduced new requirements for medical debt collection practices. Following its issuance, ACA international and other plaintiffs filed for a temporary restraining order and preliminary injunction against this guidance, arguing that it was too burdensome and exceeded the CFPB's authority. CFPB maintains that its guidance did not create binding legal obligations, while plaintiffs argue the guidance imposes undue burdens on debt collectors, requiring extensive validations and audits of medical debts. By agreeing to delay the effective date, the court will have additional time to consider the pending motions before it.

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