

# Summary of Proposed Rules on Banks and Medical Information

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The federal banking agencies have jointly issued proposed rules under which banks and other creditors are prohibited from obtaining and using medical records of applicants when they decide whether to approve loans or make other credit decisions. You can view the full text of the proposed regulations at:

<http://www.regulations.gov/fredpdfs/04-09526.pdf>

The proposed rules are the result of the Fair and Accurate Credit Transactions Act (FACT Act) that was signed into law in December 2003. The FACT Act generally states that banks "shall not obtain or use medical information pertaining to a consumer in connection with any determination of the consumer's eligibility" for credit (such as a loan or a credit card). The Act also directs the federal banking agencies to make rules that would allow banks to get and use medical information for consumer credit decisions where it is necessary and appropriate.

Under the proposed rules, banks would be allowed to take into account debts to health care providers when they decide whether to issue loans but would have to treat the information in the same way they use similar information about debts unrelated to medical care.

Banks would not be permitted to consider "the consumer's physical, mental or behavioral health, condition or history, type of treatment or prognosis" when they were deciding whether an applicant is eligible for credit. Neither could the banks consider these health-related facts when deciding the terms of a loan, such as what interest rate to charge.

Consumers can support these proposed rules by submitting comments with the federal banking agencies including: the Office of the Comptroller of the Currency; Board of Governors of the Federal Reserve System; Federal Deposit Insurance Corporation (FDIC); Office of Thrift Supervision (OTS); and the National Credit Union Administration.

Detailed directions for filing comments can be found at:

[http://www.regulations.gov/TOPIC\\_12.cfm](http://www.regulations.gov/TOPIC_12.cfm)

**Comments must be received no later than May 28, 2004.**

For your convenience, here are directions for submitting comments to two of the agencies:

## **Office of the Comptroller of the Currency (the bank regulator)**

- You **MUST** include the agency's name, **OCC**, in your comment
- You **MUST** include **Docket Number 04-09**.
- E-mail: [regs.comments@occ.treas.gov](mailto:regs.comments@occ.treas.gov)
- Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.

- OCC Web site: <http://www.occ.treas.gov>.  
Click on Contact the OCC, scroll down and click on Comments on proposed regulations.
- Fax: (202) 874-4448.

**Office of Thrift Savings**

- E-mail to [regs.comments@ots.treas.gov](mailto:regs.comments@ots.treas.gov)
- Include Docket Number 2004-16 in subject line
- Include your name and telephone number in the message
- Fax: (202) 906-6518