

Protecting Veterans' Credit Act

Introduced by Senators Joe Donnelly (D-IN) and Mike Rounds (R-SD)

The Problem

Enacted in 2014, the Department of Veterans Affairs (VA) Choice Program provides veterans with the ability to receive medical care in a non-VA facility if the VA cannot schedule an appointment within a specified time period or if the veteran lives more than 40 miles from the closest VA medical facility. Unfortunately, there have been issues with the implementation of the program, including delayed Choice Program payments and medical bills inappropriately assigned to veterans, rather than the VA.

Because of the delays and incorrectly assigned bills, some veterans have received adverse actions on their credit reports from debt collection efforts. Adverse credit action makes it more difficult and more expensive for a person to get a home mortgage or an auto loan or even to rent an apartment.

Bill Summary

- **One year delay on credit impacts.** The Protecting Veterans' Credit Act prohibits medical debt from services received through the Choice Program and other VA community care programs from being reported to credit reporting agencies for one year. This delay provides adequate time for the VA and its contractors to resolve the issues, while retaining a route for resolution of any co-payments or other obligations.
- **Credit report dispute resolution.** The Protecting Veterans' Credit Act provides a mechanism for veterans to dispute and remove adverse actions already on their reports.

Support

The *Protecting Veterans Credit Act* is supported by American Legion, Vietnam Veterans of America, Veterans of Foreign Wars, Paralyzed Veterans of America, Consumer Federation of America, and National Consumer Law Center (on behalf of its low-income clients).