
OLR Bill Analysis

sHB 5127

AN ACT CONCERNING CREDIT CARDS AND HEALTH AND VETERINARY CARE SERVICES.

SUMMARY

Beginning January 1, 2027, this bill prohibits health care and veterinary care providers from:

1. promoting or offering to consumers medical credit cards;
2. receiving financial incentives or compensation related to promoting or offering a medical credit card to a consumer;
3. assisting consumers in getting a medical credit card;
4. charging a credit card, including a medical credit card, for a service, or any portion of its cost, before the service is provided or if the provider knows or reasonably should know (a) the service is covered by a patient's health or veterinary benefit plan, Medicare, or HUSKY Health, or (b) another medically necessary service is available and is covered by a patient's benefit plan, Medicare, or HUSKY Health; and
5. charging a credit card, including a medical credit card, for all or a portion of the cost of ancillary products unless the consumer paying for the related service specifically consents in writing to purchase the product (it also specifies a 30-day period for the return and refund of most ancillary products).

The bill applies to licensed (1) individuals, facilities, and institutions that provide health care services to patients and an entity's employees, agents, or independent contractors acting within the scope of their responsibilities and (2) veterinarians and their employees, agents, and independent contractors acting within the scope of their responsibilities.

It defines a medical credit card as a credit card with an issuer who specifically enables the cardholder to use the card to get health care or veterinary services on credit with deferred payment of interest, principal, or both.

The bill specifies its requirements must not be interpreted to mean a:

1. health care provider can delay or prohibit caring for someone with an emergency medical condition or
2. veterinary provider can delay or prohibit caring for an animal when (a) the animal has serious symptoms and (b) a prudent person would expect that not providing the care would seriously jeopardize the animal's health, risk serious impairment to a bodily function, or risk serious dysfunction of a bodily organ or body part.

The bill does not affect agreements providers entered into before October 1, 2026.

Violations of the bill are Connecticut Unfair Trade Practices Act (CUTPA) violations that are enforceable by the attorney general, and not by private causes of action or class actions (see BACKGROUND).

EFFECTIVE DATE: October 1, 2026

PROHIBITIONS ON PROMOTION OR ASSISTANCE WITH MEDICAL CREDIT CARDS

Beginning January 1, 2027, the bill prohibits health and veterinary care providers from:

1. advertising, marketing, soliciting, promoting, or offering to consumers medical credit cards, including by using or allowing someone to use the provider's name, brand, or logo on software, a website, or near a quick response (QR) code used for these purposes;
2. receiving a financial incentive or compensation for these purposes;

3. helping a consumer get a medical credit card, including helping the consumer, or another person on the consumer's behalf, complete an application, submitting an application, or giving the consumer access to software, a website, or a QR code that can be used to get a medical credit card and has the provider's name, brand, or logo.

The bill does not prohibit providers from displaying a medical credit card's name, brand, or logo to show that the provider accepts the card as payment. This display's size, location, and format must be similar to that of other credit cards the provider accepts.

A QR code is a two-dimensional matrix barcode that consists of blocks arranged in a grid and may be read by an imaging device.

WHEN A PROVIDER CANNOT CHARGE A CARD

Beginning January 1, 2027, the bill prohibits health and veterinary care providers from charging a credit card, including a medical credit card for a medical or veterinary service, or any portion of its cost,

1. before the service is provided or
2. if the provider knows or reasonably should know (a) the service is covered by a patient's health or veterinary benefit plan, Medicare, or HUSKY Health, or (b) an alternative medically necessary service is available and is covered by a patient's benefit plan, Medicare, or HUSKY Health.

Health care and veterinary services are services and products provided to a patient by a health care provider, or to an animal by a veterinary care provider, within the provider's scope of practice. They include hospital, medical, surgical, dental, vision, and pharmaceutical services or products.

Permitted Charges

It does not prohibit charging a credit card to collect out-of-pocket expenses such as a copay, deductible, or coinsurance on a credit card, including a medical credit card, if the other conditions of the bill are met.

WHEN A PROVIDER CAN PROVIDE INFORMATION ABOUT A MEDICAL CREDIT CARD

The bill allows providers to give consumers financial information about a medical credit card in response to a consumer's unsolicited request for it. The information must:

1. be given separately and in writing using the primary language the provider uses with the consumer;
2. state that a card issuer provides the card and not the provider;
3. state the card's financial risks (for example, deferred interest or principal and late payment penalties); and
4. include the consumer's acknowledgement of receiving the information on request.

Also, the consumer must sign the information.

ANCILLARY PRODUCTS

Beginning January 1, 2027, the bill prohibits health and veterinary care providers from charging a credit card, including a medical credit card for any cost of an ancillary product unless the consumer paying for the service related to the product specifically consents in writing to purchase the product.

Beginning on this same date, the bill sets a 30-day return and refund period for ancillary products bought by consumers from providers using a credit card, including a medical credit card. This does not apply if the product (1) was customized in a way that would prevent another person or animal from using it or (2) after being sold to the consumer, was used, damaged, tampered with, or stored in a way not described in the manufacturer's instructions that may cause adulteration, contamination, or compromise.

The bill defines ancillary products as a product that is not a health care or veterinary service and is sold by the provider to a consumer who purchased a health care or veterinary service from the provider.

BACKGROUND

CUTPA

By law, CUTPA prohibits businesses from engaging in unfair and deceptive acts or practices. It allows the Department of Consumer Protection commissioner, under specified procedures, to issue regulations defining an unfair trade practice, investigate complaints, issue cease and desist orders, order restitution in cases involving less than \$10,000, impose civil penalties of up to \$5,000, enter into consent agreements, ask the attorney general to seek injunctive relief, and accept voluntary statements of compliance. It also allows individuals to sue. Courts may issue restraining orders; award actual and punitive damages, costs, and reasonable attorney's fees; and impose civil penalties of up to \$5,000 for willful violations and up to \$25,000 for a restraining order violation.

COMMITTEE ACTION

General Law Committee

Joint Favorable Substitute

Yea 18 Nay 2 (03/11/2026)