



Medical debt is destabilizing the finances of a sizable number of Americans by affecting overall financial security of millions of low and middle families and undermining their economic stability. Not only does medical debt deter people from seeking needed healthcare and result in medical emergencies and more expensive treatment. Medical debt collections can put low and middle income families into a debt trap that depletes their assets and wealth. Most appalling, this is not just impacting families without health insurance—most have health insurance policies that are failing to protect them from the high costs of medical care.

Recent research by [The Access Project](#) has found that it is typical for families with medical debt to:

- Trade medical debt into large credit card debt
- Take out loans against their home to pay medical bills
- Borrow money from friends and family -- Medical debt is contagious!
- Be subject to legal judgments
- Be subject to liens on their homes which can lead to foreclosure
- Be contacted by collection agencies
- Experience employment problems or wage garnishment
- Have difficulty accessing future loans or credit

## Do your clients need help reducing medical debt?

### The Access Project Medical Debt Project

The Access Project works nationally to examine the consequences of medically-related debt for individuals and families. The project is available to help organizations work with their clients to solve medical debt problems. If you have a client with medical debt, the Access Project has a technical assistance line to provide strategies, coaching and tools for medical bill management and negotiation. Call toll-free (866) 918-5232 x231, or visit [www.accessproject.org](http://www.accessproject.org) for more information and publications.

## Highlighted Articles and Research

### Borrowing to Stay Healthy: How Credit Card Debt is Related to Medical Expenses

*By: Cindy Zeldin and Mark Rukavina; The Access Project*

Did you know? Nearly a third of low and middle income households have outstanding credit card debt for medical expenses.

This report documents how low and middle income households are turning to credit cards to pay for medical care. Based on a national telephone survey of over 1,100 low and middle income households, the study found that nearly a third (29%) of households had medical expenses as part of current credit card debt. In households with medical debt, the average credit card debt was significantly higher (46%) in households without medical expenses and was a contributing factor in their overall credit card debt. In addition, 44% of those with medical debt used most of their savings to pay outstanding medical bills. While uninsured respondents had the highest levels of credit card debt, respondents with health insurance were not shielded from the medical debt problem. These findings are especially concerning in light of the industry trend of increasing deductibles and other out-of-pocket costs.

### Home Sick: How Medical Debt Undermines Housing Security

*By: Robert Seifert; The Access Project*

Did you know? One out of six non-elderly adults - about twenty-nine million people in the United States - have medical debt.

Of 1,700 low- and moderate-income taxpayers in seven cities, half reported having medical debt and, of those, about a quarter said that housing problems resulted from the debt. Housing problems included the inability to qualify for a mortgage, difficulty making rent or mortgage payments, being turned down from renting a home, and being forced to move to less expensive housing. Many people who reported medical debt and subsequent housing problems had health insurance at the time the debt was incurred.