**Medical Debt in the U.S. Health Care Systems as it Pertains to Hospital Billings**

Section 1: The problem of Medical debt in America.

Sources Used: \***End Medical Debt\*:** (Citations:

\***Medical Debt and Related Financial Consequences:** (Citations:

**Among Older African American and White Adults\***

**\*New State Consumer Protections Against Medical** (Citations:

**Debt\***

Section 2: Who is affected?

Sources Used: \***End Medical Debt\*:** (Citations:

\***Medical Debt and Related Financial Consequences:** (Citations:

**Among Older African American and White Adults\***

**\*New State Consumer Protections Against Medical** (Citations:

**Debt\***

Section 3: The Consequences of Unpaid Hospital

Bills and their impact on affected individuals.

Sources Used: \***End Medical Debt\*:** (Citations:

\***Medical Debt and Related Financial Consequences:** (Citations:

**Among Older African American and White Adults\***

**\*New State Consumer Protections Against Medical** (Citations:

**Debt\***

Section 4 (A): Measure put in place to end medical debt

Sources Used: \***End Medical Debt\*:** (Citations:

**\*New State Consumer Protections Against Medical** (Citations:

**Debt\***

(B): Does it work? How effective are these

measures?

Sources Used: \***Medical Debt and Related Financial Consequences:** (Citations:

**Among Older African American and White Adults\***

**\*New State Consumer Protections Against Medical** (Citations:

**Debt\***

Ahmadi, L., Kendall, D., Murdock, K., & Kessler, J. (2023). End Medical Debt. Third Way. <http://www.jstor.org/stable/resrep46919>

Robertson, C. T., Rukavina, M., & Fuse Brown, E. C. (2022). New State Consumer Protections Against Medical Debt. JAMA: Journal of the American Medical Association, 327(2), 121–122. <https://doi-org.ccny-proxy1.libr.ccny.cuny.edu/10.1001/jama.2021.23061>

Wiltshire, J. C., Elder, K., Kiefe, C., & Allison, J. J. (2016). Medical Debt and Related Financial Consequences Among Older African American and White Adults. American Journal of Public Health, 106(6), 1086–1091. <https://doi-org.ccny-proxy1.libr.ccny.cuny.edu/10.2105/AJPH.2016.303137>

Medical Debt concerning Hospital Billings

The reality of the U.S. Healthcare system is that many Americans have fallen into debt due to medical/hospital bills, with it being the biggest expensive source for unaffordable expenses amongst the citizens (Robertson et al., 2022, 121), more than Americans have gone into debt over medical bills with reports showcasing a range of about 25% of adults with medical debt owning more than $5,000 and about 13% owning over $10,000 (Ahmadi et Al., 2023, 3). But why are Americans owe so much money to the healthcare system?

Well, it is public knowledge that patients, after receiving medical assistance of any kind—no matter how small—receive a billing in which they are overcharged for services. This concept of overcharging the patients is practiced by many hospitals nationwide, where the top 100 by revenue charge their patients seven times the cost of service. In contrast, other nonprofits charge them 12 times the amount (Ahmadi et al., 2023, 4). Seeing as though citizens have a right to access healthcare and that, at times, it is mandatory, the debt that accompanies it also becomes unavoidable and involuntary to the point that it financially devastates American families (Ahmadi et Al., 2023, 3).

Who are the Affected Individuals, and Why?

Although many Americans have been victims of the unaffordable healthcare system, specific demographics are seen to be more affected by the heavy sanctions that come with medical bills. These demographics include African Americans, Hispanics, the elderly, the poor, and the uninsured.

Minorities such as African Americans and Hispanics are due to have more medical debt. Since the events of the past five years, dealing with the Covid pandemic, not much has changed in the area in which groups of individuals are more affected by medical expenses, all still true for minorities. About 69% of African American adults and 64% of Hispanic adults were reported to have medical debt (Ahmadi et al., 2023, 3).

African Americans, as they get older, become more vulnerable and more susceptible to being heavily indebted to the health care system. This is because they have poorer health, such as multiple chronic illnesses which need a great deal of medical attention, and with limited resources, they are forced to pay out-of-pocket costs (Wiltshire et al., 2016, 1086). However, compared to their white counterparts, African Americans had more problems paying medical bills (Wiltshire et al., 2016, 1087). Along with insurance, individuals still have medical debt, so too, if not worse, for people who are uninsured (Robertson et al., 2022, 121).

The Consequences of Unpaid Hospital Bills and their Impact on Affected Individuals

*Bankruptcy,* when affected individuals have no other choice but to empty their pockets or drain their accounts—in hopes of paying off their hospital bills—they end up having to file for bankruptcy, losing their homes. Reports show that in 2019, 66% of bankruptcies were associated with medical issues (Ahmadi et Al., 2023, 3).

*Cutbacks on Basic needs*, when affected individuals can not find other avenues to come up with the money they owe the hospitals, they become so desperate that they are willing to cut down on essential needs and others, such as food, clothing, and even taking money from the savings (Ahmadi et Al., 2023, 5).

*Loans & collection agencies*, Before hitting rock bottom and filing for bankruptcy, patients opted to take out loans to pay off their medical bills; however, this act by itself put the affected individuals into more debt; for now, they have to find a way to give it back (Ahmadi et Al., 2023, 4). For those patients who choose not to pay or do not pay the total cost, hospitals deploy predatory habits to pursue them (Ahmadi et Al., 2023, 4) by sending collection agencies to contact the patients (Wiltshire et al., 2016, 1087).

Measure Put in Place to End Medical Debt

To protect patients/affected individuals from the harsh nature of debt collections, a federal law known as the Affordable Care Act (ACA) limits the amount charged to patients by non-profit hospitals and exempts those qualified for financial assistance from further collection actions. However, the downside is that this act allows hospitals to pick and choose which patients require financial aid. Since another Law called the ‘No Surprised Act’ comes into play, it protects patients from out-of-network bills, but once again, a downside to it is that other medical bills are still up for collection (Robertson et al., 2022, 121).