

Medical Debt – presented by Judy Jones, August 27, 2023

(RISE TOGETHER – Medical Debt Relief Project for low income and BIPOC neighbors sponsored by the Healthcare Team of the Social Justice Committee of FUSIT)

Rise Together targets some relief of the medical debt of our area low income neighbors. Let me explain why and how. Illness is not a choice and not about living beyond one's means. Millions of Americans struggle with the burdens of medical debt.

It is one of the the leading causes of personal bankruptcy in our country. The recent pandemic caused an increase in this problem. When medical bills go unpaid for a long time, medical providers and collection agencies can report debt amounts to the national credit bureaus. This then affects the consumers' credit ratings with many impacts on their lives. Adults with medical debt are more likely to forgo further treatment , a barrier to recovery and better health. They cannot get the loan necessary to repair a broken furnace or fix the car that they need to get to work. Thus medical debt takes on a life of its own, and removes opportunities from peoples lives.

Medical debt in New York has been studied recently by the

Urban Institute and the Community Service Society (CSS). They both find that there are wide disparities in the prevalence based on composition and the median income of communities. In this segment from Democracy Now, Elizabeth Benjamin of CSS explains their findings, which include that the highest level of medical debt in our state is found in the poor and black and brown majority zip codes in Syracuse and Onondaga County.

For a video clip explaining this situation go to:

https://www.democracynow.org/2023/1/18/bernie_sanders_medical_debt?utm_source=substack&utm_medium=email. Then watch from minutes 33.3 to 40.42.

I want to make clear that all hospitals in NY are not-for-profit by law and are tax exempt. So in addition to no property taxes they are eligible for a share of the indigent care pool of 1.1 billion dollars that our taxes provide to help pay for care for low income people.

However recent research has shown that very few hospitals spend the full value of the tax relief or their indigent relief monies on charity care, instead reserving cash to build expensive facilities in high wealth communities. Last year the onerous practices of placing liens on debtors houses or garnishing their wages were banned by law in New York state. This year a bill that prohibits adding medical

debt to credit reports which was a listed priority on Governor

Hochul's annual state of state address, has passed in both legislature houses. It is in queue to go to the governors desk for her signature.

There are slips on the rear bench with instructions for urging Governor Hochul to sign.

So what can we do to ease the burdens of this situation?

We can abolish some existing debt by donating to a debt abolishment campaign that we have started called Rise Together.

By working with a company called RIP Medical Debt we can fund the purchase of a quantity of debt belonging to people earning less than 4 times the federal poverty level who live in western and Central New York counties. RIP targets the debt relief where it is most needed - in zip codes where majority people of color live. RIP identifies and purchases debt on the secondary market for pennies on the dollar, so that your donation buys and abolishes 100 times its value in medical debt.

We have a goal of raising \$20,000 in the wider Ithaca community which will abolish \$2 million dollars in debt. The debtors will receive a white envelop notifying them that their debt has been abolished and deleted from their credit report. They also receive The

Survivors Guide for the management of medical bills. A copy is on the rear table. And finally, a small greeting from this community as their neighbor. There are no tax consequences for either the donors or recipients.

Note that the average purchased debt is \$2000, therefore donating a twenty dollar bill can be thought to help one person out of medical debt. A cash donation can be placed in the box on the rear cadenza. Checks should be made out to RIPMedical Debt with Rise Together written on the memo line. The instructions and a link for online donation are on the flyer. Because RIP has reserved medical debt from western New York counties your donation can be thought of as reaching a helping hand to your low wealth neighbors and persons of color in Syracuse and central and western New York. We UUs are asking other Ithaca communities to join us, so far through ACT, the Poor Peoples Campaign , the Catholic Workers, and in honor of Rebecca Elgie , health care activist and long time UU whodied recently.

Rebecca would be the first to say that this is only a short term fix for the larger problems of out of control medical costs and byzantine coding and billing practices, but it is an immediate way to help low wealth people in our region cope with an unjust healthcare system. Rebecca would also be the first to tell you that the way to end medical debt is to pass the New York Health Act, publicly funded

single -payer health care for all New Yorkers. The campaign to win passage is in the process of revising the bill and re-energizing in an effort to try again to pass next year. It will take an uprising of New Yorkers to bring about passage because the resistance from the corporate world is so heavily funded. We hope you will join the campaign to Rise Together by making a donation. Thank you.

To donate:

Online go to: bit.ly/Rise-Together-2023

By Check: Make out to : RIPMedical Debt with Rise Together on the memo line. Turn into church office or mail to 28-07 Jackson Ave 5th floor, Long Island City, NY 11101

In person: cash or check (see instructions above) in Donation Box in parlor after Sunday service.