



Unjust Medical Debt

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Abstract

Medical debt discrimination is an increasing and worrisome issue. Major causes of this issue are unresolved economic issues, failure of current policies and laws and discrimination. Without action minorities all around the globe will continue to struggle everyday. One possible solution to this issue is to revise the current laws and regulations set in place that are accompanied with this issue. The best policy to adjust is the Affordable Care Act (ACA) to benefit everyone and remove the requirements associated with it. This solution will eliminate medical bankruptcy, combat minoritized groups suffering, and improve health insurance affordability for all minorities.

Keywords: Affordable Care Act, Medical Debt, Minorities, Discrimination, Affordability, Accessibility, Economic Barriers, Racial Barriers, Medicaid

Introduction

The view of overcoming the adversity of disadvantages is a complex situation. Nelson Mandela introduces this by stating that “a nation should not be judged by how it treats its highest citizens, but its lowest ones” (138). In his article, “Long Walk to Freedom,” overcoming the adversity of disadvantages is a common theme. Correspondingly, the current status of medical debt for minoritized groups is designed to break the spirits of minorities. Jacqueline C. Wiltshire, from the department of health policy, reveals that only 7.1%

of white Americans have medical debt, as opposed to the 21.4% of African Americans that have medical debt (3). Similarly, “Migrant Mother”, an image photographed by Dorothea Lange that depicts the poverty and the struggles that low-income citizens endure, also presents the theme of overcoming the adversity of disadvantages by showing resilience through hard times. The Consumer Financial Protection Bureau, an agency of the United States government, concluded that medical debt harms individuals in ways such as “increasing likelihood of bankruptcy” (CFPB). Both sources highlight overcoming adversity of disadvantage, while

acknowledging the harmful effects of medical debt on minorities. Such evaluations establish questions such as; what is the best way to address medical debt for minoritized groups in America? Through this exploration, it will become clear that revising the Affordable Care Act is the most effective solution because it eliminates medical bankruptcy, combat minority groups suffering, and improve health insurance affordability.

Unresolved effects on minorities

Experts have concluded that medical debt can cause an adverse amount of health problems that leads to an increase in medical debt. Wiltshire clarifies that one cause of medical debt is that older adults may have more healthcare needs induced by multiple chronic conditions and limited financial resources to pay out-of-pocket costs compared to younger adults (3). She also remarks that “older African-Americans are particularly vulnerable to medical debt problems” because they tend to be in poorer health due to their age in contrast to white Americans (Wiltshire et al. 3). Another viewpoint on the implications is that medical debt is detrimental to the well-being of minorities. Furthering this argument, Kyaien Conner, an assistant professor in the department of mental health law and policy, reviews that older adults who report difficulty paying for basic living necessities are being “harassed” by collection agencies, forcing them to put off major purchases, and use savings to pay for medical bills (7). Despite this, there is an effective solution. Conner proposes adopting “cost of care conversations”, a conversation between the provider and the patient in which they preview the procedure and any occurring bills that will be charged (4). Conner communicates, “providers should also inform patients about insurance and provide information for them to explore at home” (4). During these conversations, they will navigate the best economic plan for their patient and explore all

options to avoid debt (4). This solution addresses both the economic and medical issues brought up by experts. Experts are in full agreement that medical debt has agonizing effects on minorities.

Economic Impacts

Recent economic research development has provided experts with new insight into how medical debt is affecting patients' economic status. Noam N. Levey, correspondent for Kaiser Health News, agrees that the issue of medical debt is “deeply rooted” (3). This is due to “decades of discrimination” in employment and health care that has blocked generations of black families from building wealth savings that are increasingly critical in order to access America's high-priced medical system (3). In addition, African-American and Hispanic populations have seen a larger increase in medical debt (Rukavina et al. 7). Rukavina also explores the negative impacts upon minority groups' economic status. He states people spend more than 10 percent of their income on health insurance premiums and out-of-pocket expenses (7). Millions of these families lacked the financial resources to cover these costs and struggled with outstanding bills (8). Jiajing Li, a Doctor of Philosophy, similarly determined that medical bankruptcy is more common among minority individuals. She conveys that in order to protect families from heavy medical financial burden and impoverishment from medical expenses, the need to “broaden the coverage of the medical insurance schemes and increase reimbursement” by providing appropriate financial support to families with medical debts is necessary (8). Access and equity in health is vital and will be improved further, relieving families from the economic burden of disease-caused debt (Li et al. 8). All experts in this section conclude the best solution is to reform and revise current laws to include more variety in who meets the financial requirements.

Policies and Laws

Experts view the legal aspects and public policies surrounding medical debt as a “failure to American citizens” (Fuse 6). Erin C. Fuse Brown, director of the center for law, health and society, presents that despite the patient’s insurance paying for care, the provider still bills the patient, a practice called “surprise billing” causing financial strain (6). She also asserts the coverage gains of the Affordable Care Act have been lost during the pandemic, which has increased the number of uninsured Americans by 3.5 million due to the loss of job-based coverage (Fuse 6). Levey disagrees with Fuse’s idea that the Affordable Care Act needs improvements, and adds that health insurance gains made from the Affordable Care Act have narrowed racial health disparities” therefore making revision nonessential (Levey et al. 5). ThirdWay, a publishing journal suggests an opposing solution to other experts. They suggest forgiving all medical debts, which will improve health outcomes due to medical debt. Research found people of color are “discouraged” or “unable” to seek treatment (Thirdway). Forgiving medical debt will remove the barrier and encourage more people to seek out medical care. Increasing coverage rates and lowering healthcare costs will have the same effect. The best solution that effectively addresses medical debt for minority groups could be to revise current policies and laws such as the ACA, while a few experts state this is unnecessary, most find this to be the best resolution.

Solution

Many experts see revising the Affordable Care Act (ACA) as the most effective way to address medical debt for minoritized groups in America. David U. Himmelstein, an American academic physician, who studies the current ACA explains how it “excludes

people with frequent hospital visits” which is a high-risk group for medical bankruptcy (2). The ACA assumes only hospitalized patients can suffer a medical bankruptcy, when patients hospitalized in a year account for only 18.2% of out-of-pocket costs paid by US households (Himmelstein et al. 2). Agreeing with Himmelstein, Andrea Joy Campbell, a lawyer, declares that while the ACA has “touched on a broad variety of social institutions and societal relationships” it has failed in the aspect of law (36). She further explains it did not get rid of the continuous challenges in Congress, in the courts, and in the states due in part to the far-reaching nature of the law because of the difficult requirements (Campbell et al. 37). Both Himmelstein and Campbell argue for the government to consider revising the ACA to accommodate and resolve its failures is the best way to address this issue. Additionally, this solution would need to be accepted and refocused by Congress and gain statewide approval. Revising the Affordable Care Act is the best way to address medical debt for minority groups because it eliminates medical bankruptcy, combats minority groups suffering, and improves health insurance affordability.

Eliminating medical bankruptcy

Revising the ACA is becoming increasingly necessary to prevent medical bankruptcy for minorities. Himmelstein establishes that the new, improved ACA should cover frequent hospitalizations and post-op care as studies found the original ACA does neither (2). Himmelstein found that “despite [the] gains in coverage and access to care from the ACA, our findings suggest that it did not change the proportion of bankruptcies with medical causes.” (2). The current ACA is driving minorities into medical bankruptcy and costing them their homes (Himmelstein et al. 2). Fuse further explains that the ACA currently does not provide a “long term insurance plan” and still

requires families to pay off their bills (Fuse 6). The ACA only assists in short term medical bills and does not cover people who need years and years of care (Fuse 6). Campbell echoes both Himmelstein and Fuse by claiming the “original ACA cannot help low income individuals” with previous debts, they can only assist in any future bills. Any debts acquired before the ACA was implemented are therefore not covered by the ACA (Campbell et al. 30). Medical costs have been a thing since the evolution of medicine and the ACA was implemented in 2010, so people are left with no financial help on prior debts (Campbell et al. 31). ThirdWay ties into this conversation by saying that the new ACA could help by “forgiving all prior medical debts” which would assist people in this hardship (Thirdway). The original ACA is forcing medical bankruptcy upon its patients by assuming the unknown. Thus, it is clear from the many experts that revising the ACA is necessary to combat medical bankruptcy upon minorities.

Combating minoritized groups suffering

Revision of the ACA must be implemented to prevent minoritized groups suffering. Robert Rosales, an Assistant Professor at Brown University, examines revising the Affordable Care Act “will expand eligibility of public health insurance to vulnerable populations (7). Contributing to this, Nelson Mandela states, “an immoral and unjust legal system would breed contempt for its laws and regulations” (Long Walk to Freedom). This heavily relates to the government being “against” minorities, and proves revising the ACA to be the best way to solve this and accept these disparities while providing access and help to the minorities in question. Kirsten N. Arnold, an attorney, agrees with Rosales and connects with Mandela by stating that revising the ACA will allow for “integrated care for minorities” and help bring recognition to the

disparities and adds that several states denied the expansion of Medicaid under the ACA (2). They “disagreed” with how the ACA is “formatted” and refused to accept it in their state, prohibiting people from getting Medicaid expansion (Himmelstein et al. 2). Himmelstein concludes that if revised, those states “might agree to the expansion” allowing suffering to end (2). As seen by multiple experts, revising the ACA is extremely effective and necessary in expelling the harmful suffering on minorities.

Improving the health insurance affordability

Experts share that revising the ACA gives the ability to limit the rise of health insurance pricing, which is a main reason it is a vital and necessary solution. Himmelstein shares his opinion that the ACA is still too expensive and that “revising will make the purchase of individual insurance affordable for people who are eligible” as the current ACA has strict requirements (2). Dorothea Lange’s “Migrant Mother” connects to this discussion because despite having little money she found a way to provide for her children. Tying in that revising the ACA will allow people of low-moderate income to provide and get access to healthcare for their families rather than leaving them to suffer. Rosales validates both “Migrant Mother” and Himmelstein by pinpointing that the federal government approved Medicaid waivers within the ACA that require enrollees to work or be otherwise engaged in the community, which forced sick and economically vulnerable enrollees to work to get coverage (7). Rosales imposes that “this is causing patients to be sicker than they already were” proving these Medicaid waivers to be pointless (7). Karen Hacker the Director National Center of Disease Prevention and Health Promotion counteracts Rosales and validates the ACA medicaid waivers. She reviews that the ACA “substantially reduces Medicare and Medicaid

disproportionate share payments” (Hacker et al 3.) She examines the ACA as having some characteristics that seemingly make it a best-case scenario to build an “effective organization”, including “extensive primary care and secondary care services” (Hacker et al. 3). Rosales agrees with Hacker and identifies revising the ACA will “improve eligibility requirements” and cost sharing to enhance insurance affordability (3). Proving that revisions to the ACA will be more beneficial. Currently the health insurance market is very hard to navigate and revising the ACA will help to fix this issue. Experts evaluate revising the ACA as the best solution to addressing health insurance affordability targeting minorities through its capacity to limit the rise of cost.

Limitations and Implications

Though experts agree that revising the ACA is the best solution and there are positive implications to prove it, there are, like any solution, some limitations. Sanjeev Gupta, a Chief Executive Officer, states this is a “state acceptance choice” (6). Along with these there are positives, Rukavina asserts that this support will allow clinics to “serve more Medicaid beneficiaries” as well as undocumented immigrants and those who remain uninsured (7). Li signals agreement with Rukavina and says “awareness” of existing medical debt will help to minimize the likelihood that policy reforms create unintended consequences to these “vulnerable groups” (8). While there are limitations, the positive benefits of revising the ACA outweigh them.

Conclusion

The current status of medical debt for minoritized groups proves to be destructive. In order to expel medical debt disparities there needs to be more research done on the impacts of revision. The

Affordable Care Act can eliminate medical bankruptcy, combat minority groups suffering, and improve health insurance affordability.

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