

Testimony for Rochester Hearing on the New York Health Act 10/10/19

Good morning: My name is Judith Jones . I'm retired and working with the Finger Lakes Chapter of the New York Health Campaign.

I'm here to talk about Medical Debt, the largest source of personal bankruptcy in our country. It is important to recognize that the passage of the New York Health Act would end medical debt in NY. However we realize that old medical debt will still need to be forgiven and erased from the credit reports of many New Yorkers. According to the Washington Post one in five Americans have delinquent medical debt on their credit reports even though some have health insurance. Until satisfied, debt lingers on a person's credit report to negatively impact their ability to buy a home, get a loan or even gain employment.

I became involved in the issue of medical debt after reading about some folks in my county who were holding BBQs and bake sales to try to fund cancer treatment for their child. They had long since used up their health insurance. Here are just a few of the alarming statistics about this debt.

- 1 in 3 GoFundMe fundraisers are for medical bills (Source Yahoo Finance)

- There is approximately 1 Trillion dollars of accumulated medical debt from the last 10 years in our country (Source "End Medical Debt" by Ashton, Goff and Antico)

- That 27 year olds hold the largest amount of medical debt. They hold 11 % of that trillion or \$110 Billion just in medical debt. They may also have college debt. Think how much of their lifetime income will have to be spent getting out from under that twin burden! (Source PBS Newshour 7/26/18)

- In 2017, 44% of Americans said they wouldn't be able to cover an emergency expense of \$400. (Source Federal Reserve), but in 2018 4 in 10 Americans received a surprise medical bill (Source NBC news)

As members of Finger Lakes for New York Health, Carolyn Kenyon and I began a project last year with RIP Medical Debt. RIP is a 501c3 charity that locates, buys, and abolishes old medical debt at pennies on the dollar, and relieves some of the burden of debt in credit reports of low income people. We raised over \$12,000 , and with this money RIP purchased \$1.5 million dollars of debt forgiveness for people living in forty New York counties. In Monroe county alone 92 people had a total of \$113,083 in old medical debt forgiven.

The publicity from this project went national. People all over the country became more aware and could identify with the burden of medical debt. We have begun a second project to raise funds for the forgiveness of Veterans medical debt called CureVetDebt. The solution is before us – passage of the New York Health Act. New York can be a model and demonstrate to the country how to join the rest of the developed world in caring for the health of all its citizens.