



# Americans Borrowed \$88-Billion Dollars Last Year to Cover Their Medical Bills – In Spite of Insurance

Americans had to borrow 88-billion dollars to cover their medical bills last year, proving the abject failure of the American healthcare system. While most Americans have 'health insurance,' many are afraid to go to the hospital because of high cost. Two-thirds of personal bankruptcies in the United States are caused by medical bills, and most of the people going bankrupt had health insurance. [This article blames the problem on inadequate health insurance coverage, such as large deductibles and limited coverage. Our view, however, is that the main problems are (1) a style of health care that favors treatment of illness, not cure of illness, and (2) a lack of competition caused by government-induced paralysis of the free market in the name of regulation.] -GEG

[Authored by Michael Snyder via The Economic Collapse blog.](#)

I know that the headline sounds outrageous, but it is actually true. According to a brand new report that was just released, Americans had to borrow 88 billion dollars to cover their medical bills last year. That is a truly astounding number,

and it shows just how dramatically our current health care system has failed. And even though the vast majority of Americans are covered by “health insurance”, millions of us are deathly afraid to go to the hospital because of what it might cost. Today, two-thirds of all personal bankruptcies in the United States [are caused by medical bills](#), and most of the people going bankrupt actually had health insurance. Overall, more than half a million American families are financially ruined by medical bills each year, and meanwhile our “representatives” in Washington are doing absolutely nothing to fix the problem.

Surveys have shown that up to two-thirds of the country is living paycheck to paycheck at least part of the time, and an unexpected medical bill can be absolutely devastating for those that are just barely scraping by.

Without much of a financial cushion to fall back on, many families must borrow money when confronted with a large medical expense, and the scale at which this is happening [is absolutely stunning](#)..

*Health care costs in the United States are generally measured as the highest in the world. Last year, many Americans could not afford their health care costs and so borrowed \$88 billion to pay for that portion they could not afford.*

*According to a new West Health and Gallup poll, in a new report titled [“The U.S. Healthcare Cost Crisis,”](#) the \$88 billion was borrowed in the year before the survey,*

*which was done from January 14 to February 20. The poll was conducted via a random group of 3,537 adults over 18 living in the 50 states and the District of Columbia.*

How in the world is this possible?

After all, [more than 90 percent](#) of all Americans have some form of health coverage. So why did Americans need to borrow 88 billion dollars to cover their unpaid medical bills last year alone?

Well, first of all it is important to remember that health insurance deductibles have gotten obscenely huge. The following numbers come from [a CNN article about Obamacare...](#)

*The law sets a ceiling on how much consumers have to spend on health care. In 2019, it's \$7,900 for a single person and double that for a family. Some bronze plans peg their deductibles to those levels.*

*The average deductible for a 2019 bronze policy – which have higher deductibles, but lower premiums than other tiers of Obamacare plans – is nearly \$5,900, while the average maximum of out-of-pocket*

*limit is just under \$7,000, according to Health Pocket, an online health insurance shopping tool. Family bronze plans have an average deductible of just under \$12,200 and an average out-of-pocket maximum of nearly \$14,000.*

Secondly, even if you have surpassed your deductible, there is still no guarantee that your health insurance company will cover your medical bills. If you do not jump through every single little hoop they want you to jump through, in many instances they will leave you high and dry. When I was running for Congress I had personal conversations with so many people that had been screwed over by the health insurance companies. The more claims they deny, the more money they make, and they have become masters at finding even the smallest loophole that will enable them to wiggle off the hook.

Of course there are some health insurance companies out there that are doing a good job, but the bad apples give the entire industry a very bad name.

We have a system that is deeply broken, and it greatly frustrates me that both political parties seem so uninterested in getting a

solution  
through Congress.

Here are some more numbers that show the current state of the U.S. health care system...

-[3.7 trillion dollars](#) was spent on health care in the United States in 2018. That breaks down to \$10,739 per person.

-If our health care system was a country, it would have [the fifth largest GDP on the entire planet](#).

-[76 percent](#) of Americans believe that they pay too much for the quality of health care that they receive.

-Out of the 36 countries in the OECD, the U.S. [ranks 31st](#) in infant mortality.

-Prescription drugs are [the fourth leading cause of death](#) in the United States today.

-Pharmaceutical companies spend [approximately 30 billion dollars a year](#) to market their drugs to all of us.

-[Nearly half](#) of all U.S. doctors are considering leaving the field of medicine, and health insurance companies [are the primary reason](#).

-The median charge for visiting an emergency room in the United States is [well over a thousand dollars](#).

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