

US Charities Are Helping People Cancel Excessive Medical Debt. 1 in 3 Americans Is in 'Collection' for Medical Debt Valued at \$1-Trillion



US: An estimated 1 in 3 adults with a credit history, about 71-million people, are so far behind on their debt payments that their accounts have been sent to "collection." According to a 2014 study, these adults owe an average of \$5,178, with most of the medical debt concentrated in the South. Occupy Wall Street requested the help of two debt collectors, Craig Antico and Jerry Ashton, to cancel debt for the needy, and they raised \$700,000, which enabled the elimination of \$40-million in medical, student, and payday-loan debt by paying pennies on the dollar for debt cancellation. Occupy lost interest in the project, so Antico and Ashton continued on their own and carried the charity to new heights. A number of Christian churches also have moved into this activity, but few voices have been raised against the cause of this debt which, to a large extent, is a medical industry, dominated by the pharmaceutical cartel, that follows a business model that pursues revenue instead of cures. The movement continues to grow and stands as towering proof that private activities- not

corrupted by politics and bureaucrats – always outperform government-run charities and do so at a lower cost. -GEG

Having debt in collections isn't just bad for Americans' budgets or bank accounts. It can also lower households' credit scores, which can have a deep, long-lasting effect on their finances and make it harder and more expensive for them to access credit, like getting a mortgage or borrowing for a small business. Credit report information can even be used to determine eligibility for jobs, access to rental housing, and insurance premiums.

Without access to credit, it's hard to take the first steps toward building wealth. Wealth is not just for the wealthy. When a family can't rely on savings for home or car repairs, to cover their bills during an illness or job loss, or to help children pay for their education or job training, it can affect them—and their communities—for generations.

Having debt in collections can result from unpaid bills, including medical bills, utility bills, parking tickets, or membership fees. When debt is more than 180 days past due, it enters collections and can be reported to credit bureaus. According to our new analysis, 71 million American adults had debt in collections reported on their credit records in 2017, putting their financial futures at risk.

How did we arrive at this estimate?

According to 2018 data from the US Census Bureau, 252 million adults (ages 18 and older) live in the US. The Consumer Financial Protection Bureau finds about 28 million, or 11 percent, are “credit invisible,” meaning they lack a score from a major credit bureau, so they don’t use financial tools like credit cards or have a mortgage.

But most American adults—224 million, or 89 percent—have a credit file. Using our random sample of credit file holders, we estimate that 31.6 percent of them, or 71 million US adults, have debt in collections reported in their credit files.

Where do these people live?

Communities are only as strong as the people who live in them. The economic health of states, counties, and cities depends on residents’ financial health and stability. When many residents are dealing with financial challenges, the effects can ripple throughout a region.

Adults with debt in collections are concentrated in the South. The states with the highest share of residents with debt in collections are Louisiana (46 percent), Texas (44 percent), South Carolina (43 percent), and West Virginia (42 percent). (To view data on Americans with any debt in collections on our interactive map, click “Medical debt” in the top menu and view the left side bar. For county-level information, click “download data” at the bottom of the

page.)

The counties that have the most residents with debt in collections are also predominantly in the South, including Allendale County, South Carolina (68 percent); Frio and Zavala Counties, Texas (66 and 65 percent, respectively); and Tensas Parish, Louisiana (65 percent).

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Links for Christian churches that have recently raised enough money to abolish \$15 million in medical debt:

<https://www.dailywire.com/news/49365/watch-church-pays-millions-medical-debt-6500-james-barrett>

<https://www1.cbn.com/cbnnews/us/2019/july/its-just-a-beautiful-thing-indiana-church-raises-6-2-m-to-help-residents-pay-off-medical-debt>

<https://www.nydailynews.com/news/national/ny-grand-rapids-church-pays-off-medical-debt-for-2000-people-wyoming-20190703-4aj3ccv36fhhzcjrshyqrnqcju-story.html>