

Cancer and diabetes aren't the only conditions driving medical debt

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Expensive ongoing treatment for cancer and diabetes are the best-known

drivers of the medical debt that contributes to two-thirds of personal bankruptcies, but a Rutgers study indicates other chronic conditions contribute significantly, too.

Asthma, [heart disease](#), lung disease, anxiety and other mood disorders are all associated with elevated rates of [medical debt](#), according to an analysis of data from 9,174 households that participated in the 2019 wave of the Panel Study of Income Dynamics (PSID). The study was published in *Preventive Medicine*.

"Medical debt has frequently been connected to cancer and, more recently, to diabetes. The important finding here is that medical debt is connected to a wide range of [chronic conditions](#)," said Irina Grafova, lead author of the study and an assistant professor at the Rutgers School of Public Health. "The other important finding is that this connection between chronic disease and medical debt exists at all income levels. It is not confined to lower-income households. It also holds true for middle-income and higher-income households, so it really is a society-wide issue."

The PSID, which began in 1968, conducted its 2019 wave of questionnaires in English and Spanish between Feb. 28, 2019, and Jan. 8, 2020. It covers a representative sample of U.S. households and contains data on [household income](#), medical debt, demographics, disease and health behaviors.

The study team separated households by income levels: lower (less than double the census poverty threshold), middle (two to four times the threshold) and higher (more than four times the threshold). Team members then calculated the correlation between 11 chronic conditions and two financial conditions: any reported medical debt or more than \$2,000 in reported medical debt.

The chronic conditions most strongly associated with medical debt were the following:

- Heart disease, [asthma](#) and [anxiety disorders](#) (in lower-income households)
- Diabetes, lung disease, and mood disorders (in middle-income households)
- Cancer, [lung disease](#), arthritis, and [mood disorders](#) (in higher income households)

Rates of any medical debt were 8.74 percent in lower-income households, 9.77 percent in middle-income households and 4.6 percent in higher-income households. Rates of medical debt greater than \$2,000—a number that previous research pegs as the threshold where serious financial problems often begin—were 5.82 percent in [lower-income households](#), 6.46 percent in middle-income households and 3.05 percent in higher-income households.

Future research from the same team will delve deeper into the connection between chronic ailments and medical debt, explore how the COVID-19 pandemic affected medical debt and explore strategies for reducing medical debt.

"We're eager to see the data from PSID's 2021 wave, so we can see how COVID affected debt levels," Grafova said.

"The pandemic itself and our response to it were so large and multifaceted that it's impossible to predict. Did COVID-related health care costs and higher unemployment increase medical debt, or did stimulus payments and decreased expenditures on things like restaurants and vacations allow Americans to reduce their medical debt? We still don't know the answers, but we should know them soon."

More information: Irina B. Grafova et al, Disease and debt: Findings from the 2019 Panel Study of Income Dynamics in the United States, *Preventive Medicine* (2022). [DOI: 10.1016/j.ypmed.2022.107248](https://doi.org/10.1016/j.ypmed.2022.107248)

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