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1,700 Doctors: “Bankruptcy Bill Threatens Patients”

Harvard Study Shows Legislation a Danger to Millions Bankrupted by Medical Bills

Physicians Urge Congress to Reject S. 256

On the heels of a major Harvard University study showing that half of all personal bankruptcies are due to illness or medical bills, more than 1,700 American physicians signed a letter released today opposing legislation that would remove protection from patients financially ruined by medical costs.

Bankruptcy law currently offers some protection to the millions of Americans affected by medical bankruptcies each year. If passed, the bill would effectively close bankruptcy as an option and allow creditors to take the homes, cars and other assets of families who suffer a serious illness or injury.

“It’s a sad fact that bankruptcy courts have become the last line of defense for the victims of our broken health system,” said Dr. David Himmelstein, an Associate Professor of Medicine at Harvard Medical School and lead author of the study. “For many families affected by a costly illness, the limited protections of bankruptcy are the only chance to get back on their feet.”

In the letter to the leaders of the Senate Judiciary Committee, which is currently considering the bill, the doctors expressed concern that the new bankruptcy rules would further restrict the ability of patients suffering from medical costs to get needed care for themselves and their families.

“Medical debtors’ access to care is already severely compromised: more than 60 percent go without a needed doctor visit and half don’t fill a prescription because of the costs,” said Dr. Steffie Woolhandler, who is also an Associate Professor of Medicine at Harvard and co-author of the study. “For those unable to seek relief from their debts, the situation will undoubtedly get worse,” she said.

The epidemic of medical bankruptcies, which affect 2 million Americans (including 700,000 children) every year, emphasizes the need for comprehensive health insurance coverage under a national health insurance plan according to the signers, who include former U.S. Surgeon General Julius Richmond.

“Current insurance policies offer paltry protection for the average American,” said Dr. Quentin Young, National Coordinator of Physicians for a National Health Program. “Most of those who are bankrupted by medical bills are middle class people who had coverage but were ruined by the massive holes in their policies. Rejecting this new bankruptcy legislation is just the first step we need to take in healing our sick health system. We need a system of universal, comprehensive Medicare for all.”

A full list of signers of the letter can be viewed at: www.pnhp.org/signers

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Physicians for a National Health Program is an organization of 13,000 physicians advocating for non-profit national health insurance. PNHP has chapters and spokespersons across the country. For contacts, call (312) 782-6006