



## **Report Issued on Rural Health Care Coverage**

*Many rural Americans incurred medical debt despite health insurance.*

*Compiled by staff*

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A new report issued by The Access Project found that family farm and ranch operators in the Great Plains states, like millions of Americans, have incurred medical debt in spite of having health insurance coverage. The study found that those with chronic health conditions or lower incomes were most at risk of incurring medical bills that they were not able to pay. Others at higher risk of incurring medical debt were those with no health insurance coverage, households with low or moderate incomes, people who were part of families with children, and those who reported being in poorer health.

The study also shows that medical debt is not always the result of catastrophic health care costs; in fact, 60% of people with debt in this study owed less than \$2,000. But farmers and ranchers spent a lot out-of-pocket before they went into debt. Fifty-one percent had to draw down resources, such as savings or retirement funds, and those with medical debt spent almost twice as much out-of-pocket for health care as those without medical debt.

The findings indicate that health system reforms that only protect people from catastrophic debt will not be sufficient; people need to be protected from accruing lower levels of debt as well, through adequate subsidies to purchase insurance, limits on out-of-pocket costs, and limits on the percent of income people are required to spend on health care. Special attention needs to be paid to people with chronic illnesses. For example, policymakers could eliminate or lessen co-payments and other out-of-pocket costs for people with chronic illnesses for treatments that are known to be effective.