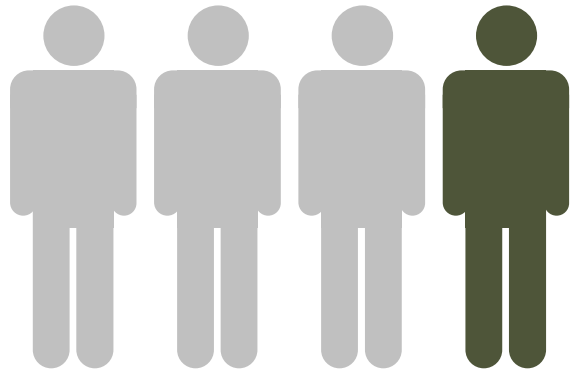


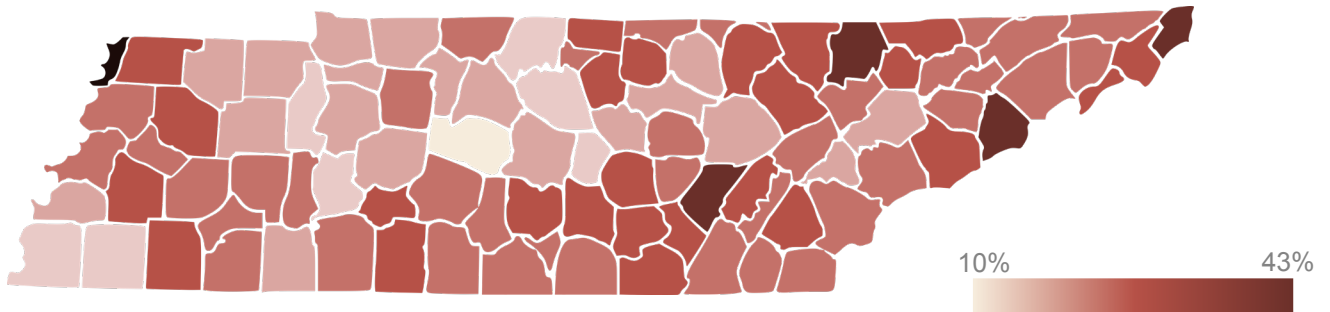
Medical Debt in Tennessee

Medical Debt Hurt the Credit History of 1 in 4 Tennesseans with a Credit Report in 2016

24% of Tennesseans with a credit report had medical debt in their credit history in 2016 — the 10th highest rate in the country.



This share of Tennesseans with medical debt on their credit report in 2016 varied across the state's 95 counties, ranging from a low of 10% in Williamson Co. to a high of 43% in Lake Co.



Source: 2016 Credit Bureau Data vis Urban Institute's Debt in America Project

How a Medical Bill Becomes Debt

When a medical bill is unpaid and past due, providers or third-party bill collectors seek payment. The debt can also be sold to debt buyers.

At any point, a past-due bill can be reported to credit bureaus where it may hurt an individual's credit history.



Even paid medical bills can become debt when people use loans or credit to pay them.

Unique Causes of Medical Debt

Medical debt is unique from other types of debt due to some of the ways in which people can end up with an unpaid medical bill.



Unexpected Medical Needs



Out-of-Pocket Insurance Costs



Coverage Disputes & Billing Errors



Unexpected Out-of-Network Charges

The Potential Impact of Medical Debt

Medical debt can have far-reaching economic effects, with implications for financial security, economic mobility, access to health care, and health outcomes.

- Reduces Use of Needed Medical Care
- Increases Debt-Related Stress
- Affects Ability to Pay Other Bills
- Negatively Impacts Credit History
- Reduces Ability to Save and Build Wealth
- Poorer Physical and Mental Health Outcomes
- Less Financial Stability and Security



Policy Levers to Address Medical Debt

The complexities of medical debt offer policymakers a wide range of opportunities to prevent the problem, help people manage it, and mitigate its effects.

