

America's Debt Crisis

Amidst the complexities of America's healthcare system, the growing issue of medical debt looms large.

Millions of Americans grapple with the financial burden of healthcare bills, affecting not only their access to care but to achieving both short-term and long-term financial stability.

CarePayment is actively working to alleviate the burden of medical debt by offering patient financing programs that empower patients to manage their healthcare expenses over time, helping patients have more financial freedom.

America's debt crisis is driven by a simple reality:

Half of U.S. adults don't have the cash to cover an unexpected \$500 health care bill

According to a **Kaiser Family Foundation (KFF) poll** conducted in 2022, 41% of those surveyed — which translates to more than 100 million adults — reported that they currently had a debt due to medical or dental bills.

A **separate Kaiser analysis** estimated that more than a quarter of those with medical debt owed more than \$5,000, and half of that 25% owed more than \$10,000.

Additional surveys and studies have found that medical debt is...

...nearly twice as common for adults under 30 as for those 65 and older

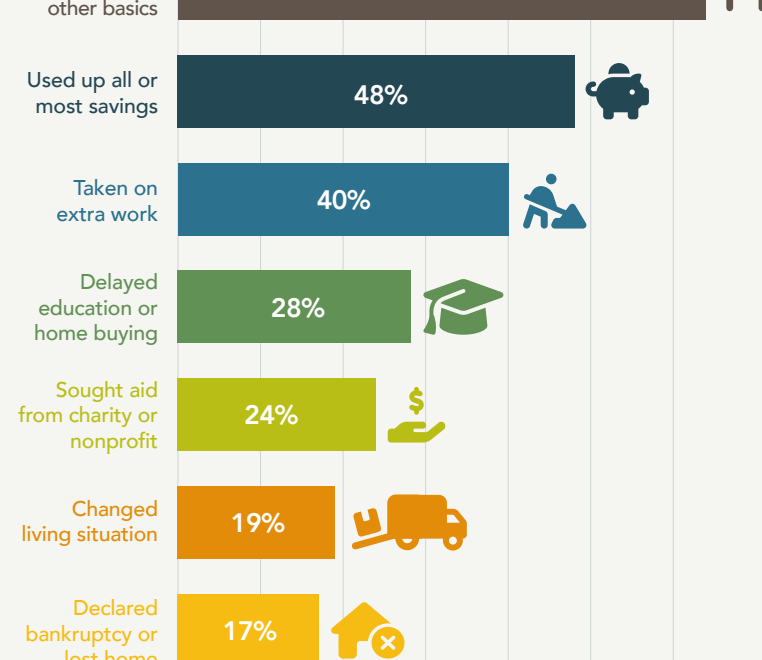
...resulting in denial of care for about 1 in 7 people

...deepening racial disparities

...piling additional hardships on people with cancer and other chronic illnesses

...preventing Americans from saving for retirement, investing in their children's educations, or laying the traditional building blocks for a secure future, such as borrowing for college or buying a home

What Americans Are Sacrificing



50% U.S. adults reporting they've gone into **debt** because of healthcare bills in the past 5 years

25% adults nationwide are on a **financing plan** to pay off a healthcare bill

20% With any amount of debt said they don't expect to **ever** pay it off

CFPB Medical Credit Cards and Financing Plans Report Key Findings

Over the past decade, purchase amounts as part of deferred interest promotions have decreased in all purchase categories **except in the category of medical care**.

People used specialty medical credit cards or loans with deferred interest periods to pay for almost **\$23 billion in healthcare expenses** for more than **17 million medical purchases** from 2018 to 2020. They also paid **\$1 billion in deferred interest**.

The payment products may cover medical bills as **low as \$35** and as **high as \$40,000**

The number of people that reported **delayed or forgone medical treatments** due to cost hit a **22-year high** in summer 2022, according to Gallup...

...as a result of this and other factors, approximately half of U.S. hospitals finished 2022 with a **negative operating margin**.

According to a TransUnion Healthcare survey, nearly **65% of patients said they would be more willing to make at least a partial payment if they got an estimate** at the time of their healthcare service

91% of patients said it was easier to pay for medical expenses when they have **at least 12 months to pay**

According to the CarePayment survey of more than 400 patients that have used CarePayment financing programs:

88% became **more satisfied** with their providers after they began offering CarePayment

of customers are **more likely to recommend** medical providers that offer the CarePayment program to help pay medical bills

of customers are **more likely to return to a provider** for additional care because they can use CarePayment to pay their medical bills over time

say the **availability of CarePayment** would influence their decision in choosing one provider over another