

## Strategies For Resolving Debt Resulting From Illness

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### ***Do you own your home? Or have a mortgage?***

Call the bank or mortgage holder early and try to work out payment arrangements. Consider selling, taking a second mortgage, taking a reverse mortgage or establishing an equity line of credit.

### ***Do you rent?***

Apply for Section 8 housing (a voucher/certificate that helps you pay your rent), Public Housing, or consider moving to a residence with less rent.

### ***Do you need food?***

Apply for food stamps, the WIC (Women, Infant and Children's), utilize a food bank, or check with area churches for assistance.

### ***Do you need help with your utilities?***

Check if you qualify for the Low Income Heating Energy Assistance Program (LIHEAP) in MD, VA, & DC. Ask the utility company if they have any charity programs available. Call the Department of Social Services in your area to see if they have any information about a Community Action Agency, an organization who can usually assist when a shutoff or eviction notice is given. Ask your doctor to write a letter of medical necessity to the utility company, as they may be more willing to work with you relative to your condition. Lastly, you may contact the State Utilities Commissioner to request their review of a compassionate appeal.

### ***Have you been declared disabled by a doctor and you do not have health insurance?***

If so, you should apply for Social Security Disability Income (SSDI) or Social Security Income (SSI) and Medicaid. Once you apply for SSDI or SSI, there is generally a waiting period of several months before you would receive your benefits. Check with your Social Security Office to determine what benefits you would qualify for and the length of your waiting period. The national number for the Social Security Administration is (800) 772-1213. After you have been disabled for 24 months, you may qualify for Medicare. The Medicare national hone number is (800) 633-4227.

### ***Are you on Short-Term Disability through your employer?***

If so, investigate with your employer if you qualify for Long-Term Disability. If you are offered COBRA for continuation of your health insurance, you should make every effort to maintain that coverage. This will allow you the opportunity to establish health insurance under a new plan without a lapse in coverage and will reduce the possibility of you being held to a pre-existing condition clause.

Once your Short-Term Disability has ended, if you do not have Long-Term Disability, you are

unable to return to work, *and* a doctor has declared you disabled, you should **apply for SSDI**. You should **also apply for Medicaid** if you did not have the option of continuing your health insurance coverage. As stated above, when you apply for SSDI or Medicaid, there is generally a waiting period of several months before you would receive your benefits. Check with your Social Security Office to determine what benefits you qualify for and the length of your waiting period.

### ***Do you have outstanding medical bills?***

Ask your provider of care to allow you to **apply for Charity Care or Indigent Care**. If you do not qualify, ask to **make payment arrangements that you can afford**. If you cannot establish reasonable payment arrangements, contact Consumer Credit Counseling Services for assistance. Call (800) 493-2222 or (800) 388-2227 to locate an office near you.

### ***Do you have credit card debt?***

**Contact the creditor to make payment arrangements**, offering to **pay a minimal payment that you can afford**. Be specific in the amount. If you are unable to establish payment arrangements, contact Consumer Credit Counseling Services at the numbers listed above for assistance.

### ***Do you have life insurance policies with equity?***

Consider using an organization that **loans money against whole-life policies**, which reduces the payout amount at the time of death. Term-life policies cannot be used for this purpose. One organization, LifeWise, can be reached at (800) 219-7385.

### ***Do you need healthcare and you do not have health insurance?***

Check with your **State Insurance Commissioner** in the capital of your state to **determine if your state has a Risk Pool**. Ask your provider of care for Charity Care or Indigent Care. Consider using a Hill-Burton hospital. These facilities provide care to uninsured Americans. To locate a hospital in your area, call (800) 638-0742.

### ***Do you need medication? Are you uninsured or without prescription samples?***

Check with your state to see if they operate a **prescription drug program**. Apply for the Medicine Program or have your doctor apply for the Indigent Drug Program through the drug manufacturer. Call the Pharmaceutical Manufacturers' Association (PHRMA) at (800) 762-4636 and ask for the patient helpline to get further information on this program.

Remember to **take advantage of the resources within your community**, like area churches, Social Services Organizations, the Red Cross, the Salvation Army, and the United Way. You might consider coordinating a fundraiser.