

US economic woes ripple all the way to Latin America, study shows

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The national recession didn't just hit people living in the U.S. – it's made it more difficult for people to pay for medical bills in poor countries like Honduras, according to a new University of Michigan study.

As employment opportunities have dried up for Latino immigrants in the U.S., so has their ability to send financial assistance to chronically ill family members in their home countries, according to a U-M study published online this week ahead of print in the *International Journal of Health Services*.

"Remittance payments from relatives living in the United States are a major source of income for chronically ill people in [Latin America](#)," says lead study author John D. Piette, Ph.D., professor of internal medicine at the U-M Medical School, Associate Director for Global Health Technologies of the U-M Center for Global Health, and senior research scientist with the Veterans Affairs Ann Arbor Healthcare System.

"It may be hard to imagine causal linkages between a factory closing in Michigan or a pay cut for restaurant workers in Iowa and the health care of someone in rural Honduras. But the results of this study suggest that economic stresses in the United States ripple outward."

In a 2009 survey of 624 chronically ill adults in poverty-stricken Honduras, investigators found that more than half reported relatives living outside of the country, and of that group, two thirds received

remittances. Seventy-four percent of those receiving the support reported a decrease over the prior year, mostly due to job losses among relatives abroad.

Decreases in remittance payments averaged roughly \$700 per year – a significant loss in a country where many families live on less than \$200 per month.

Patients receiving reduced support from families overseas were less likely to visit a hospital for a health emergency and were more likely to take less of their medications than prescribed because of financial strain.

Among patients receiving less aid from relatives abroad, nearly 40 percent said they were sometimes unable to buy medications and roughly a third skipped medical visits. Others reported spending less on basic needs such as food and education.

The study was conducted in Santa Cruz de Yojoa, in North Central Honduras, among patients making non-urgent visits to primary care centers.

Remittances were most common among patients who had less education, larger families, and multiple chronic health problems including hypertension, diabetes, arthritis, and cardiovascular disease.

All respondents reported that they had to pay 100 percent for their health care out of pocket, with no access to insurance.

The study's findings reflect U.S. employment data. Latino immigrants have been especially hard-hit during the nation's financial crisis, partly due to major job losses in housing construction, which is a leading source of employment for them. Between the end of 2007 and the end of 2008, the percentage of working-age Latinos with jobs fell at almost

twice the rate for the overall population.

"Unfair labor practices, language barriers and low education levels for Central American immigrants make it likely that they will continue to face economic hardships in the U.S.," says Piette, pictured left.

"These immigrants have made astounding and noble sacrifices by sending aid to relatives in their home country despite their low wages. Those commitments may be unsustainable without a strong recovery in the U.S. economy."

Provided by University of Michigan Health System

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