COLLECTED PRECIS

For the first time since the Consumer Financial Protection Bureau (CFPB) began collecting credit card data, the nation’s related debt reached an all-time high of $1 trillion in 2022. New research released in late October examines how and why this debt grew, but also how emerging trends in card usage affect the day-to-day lives of consumers.

While companies charged consumers more than $105 billion in interest and more than $25 billion in fees, average credit card balances per cardholder returned to about $5,300, about the same as before the pandemic. At the same time, more cardholders are being charged late fees, falling behind on payments, and facing higher costs on growing debt.

Today nearly one in 10 consumers is caught in what CFPB terms ‘persistent debt’, charged more in interest and fees than they pay toward the principal owed, a pattern that makes each passing month’s charges increasingly harder to avoid. Average credit card minimum payments on revolving credit accounts now reach over $100 per month and are also a contributing factor to rising late fees and overall debt.

“With credit card debt crossing the trillion-dollar mark, we will be working to prevent bait-and-switch tactics when it comes to rewards and to increase refinancing activity so consumers can get lower rates,” said CFPB Director Rohit Chopra.

Increased indebtedness also translated into record industry profits, now higher than those reached in pre-pandemic years. Two key factors, according to the report, significantly contributed to industry profitability: an average APR margin of 15.4 percentage points above the prime rate in 2022, and only 10 credit card companies dominating the marketplace.

Although the nation has nearly 4,000 credit card issuers, four-fifths – 80 percent – of the card activity was with one of the firms in the top 10. The highest credit card APRs are, as with other consumer financial products, among consumers who carry high credit card balances, missed payment(s), or delinquent accounts, and have subprime credit ratings, scores of less than 670 in a range of 300-850. Consumers who have filed bankruptcies can also expect that action to affect their credit scores for seven years thereafter.

The Black Men’s Health Clinic (BMHC) invites the community to attend the “BMHC Mental Health Fair” - Words Spoken. Yet Unheard. Mental health is for everyone. At some point in our lives we, or someone in our lives, are affected by life stressors and/or by physiological factors that can wear on our mental vitality. It is beneficial to everyone to be proactive about mental health so that we are prepared in a time of crisis.

On Saturday, November 18, 2023, the Black Men’s Health Clinic will provide an opportunity for attendees to obtain information to help with mental health readiness at the BMHC Mental Health Fair. The event will be held from 10:00 a.m. to 2:00 p.m. at BMHC, located at 6633 Highway 290 East, Suite 100, in Austin.

Come out to hear from compelling speakers, get information, visit breakout rooms, and have snacks at the Fair. The event commences with encouraging and insightful messages from BMHC Director of Care Coordination and Health Navigation, Dominique Street, and behavioral counselors, Dr. Calvin Kelly and Dr. Lea Clark.

The Black Men’s Health Clinic is dedicated to battling the stigmas of mental health and helping our clients proactively navigate towards help, hope, and recovery. We are implementing changes to address these needs. We recently acquired a mental health provider from Austin Travis County Integral Care (ATCIC) who will see clients who need these services. We also have access to resources that can help combat the thoughts, emotions, and physiological conditions that can shake our well-being. We have several ways for you to connect with solutions for yourself, a friend, or a loved one. Come on out and take a step towards better health!

BMHC exists to lower barriers for successful healthcare by removing burdens men of color commonly experience such as scheduling, finances, and coordination between providers. The name Black Men’s Health Clinic was chosen to deliberately reveal the apparent inequities black men experience and “it” represents our unwavering commitment to addressing them.

BMHC is here to ensure the longevity and quality of life for all men of color by elevating them to a priority and providing resources designed to best aid them. This first-of-its-kind health clinic addresses the long-standing care gaps for men of color.

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