Foreclosures' heavy toll on health

By Suzanne Bohan
Contra Costa Times

Posted: 09/02/2010 12:01:00 AM PDT

Updated: 09/02/2010 10:46:00 AM PDT

Maria Ramirez is one of the fortunate ones. She’s lived for more than 10 years with her family in ZIP code 94621 in Oakland, one the East Bay neighborhoods hardest hit by home foreclosures. But she fought back when Wachovia Bank began foreclosing on her house in 2009, and won an affordable loan modification.

Her victory doesn’t only secure stable housing for Ramirez and her family. In a little-discussed aspect of the foreclosure crisis gripping the nation, it also protects the Ramirez’s long-term mental and physical health.

Nearly one in 10 American households with a mortgage are behind on their payments, according to the Mortgage Bankers Association. In Oakland, the numbers are even worse: Between 2006 and 2009, one in 4 homeowners with a mortgage entered into foreclosure.

And a first-of-its kind report released today by the Alameda County Public Health Department and Causa Justa :: Just Cause warns of the looming health consequences of widespread home foreclosures, while also detailing steps to mitigate those harmful effects.

"We’re trying to get people to understand this is a public health issue," said Sandra Witt, deputy director of the Alameda County Public Health Department.

Last year, the health department released a preliminary report on the link between health and foreclosures, and the new report is the most comprehensive yet published on the topic.

In a door-to-door survey of 388 East Oakland and West Oakland homes in the summer of 2009, workers with Causa Justa :: Just Cause, a community action group, conducted an in-depth look at the health effects of home foreclosures on these hard-hit communities. They found that 38 percent of those coping with foreclosure threats reported declining health during the past two years, compared with 24 percent of those unconcerned about foreclosures.

Mental health also deteriorated.

Almost a third of those dealing with home foreclosure threats reported that their mental and emotional health had worsened during the past two years, compared with only 16 percent of those in stable housing.

"This is really about the stress that one feels," Witt said. The stress also increased the likelihood of developing hypertension and a host of other health conditions, and increases visits to emergency departments.

The report noted the survey doesn’t establish direct links between foreclosure risk and health outcomes, but "suggests associations." The report, titled "Rebuilding Neighborhoods, Restoring Health," is available on the county health department’s website.
These health declines also portend an increasing demand for medical care. "It will absolutely create a demand for more services, both health services and mental health services," Witt said.

The new report, however, includes a long list of remedies to mitigate the potential health harms from the stress of facing foreclosure and coping with eviction.

Those include state and federal policies to promote home loan modifications by banks, as well as foreclosure relief. These remedies are tough to enact, however, as demonstrated by the failure in the state Assembly on Monday of legislation that would protect homeowners from eviction while they're pursing more lenient loan terms. The bill was supported by consumer groups but opposed by the banking industry.

But other laws on the books can sometimes help distressed homeowners. And the report urges community groups to join together to educate those facing foreclosures about their rights, as well as strategies for securing loan modifications.

Homeownership has long been indirectly linked to health and wellness. The federal push to promote home buying began in the early 20th century. And in 1921, then-Commerce Secretary Herbert Hoover, elected President in 1928, held that homeownership "may change the very physical, mental and moral fiber of one's own children."

The new report, conversely, points to marked deterioration in health among homeowners and tenants facing eviction due to foreclosures.

Suzanne Bohan covers science. Contact her at 510-262-2789. Follow her at Twitter.com/suzbohan.