

OFFERED BY COUNCILORS RUTHZEE LOUIJEUNE, DURKAN, FITZGERALD,  
MEJIA, PEPÉN, SANTANA, WEBER AND WORRELL



## CITY OF BOSTON IN CITY COUNCIL

### ORDER FOR A HEARING TO DISCUSS EFFORTS TO CANCEL MEDICAL DEBT

- WHEREAS,** The pervasive issue of medical debt significantly impacts the lives of thousands of residents across Massachusetts, manifesting in detrimental effects on credit scores, financial security, and psychological well-being; *and*
- WHEREAS,** For many, even despite having health insurance, families across the Commonwealth and the City face substantial out-of-pocket expenses due to high deductibles and uncovered medical procedures, where according to Bankrate's Annual Emergency Fund Report, the majority (57%) of U.S. adults are currently unable to afford a \$1,000 emergency expense; *and*
- WHEREAS,** Medical debt is recognized as a leading cause of personal bankruptcy in the United States, disproportionately affecting low-income individuals, families, and disproportionately Black and Brown communities, thereby perpetuating cycles of financial illiteracy and health inequity; *and*
- WHEREAS,** Medical bills are a significant factor in bankruptcy filings, where a Kaiser Family Foundation report showed that 41% of U.S. citizens carry some sort of medical debt, and 24% were considering bankruptcy to solve a medical debt issue.; *and*
- WHEREAS,** A study by the Atrius Health Equity Foundation showed that one in eight Massachusetts residents faces the burden of medical debt, and 20% of Black residents and 16% of Hispanic residents report that someone in their family has medical debt, compared with 12% of White residents.; *and*
- WHEREAS,** The Massachusetts Attorney General is currently looking at new ways to reduce medical debt and address illegal medical debt collection practices, including legislation to ban medical bills from being included on credit reports, aiming to protect consumers and give relief; *and*
- WHEREAS,** initiatives such as Colorado's legislation to remove medical debt from credit reports and New York City's plan to invest \$18 million to erase \$2 billion in medical debt illustrate the variety of approaches being explored to combat this issue; ***NOW, THEREFORE BE IT***
- ORDERED,** That the appropriate committee of the Boston City Council hold a hearing to review the impacts, challenges, and successes of municipal and state-level medical debt cancellation initiatives, and that the Boston Public Health Commission, state and municipal agencies, non-profits, and interested parties be invited to testify.

*Filed on: January 6, 2025*