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## **Atrius Health Equity Foundation Announces Initiative to Eliminate Nearly \$500 Million in Medical Debt in Eastern Massachusetts**

**Boston, MA** - Atrius Health Equity Foundation is launching a \$10 million initiative to wipe out an estimated \$500 million dollars in medical debt in Eastern Massachusetts.

One in eight residents of Eastern Massachusetts faces the crushing burden of unpaid medical bills – a burden that falls disproportionately on people of color. The Foundation will provide grants to RIP Medical Debt, Health Care For All and Health Law Advocates to acquire and abolish debt from health care providers, provide legal and technical support to individuals and families with medical debt, and achieve long-term solutions to prevent medical debt.

"Medical debt can be both a barrier to receiving necessary future care and a source of stress, both of which contribute to higher rates of disease and death. We know that the burden of medical debt falls heavily on communities of color. More than 20% of those with medical debt are Black, compared to 13% who are white," said Ann Hwang, President of the Atrius Health Equity Foundation. "This initiative reflects our commitment to taking bold action to tackle the root causes of the life expectancy gap in Eastern Massachusetts."

The Atrius Health Equity Foundation will grant national non-profit RIP Medical Debt up to \$5.5 million to acquire and abolish medical debt for Eastern Massachusetts residents at or below four times the federal poverty level or those for whom medical debt is 5% or more of their annual income. Providers will also be invited to donate the debt as part of this initiative.

RIP Medical Debt uses data analytics to pinpoint the debt of those most in need who qualify for the non-profit's intervention —primarily households that are at or below 400% of the federal poverty level. They then buy the qualifying medical from hospitals and other health care providers in large, bundled portfolios at a fraction of its face value. This means that the Foundation's grant will have an outsized impact with close to half a billion dollars in debt relief estimated for Eastern Massachusetts residents. Once the debt is acquired, patients receive an RIP Medical Debt branded letter informing them that their debt has been erased with no penalties – instead of a letter from a collections company or another bill

from the provider. Medical debt relief is source-based meaning it cannot be requested; those who benefit do not apply and instead are surprised with debt relief in the mail.

“Medical debt worsens health outcomes and can lead to lasting harm. While we must take aggressive steps to limit the risk of medical debt, in the meantime, we can immediately address the challenge for the most vulnerable,” said Allison Sesso, President and CEO of RIP Medical Debt. “We look forward to collaborating with Health Care For All and Health Law Advocates to undertake this truly transformative effort in Eastern Massachusetts.”

The Foundation will grant a combined \$3.4 million to Health Law Advocates and Health Care For All to increase legal representation for consumers to resolve medical debt, support community organizations to increase awareness about medical debt, and secure policy solutions to prevent medical debt. An additional \$1 million will be awarded in 2024 to support financial counseling organizations serving diverse communities to increase their capacity to support consumers with medical debt.

”Despite Massachusetts having an incredibly strong commitment to universal health coverage, medical debt is a large – and largely invisible – problem in this community,” said Amy Rosenthal, Executive Director of Health Care For All. “Our HelpLine counselors hear regularly from callers about this issue, and it is clear that medical debt impacts choices about necessary medical care, causes stress, exacerbates health inequities and creates further economic instability.”

“Some cases of medical debt arise from incorrect billing, and consumers become saddled with debt they didn’t actually owe,” said Matt Selig, Executive Director of Health Law Advocates. “With funds from the Foundation, we will be able to expand our ability to represent consumers to fight back against medical debt, and to work with Health Care For All to find permanent solutions to prevent medical debt in the Commonwealth.”

#### **About Atrius Health Equity Foundation:**

The Atrius Health Equity Foundation was established in 2022 and funded by the conversion of Atrius Health into a for-profit corporation, operating and governed independently of Atrius Health. The Foundation aims to close the gap in life expectancy across Eastern Massachusetts by partnering with communities in need and addressing fundamental challenges to tackle health inequities.