RESOLUTION NO.

BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

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RESOLUTION AUTHORIZING AN AGREEMENT WITH MEDICAL DEBT RESOLUTION, INC DBA RIP MEDICAL DEBT FOR THE ONE-TIME SALE AND RELIEF OF PATIENT MEDICAL DEBT THAT IS DETERMINED TO BE UNCOLLECTIBLE

RESOLVED, by the Board of Supervisors of the County of San Mateo, State of California, that

WHEREAS, San Mateo Medical Center (SMMC) has historically transferred patient medical debt (accounts receivable) that was determined to be difficult to collect to the County's Revenue Services Division and Revenue Services would pursue collection of these receivables on behalf of SMMC and charge a fee for all amounts they collected; and

WHEREAS, in 2018, Revenue Services discontinued accepting new accounts but continued to pursue collection on accounts it already held in its portfolio, and SMMC contracted with a third-party collection agency; and

WHEREAS, as of June 30, 2022, the Revenue Services portfolio held 172,000 accounts with \$156,350,000 of outstanding patient medical debt, of which 90% are 7-20 years old; and

WHEREAS, medical debt is a financial burden for many Americans, particularly for low-income people and communities of color and can lead to poor credit scores, housing insecurity wage garnishments, anxiety, and financial stress and is reported to be the number one cause of bankruptcy across the country; and WHEREAS, RIP Medical Debt is the only known organization whose mission is to end medical debt for patients by acquiring and relieving the medical debt of persons experiencing poverty or who are experiencing other hardships that make paying the debt difficult or impossible; and

WHEREAS, SMMC has determined that it would be in the best interest of its patients and the County to sell a significant portion of the Revenue Services portfolio to RIP Medical Debt; and

WHEREAS, SMMC and RIP Medical Debt wish to enter into an agreement for a single transaction whereby SMMC would sell accounts that are older than 10 years and therefore unlikely to be collectible, for a total price of \$90,538.57.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the President of this Board of Supervisors be and is hereby authorized and directed to execute said agreement for and on behalf of the County of San Mateo, and the Clerk of the Board shall attest the President's signature thereto.

BE IT FURTHER RESOLVED that the Chief of San Mateo County Health or their designee is authorized to execute contract amendments which modify the County's maximum fiscal obligation by no more than \$25,000 (in aggregate) and/or modify the contract term and/or services so long as the modified term or services is/are within the current or revised fiscal provisions.

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