

As Families Struggle Economically Due to COVID-19 Pandemic, Peninsula Health Care District Works to Erase Medical Debt for Many in San Mateo County

Effort is intended to give residents the opportunity to rebound financially and support their well-being

Burlingame, Calif., (DATE) - Help is on the way for patients burdened by medical debt in San Mateo County. At its last Board meeting, the Peninsula Health Care District Board of Trustees voted to approve the entry of the organization called [RIP Medical Debt](#), into the San Mateo County Market to address the problem of medical debt. Exacerbated by the COVID-19 pandemic, more than 1 in 3 Americans struggle to afford the cost of their medical care. RIP Medical Debt is a 501(C)(3) nonprofit whose sole purpose is to locate, purchase and then abolish unpaid and unpayable medical debts belonging to those experiencing financial hardship as a benefit to society as well as the recipient.

Medical debt lingers on a person's credit report and negatively impacts their ability to purchase or rent a home, buy a vehicle, secure a loan, or even gain employment. Committed to bringing health-focused programs and services to the community in order help residents achieve their optimal health, Peninsula Health Care District, has partnered with RIP Medical Debt to help address this crisis in San Mateo County.

"Peninsula Health Care District's mission is aligned with providing support to residents, particularly during a time of uncertainty," says Lawrence W. Cappel, Ph.D., Chair of Board of Directors, Peninsula Health Care District. "Medical debt sent to collections causes collateral damage to families and individuals, including financial distress, leaves negative effects on physical and mental health and influences patients to forgo future health care services. RIP Medical Debt will be a critical service to our community of San Mateo County."

As a nonprofit, RIP Medical Debt serves its donors by abolishing medical debt for those experiencing financial hardship and can, based on the availability of qualifying debt, target specific geographic areas (states/counties/cities and health districts). Those who qualify for relief are either two times or below the federal poverty level or have debt that is five percent or more of their annual income. RIP purchases medical debt portfolios for a fraction of their face value.

PHCD introduced RIP Medical Debt to local hospitals because the organization is the only provider of this service in the United States, has IRS and U.S. Department of Health and Human

Services (HHS) approval, is a nonprofit that allows for debt removal from the credit record, has low administrative overhead and has a successful track record. The initiative will be funded with PHCD resources and with funds provided by other donors that support RIP Medical Debt's mission. Recipients of relief are notified by a branded RIP envelope in the mail.

The PHCD Board is pleased to acknowledge San Mateo Medical Center (SMMC) as its first healthcare partner that shared its medical debt portfolio with RIP Medical Debt. "Based on SMMC's data, RIP Medical Debt has identified 27,000 eligible residents of San Mateo County of which 4,400 individuals live in PHCD," says Cheryl Fama, CEO, Peninsula Health Care District. "PHCD has committed \$22,550 to allow RIP Medical Debt to purchase and relieve the SMMC medical debt for 4,400 of our residents, and RIP Medical Debt has committed additional funds from other donor sources to relieve the debt for 22,600 of the other eligible County residents burdened by medical debt. PHCD is thrilled to collaborate with RIP Medical Debt to work towards resolving the disparity of medical debt faced by communities in San Mateo County." The purchase of debt transaction is pending approval of the County Board of Supervisors.

"I thank the Peninsula Health Care District Board and CEO Fama for their teamwork for introducing this program to SMMC and support of the well-being of our residents" said CFO McGrew at the Board's meeting September 30th.

About Peninsula Health Care District: Founded in 1947, the Peninsula Health Care District serves the communities of San Bruno, Millbrae, Burlingame, Hillsborough, San Mateo, and Foster City by supporting the unique health and wellness priorities of our Peninsula communities, and safeguarding access to health services, today and in the future. PHCD fulfills its commitment to the community through oversight of District assets and infrastructure, planning for future health care needs, and investing taxpayer dollars in local health-focused organizations and programs.

For more information: <https://peninsulahealthcaredistrict.org/>

About RIP Medical Debt: Since being founded in 2014 by two former debt collectors, RIP Medical Debt has acquired — and abolished — more than \$5 billion of burdensome medical debt, helping over 2.8 million families and addressing a major social determinant of health. RIP partners with individuals, faith-based organizations, foundations, and corporations and empowers donors by converting every dollar contributed into \$100 of medical debt relief. RIP partners with hospitals and health systems and physician groups to acquire medical debt for abolishment. RIP rose to national prominence on an episode of HBO's "Last Week Tonight" with John Oliver in which RIP facilitated the abolishment of \$15M in medical debt. In December of 2020, philanthropist MacKenzie Scott donated \$50 million to RIP to help uplift struggling communities. To learn more, visit <https://ripmedicaldebt.org/>.