

# Ordinance No. 336-2023

By Council Members Griffin, Harsh,  
Conwell, Slife, Starr, Maurer, Santana and  
Mayor Bibb

## AN EMERGENCY ORDINANCE

Authorizing the Director of Finance to enter into an agreement with Medical Debt Resolution, Inc. dba RIP Medical Debt to provide medical debt forgiveness to qualifying City of Cleveland residents.

*(as substitute for Ord. No. 128-2023)*

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WHEREAS, an estimated 100 million Americans— or 41% of adults - have medical debt; and

WHEREAS, medical debt ranges from under \$500 (16%) to \$10,000 or more (12%); 56% who carry medical and/or dental debt owe below \$2,500 while 44% owe \$2,500 or more; and

WHEREAS, 63% with current or recent debt within the past five years, had to cut spending on food, clothing and other basics; this includes 51% of those with annual household incomes above \$90,000; 48% of people with medical debt used up all or most of their savings to pay it off; and

WHEREAS, people with medical debt often must delay purchasing a home, postpone education, are prevented from saving for retirement or their child's education; and

WHEREAS, according to the U.S. Census Bureau, a disproportionate share of the 1 in 5 Americans households that owe an average of \$2,000 in medical debt are Black and Latino; and

WHEREAS, consistent with its commitment to resolving health inequities in disadvantaged communities, especially communities of color, this Council desires to address the outstanding medical debt of Cleveland residents that earn 400% or less of federal poverty guidelines; and

WHEREAS, this Council finds that providing medical debt relief of qualifying Cleveland residents supports the public purpose of improving the economic welfare of City residents by decreasing debt obligations and increasing discretionary dollars; and

WHEREAS, this ordinance constitutes an emergency measure providing for the immediate preservation of the public peace, property, health and safety in that providing relief of medical debt will benefit and improve the economic welfare of the residents of the City; now, therefore,

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF CLEVELAND:

Section 1. That the Director of Finance is authorized to enter into an agreement with Medical Debt Resolution, Inc. dba RIP Medical Debt to provide for the purchase of medical debt of qualifying residents of the City of Cleveland. The agreement shall be in an amount not to exceed \$1,900,000 and shall be paid for from the fund or funds as determined by the Director of Finance. The agreement shall be prepared by the Director of Law and shall contain all terms and conditions as the Director of Law deems necessary to protect and benefit the public interest.

Section 2. That this ordinance is hereby declared to be an emergency measure and, provided it receives the affirmative vote of two-thirds of all the members elected to Council, it shall take effect and be in force immediately upon its passage and approval by the Mayor; otherwise it shall take effect and be in force from and after the earliest period allowed by law.

3/13/2023  
BAG:rns

# Ord. No. 336-2023

**REPORT  
after Second Reading**

**By Council Members Griffin, Harsh, Conwell, Slife, Starr, Maurer,  
Santana and Mayor Bibb**

**AN EMERGENCY ORDINANCE**  
Authorizing the Director of Finance to enter into an agreement with Medical Debt Resolution, Inc. dba RIP Medical Debt to provide medical debt forgiveness to qualifying City of Cleveland residents.

**READ FIRST TIME on MARCH 13, 2023**  
**and referred to DIRECTORS of Finance, Law;  
COMMITTEES on Health Human Services and the Arts,  
Finance Diversity Equity and Inclusion**

**REPORTS**

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**CITY CLERK**

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**READ SECOND TIME**

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**CITY CLERK**

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**READ THIRD TIME**

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**PRESIDENT**

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**CITY CLERK**

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**APPROVED**

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**MAYOR**

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**PASSAGE RECOMMENDED BY  
COMMITTEE ON  
HEALTH, HUMAN SERVICES  
and the ARTS**

FILED WITH COMMITTEE

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**PASSAGE RECOMMENDED BY  
COMMITTEE ON  
FINANCE, DIVERSITY, EQUITY  
and INCLUSION**

FILED WITH COMMITTEE

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