

ORDINANCE NO. 55-2023

**TITLE: ENTER INTO CONTRACT
RIP MEDICAL DEBT**

AN ORDINANCE AUTHORIZING THE MAYOR, TO ENTER INTO CONTRACT WITH RIP MEDICAL DEBT IN THE AMOUNT NOT TO EXCEED \$110,000, AND DECLARING AN EMERGENCY.

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

WHEREAS, it is reported that 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, it is reported that 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, it is reported that 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 Barberton residents that earn 400% or less of federal poverty guidelines; and

WHEREAS, this Council finds that providing medical debt relief of qualifying Barberton 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 qualifying residents of the City; now, therefore,

WHEREAS, there is an exception that if the State of Ohio creates a program similar in nature that would also cover residents in Barberton, this ordinance would become null and void.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Barberton, State of Ohio:

SECTION 1. That Council hereby authorizes the Mayor to enter into contract with RIP Medical Debt in the amount not to exceed One Hundred Ten Thousand Dollars and No Cents (\$110,000.00).

SECTION 2. That it is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this ordinance were taken in an open meeting of this Council and that all deliberations of this Council and of any of its

committees that resulted in such formal action were meetings open to the public in compliance with the law.

SECTION 3. That this ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health, safety, convenience and welfare of the City of Barberton and the inhabitants thereof, for the reason that we can continue moving forward with this program, and provided it receives the necessary votes required by the City Charter, shall be in full force and effect from and after its passage and approval; otherwise to be in full force and effect from and after the earliest period allowed by law.

Passed April 24, 2023

Clerk of Council

President of Council

Approved _____ 2023

Mayor