

OFFICIAL SITE OF THE STATE OF NEW JERSEY

Translate (<https://translate.google.com/>)Get Updates  (<https://nj.gov/subscribe/>)Search  (<https://nj.gov/search/>)

Governor Phil Murphy

# Governor Murphy Partners with Undue Medical Debt and RWJBarnabas Health on Fourth Round of Medical Debt Relief, Eliminating \$927 Million in Debt for 629,000 New Jerseyans

Posted on - 04/21/2025

*New Jersey's Medical Debt Relief Initiative Tops \$1.1 Billion Forgiven for Over 776,000 New Jerseyans*

**TRENTON** – Governor Phil Murphy today announced an additional approximately 629,000 New Jersey residents will see a combined \$927 million in medical debt retired through the State's partnership with Undue Medical Debt, bringing total debt forgiven to over \$1.1 billion for 776,000 New Jerseyans since August 2024.

By leveraging approximately \$5.8 million in American Rescue Plan funds from the State's investment in medical debt abolishment, Undue has purchased this fourth round of medical debt from RWJBarnabas Health – the State's largest integrated academic health system – and from the secondary debt market. Over half a million households will receive an Undue Medical Debt branded letter in the mail over the coming weeks informing them that some or all of their medical debt has been abolished.

"Nobody should have to choose between their health and their financial stability. My Administration has pursued lasting systemic reforms to put more affordable health care in reach for New Jersey families and better protect our residents from accumulating debt," **said Governor Murphy**. "Meanwhile, our work with Undue Medical Debt has provided tangible relief to hundreds of thousands of New Jersey families, retiring over \$1 billion in medical debt. I am grateful to our partners in this space, and I look forward to continuing our work to build a healthier, more affordable New Jersey."

"Medical debt is a silent crisis affecting millions of families, exacerbating health disparities and preventing far too many people from seeking the care they need. Debt relief efforts are essential not only for financial recovery, but for the well-being of our communities," **said New Jersey Department of Health Commissioner Kaitlan Baston, MD, MSc, DFASAM**. "Health care should never be dictated by someone's ability to pay. By addressing medical debt, we empower individuals to focus on their health and future rather than the burden of financial insecurity. Today's announcement is a massive win and a testament to the Murphy Administration's commitment to making health care more affordable and accessible for New Jersey's residents."

"I'm very proud that we've helped the State and Governor Murphy reach this momentous milestone of over \$1 billion of medical debt erased for New Jersey residents," **said Undue Medical Debt CEO and president Allison Sesso**. "I also must thank RWJBarnabas Health for their partnership and all the providers that have stepped up to help us remove these unpayable burdens on families. I'm thrilled for the hundreds of thousands of people who will soon be receiving this good news in the mail."

Medical debt abolishment builds on the Governor's efforts to make health care more affordable and accessible for New Jersey families. Under the Governor's leadership, the State has also advanced critical protections to safeguard New Jerseyans from falling into medical debt, including the [prohibition of credit reporting for most medical debts](https://www.nj.gov/governor/news/news/562024/20240722a.shtml) (<https://www.nj.gov/governor/news/news/562024/20240722a.shtml>). New Jersey is a leading state in consumer

protection policies and supports for residents, being one of only five states (<https://www.shvs.org/mapping-state-efforts-to-address-medical-debt/>) in the nation that both prohibits medical debt reporting to credit agencies and has allocated funding to provide residents with direct medical debt relief.

These efforts are complemented by additional consumer-focused policies (<https://www.nj.gov/governor/news/news/562023/20230710a.shtml>) that advance prescription drug affordability, including caps on out-of-pocket costs for insulin and asthma inhalers; innovative reforms promoting transparency in the pharmaceutical supply chain; and necessary oversight of pharmaceutical benefits management companies.

There is no application process for medical debt relief. Undue purchases large, bundled portfolios of past-due medical debt belonging to those least able to pay for pennies or less on the dollar. Instead of trying to collect, Undue erases the debt.

Those who qualify for medical debt relief are either at or below 400% of the federal poverty line or have medical debts that equal 5% or more of their annual income. These are the only criteria for relief. This is a one-time abolishment to help remove the financial and emotional burden of unpayable medical debts. Medical debt relief is source-based and cannot be requested, depending on community-minded providers like hospitals and secondary market partners like collection agencies who choose to engage and sell their qualifying medical debt.

Those benefiting from medical debt relief will receive an Undue branded letter in the mail. Learn more about Undue [here](https://unduemedicaldebt.org/) (<https://unduemedicaldebt.org/>).

## Governor Phil Murphy

[Home \(/governor/\)](/governor/)

### Administration

[Governor Phil Murphy \(/governor/admin/about\)](/governor/admin/about)

[Lt. Governor Tahesha Way \(/governor/admin/lt\)](/governor/admin/lt)

[In memoriam of Lt. Governor Sheila Y. Oliver \(/governor/admin/lt-sheila-y-oliver\)](/governor/admin/lt-sheila-y-oliver)

[Senior Staff \(/governor/admin/staff\)](/governor/admin/staff)

[Cabinet \(/governor/admin/cabinet\)](/governor/admin/cabinet)

[Office of Climate Action and the Green Economy \(/governor/climateaction/\)](/governor/climateaction/)

[Office of Equity \(/governor/admin/equity/\)](/governor/admin/equity/)

[Office of Health Care Affordability and Transparency \(/governor/admin/affordablehealthcare/index.shtml\)](/governor/admin/affordablehealthcare/index.shtml)

[Boards, Commissions & Authorities \(/governor/admin/bca\)](/governor/admin/bca)

[New Jersey Puerto Rico Commission \(https://www.nj.gov/puertoricocommission/\)](https://www.nj.gov/puertoricocommission/)

[Internship Opportunities \(/governor/admin/internship.shtml\)](/governor/admin/internship.shtml)

[Governor's Fellows Program \(/governor/admin/fellows\)](/governor/admin/fellows)

[Governor's Residence - Drumthwacket \(http://drumthwacket.org/\)](http://drumthwacket.org/)

### Key Initiatives

[Economy & Jobs \(/governor/initiatives/#Economy\)](/governor/initiatives/#Economy)

[Education \(/governor/initiatives/#Education\)](/governor/initiatives/#Education)

[Environment \(/governor/initiatives/#Environment\)](/governor/initiatives/#Environment)

[Health \(/governor/initiatives/#Health\)](/governor/initiatives/#Health)

[Law & Justice \(/governor/initiatives/#Justice\)](/governor/initiatives/#Justice)

[Transportation \(/governor/initiatives/#Transportation\)](/governor/initiatives/#Transportation)

## News & Events

[Press Releases \(/governor/news/news/562024/approved/news\\_archive.shtml\)](/governor/news/news/562024/approved/news_archive.shtml)

[Photos \(https://www.flickr.com/photos/govmurphy\)](https://www.flickr.com/photos/govmurphy)

[Public Addresses \(/governor/news/addresses\)](/governor/news/addresses)

[Executive Orders \(/infobank/eo/056murphy/approved/eo\\_archive.html\)](/infobank/eo/056murphy/approved/eo_archive.html)

[Administrative Orders \(/governor/news/ao/approved/ao\\_archive.shtml\)](/governor/news/ao/approved/ao_archive.shtml)

[Direct Appointments \(/governor/news/appointments\)](/governor/news/appointments)

[Advice and Consent Appointments \(/governor/news/acappointments\)](/governor/news/acappointments)

[Statements on Legislation \(/governor/news/statements/approved/statements\\_archive.shtml\)](/governor/news/statements/approved/statements_archive.shtml)

[Administration Reports \(/governor/news/adminreports/approved/archive.shtml\)](/governor/news/adminreports/approved/archive.shtml)

[Transition Reports \(/governor/news/reports/approved/reports\\_archive.shtml\)](/governor/news/reports/approved/reports_archive.shtml)

[Press Kits \(/governor/news/press\)](/governor/news/press)

## Social

[Facebook \(https://www.facebook.com/governorphilmurphy/\)](https://www.facebook.com/governorphilmurphy/)

[Twitter \(https://twitter.com/GovMurphy\)](https://twitter.com/GovMurphy)

[Instagram \(https://www.instagram.com/govmurphy/\)](https://www.instagram.com/govmurphy/)

[Snapchat \(https://www.snapchat.com/add/philmurphy\)](https://www.snapchat.com/add/philmurphy)

[YouTube \(https://www.youtube.com/njgovernorsoffice\)](https://www.youtube.com/njgovernorsoffice)

## Contact Us

[Scheduling Requests \(/governor/contact/scheduling/\)](/governor/contact/scheduling/)

[Contact Us \(/governor/contact/all/\)](/governor/contact/all/)

## Statewide

**[NJ Home \(//www.nj.gov\)](//www.nj.gov)**

**[Services A to Z \(//www.nj.gov/nj/gov/njgov/alphaserv.html\)](//www.nj.gov/nj/gov/njgov/alphaserv.html)**

**[Departments/Agencies \(//www.nj.gov/nj/gov/deptserv/\)](//www.nj.gov/nj/gov/deptserv/)**

**[FAQs \(//www.nj.gov/faqs/\)](//www.nj.gov/faqs/)**

**[Contact Us \(//www.nj.gov/nj/feedback.html\)](//www.nj.gov/nj/feedback.html)**

**[Privacy Notice \(//www.nj.gov/nj/privacy.html\)](http://www.nj.gov/nj/privacy.html)**

**[Legal Statement & Disclaimers \(//www.nj.gov/nj/legal.html\)](http://www.nj.gov/nj/legal.html)**

**[Accessibility Statement \(//www.nj.gov/nj/accessibility.html\)](http://www.nj.gov/nj/accessibility.html)**

[\(//nj.gov/opra/\)](http://nj.gov/opra/)

[\(https://my.nj.gov/\)](https://my.nj.gov/)

Copyright © State of New Jersey, 1996-2025  
Office of Governor PO Box 001  
Trenton, NJ 08625  
609-292-6000

[\(https://tech.nj.gov/\)](https://tech.nj.gov/)