

RESOLUTION NO. 264 - 2025

A RESOLUTION ESTABLISHING MEDICAL DEBT RESOLUTION, INC. D/B/A UNDUE MEDICAL DEBT AS A SOLE SOURCE PROVIDER FOR THE MEDICAL DEBT RELIEF INITIATIVE FOR THE URBAN COUNTY COUNCIL, AND AUTHORIZING THE MAYOR'S DESIGNEE TO EXECUTE AN AGREEMENT WITH MEDICAL DEBT RESOLUTION, INC. D/B/A UNDUE MEDICAL DEBT, FOR PROCUREMENT OF SERVICES RELATING TO THE ABOLISHMENT OF QUALIFYING MEDICAL DEBT FOR ELIGIBLE LEXINGTON-FAYETTE COUNTY RESIDENTS, AT A COST NOT TO EXCEED \$1,000,000.00, AND FURTHER AUTHORIZING AND DIRECTING THE OFFICE OF CHIEF ADMINISTRATIVE OFFICER TO REPORT TO COUNCIL IN SIX MONTHS AND TO TAKE ANY OTHER NECESSARY ACTIONS TO EFFECTUATE THIS AGREEMENT.

BE IT RESOLVED BY THE COUNCIL OF THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT:

Section 1 – That Medical Debt Resolution, Inc. d/b/a Undue Medical Debt, be and hereby is established as a sole source provider for the Medical Debt Relief Initiative for the Urban County Council.

Section 2 – That the Mayor's designee be and hereby is authorized and directed to execute the agreement with Medical Debt Resolution, Inc. d/b/a Undue Medical Debt, which is attached hereto and incorporated herein by reference, for procurement of services relating to the abolishment of qualifying medical debt for eligible Lexington-Fayette County residents, and the Office of Chief Administrative Officer be and hereby is authorized and directed to report to the Urban County Council in six months and to take any other necessary actions to effectuate this agreement.

Section 3 – That an amount, not to exceed the sum of \$1,000,000.00, be and hereby is approved for payment to Medical Debt Resolution, Inc. d/b/a Undue Medical Debt, from account # 1101 – 155001 – 71299, pursuant to the terms of the agreement.

Section 4 – That this Resolution shall become effective on the date of its passage.

PASSED URBAN COUNTY COUNCIL: June 12, 2025

MAYOR

ATTEST:

CLERK OF URBAN COUNTY COUNCIL

501-25:MSC:4923-4677-8437, v. 2



Lexington-Fayette County

LINDA GORTON
MAYOR

June 13, 2025

I, Mayor Linda Gorton, am not comfortable entering into this agreement given the significant amount of the monies that will not be used for the relief of the medical debt (specifically, that one-third or more of the \$1 million expenditure will fund indirect administrative costs rather than provide direct relief, a ratio that far exceeds other non-profit organizations operating in our community).

Given the magnitude of the administrative costs and the questionable overall benefit these expenditures may have for the residents of Fayette County, I have instructed the Council Clerk to withhold my signature from this resolution.

Linda Gorton