



TO: Urban County Council
FROM: Jennifer Sutton
Administrative Officer, Sr
Office of the Chief Administrative Officer
DATE: May 15th, 2025
SUBJECT: Undue Medical Debt

Request:

The Urban County Council, through the Office of the Chief Administrator, is requesting approval to sign a contract with Undue Medical Debt, a sole source provider, to administer the Medical Debt Relief Initiative which will work to abolish medical debt for qualifying Fayette County residents. At a cost not to exceed \$1,000,000. Funds are budgeted.

Purpose:

This contract between Lexington-Fayette Urban County Government and Undue Medical establishes an agreed upon protocol for the administration and management of the Medical Debt Relief Initiative. On October 29th, 2024, the Urban County Council allocated \$1,000,000 towards abolishing medical debt for residents of Lexington-Fayette County for households with an income between zero percent (0%) and four hundred percent (400%) of the federal poverty line and/or households that have medical debt equal to or exceeding five percent (5%) of total household income. Undue Medical Debt, a sole source provider, shall serve as the administrator of the initiative and fiscal agent for the funds provided by LFUCG. Undue Medical Debt will also manage and oversee design and execution, outreach, impact measurement, financial and performance reporting, and monitoring and compliance.

The term of the agreement is for a period of three years. LFUCG reserves the right to terminate the agreement, both for cause and at will, subject to appropriate payment to Undue Medical Debt for services provided prior to termination.

Budgetary Implication:

The cost for this FY is: \$1,000,000
Funds are budgeted, budget amendment in process.
Account number: 1101-155001-0001-71299

File Number: 0501-25

Sutton/Hamilton

