

## SCAN and CareOregon's Grants to RIP Medical Debt Abolish \$110M in Medical Debt

Healthcare non-profits are first plans to directly fund debt relief through RIP Medical Debt; Medical debt held by 67,000 people will be abolished

LONG BEACH, CA, UNITED STATES, June 7, 2023 /EINPresswire.com/ -- LONG BEACH, CA, PORTLAND, OR -- <u>SCAN</u>, a diversified not-for-profit healthcare organization, and <u>CareOregon</u>, a nonprofit healthcare organization that largely serves Oregon Health Plan (Medicaid) members, together have granted \$345,000 to <u>RIP Medical Debt</u>, a national nonprofit that acquires medical debts belonging to people who



are financially burdened and then abolishes those debts.

RIP Medical Debt will use the grants from SCAN and CareOregon to purchase and abolish \$110 million in medical debt that previously burdened nearly 70,000 people across Arizona, California, Nevada, Oregon and Texas, communities served by SCAN and CareOregon. All of the recipients of the debt relief have a household income at or below 400% of federal poverty guidelines or have medical debt representing 5% or more of their annual household income.

While other health plans have matched employee donations to RIP Medical Debt, SCAN and CareOregon are the first health plans to directly fund the relief of privately held medical debt.

"The devasting impact of medical debt reaches far beyond the lives of individuals and families carrying it but also threatens the health and well-being of our communities," said Eric C. Hunter, President and CEO of CareOregon. "In fact, a recent study found that 60% of Oregonians filing for bankruptcy had medical debt. By relieving this debt, we are helping to create stronger communities and more equitable access to healthcare throughout Oregon."

"Medical debt presents a catastrophic burden on millions of vulnerable Americans and

disproportionality impacts people of color, often forcing them to choose between paying off medical bills and covering their basic needs—including their healthcare needs," said Dr. Sachin H. Jain, CEO of SCAN Group and SCAN Health Plan. "SCAN partnered with RIP Medical Debt to erase the debt burden on tens of thousands of individuals as part of our commitment to health equity and to removing barriers that prevent people from accessing healthcare."

Medical debt continues to be a growing crisis in the United States. Kaiser Health News estimates there are 100 million Americans with medical debt, with Black and Hispanic adults being more likely to have medical debt than white adults.

In addition, families struggling with medical debt often don't get the healthcare they need. The Consumer Finance Protection Bureau reports that medical debt can lead people "to avoid medical care [and] develop physical and mental health problems." Last year, 44% of Americans did not go to a doctor when they were sick or injured because of cost.

A recent report in the New York Times revealed that one health system actually cuts off care altogether for people with medical debt.

Debt relief has received significant attention lately. For example, the Oregon House of Representatives recently passed a bill intended to ensure low-income patients receive free or discounted care so they don't incur medical debt. Over the last three years, philanthropist MacKenzie Scott has donated \$80 million to RIP Medical Debt, significantly increasing the nonprofit's ability to free low-income people of the burden of unmanageable debt.

SCAN's grant to RIP Medical Debt was in the amount of \$285,000 and CareOregon's grant to RIP Medical Debt was \$60,000, and the organizations required RIP Medical Debt to abolish medical debt in the geographies that each organization serves. RIP Medical Debt will notify individual recipients of the abolishment of all or a portion of their medical debt by mail in the coming weeks.

## About SCAN Group

SCAN Group, a mission-driven not-for-profit organization, is dedicated to tackling some of the biggest issues in healthcare for older adults, including chronic illness, access to care, homelessness, inequities and loneliness. SCAN Group's Medicare Advantage health plan, SCAN Health Plan, is one of the nation's foremost not-for-profit Medicare Advantage plans and serves more than 285,000 members in California, Arizona, Nevada and Texas. Independence at Home, a SCAN Health Plan community service, provides vitally needed services and support to seniors and their caregivers. Since 2020, SCAN has launched three mission-aligned medical groups, including Healthcare in Action, Welcome Health, and myPlace Health (a joint venture with Commonwealth Care Alliance), each of which focuses on meeting the needs of older adults. Additionally, in 2022 SCAN acquired The Residentialist Group, now known as HomeBase Medical, to support chronic disease management and palliative care for older adults in the home. SCAN's care delivery affiliates collectively serve more than 30,000 members. To learn more, visit

www.thescangroup.org or follow SCAN on Twitter @scanhealthplan.

## About CareOregon

For more than 25 years, CareOregon has offered health services and community benefit programs to Oregon Health Plan members. Today, CareOregon supports the needs of more than 500,000 Oregonians through three coordinated care organizations, a Medicare Advantage plan, a Tribal Care Coordination program, a dental care organization, and in-home medical care with Housecall Providers. CareOregon members have access to integrated physical, dental and mental health care, and substance use treatment. We believe that good health requires more than clinics and hospitals, so we also connect members to housing, fresh food, education and transportation services. CareOregon is a mission-driven, community-based nonprofit with offices in Portland, Medford and Seaside, Oregon. For more information, visit our website at www.careoregon.org, or follow us on social at @CareOregon on LinkedIn, Facebook, Instagram and Twitter.

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