Governor Announces Fourth Round of Medical Debt Abolishment



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On April 21, 2025, Governor Murphy announced a fourth round of medical debt abolishment, benefiting over 629,000 New Jersey residents with a total of over $927 million in debt relief. To date, the Murphy administration has eliminated $1.1 billion in medical debt for 776,000 residents by leveraging federal funds from the American Rescue Plan and partnering with Undue Medical Debt, a non-profit that works with hospital systems to purchase and eliminate large bundled portfolios of medical debt. Those that qualify for such medical debt relief have an annual income which is below four times the federal poverty level or have medical debts that equal 5% or more of their annual income. This initiative builds on previous work to protect individuals from negative effects of medical debt, including the signing of the Louisa Carman Medical Debt Relief Act in July 2024.

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