

Murphy Administration Announces \$59 Million In Medical Debt Relief

Healthcare Law Update

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On October 29, 2025, Governor Phil Murphy [announced](#) the fifth round of New Jersey's medical debt relief initiative in partnership with the nonprofit Undue Medical Debt. This round will eliminate \$59 million in medical debt for more than 48,000 New Jersey residents. In total for all rounds, \$1.3 billion in medical debt was forgiven for 780,000 people. Undue Medical Debt purchased the debt by leveraging approximately \$500,000 in American Rescue Plan funds from the State's investment in medical debt abolishment. Those that qualify for medical debt relief must have annual income which is below 400% of the federal poverty level or must have medical debts that equal 5% or more of their annual income. Recipients are notified automatically through an Undue Medical Debt branded letter, with no application required.

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