Season 3, Episode 4: Canceling Debt with Allison Sesso

Allison: People refusing—when they're hurt—refusing to get in an ambulance. You hear those stories all the time. People sit outside of hospitals in the ER parking lot waiting for the pain to subside so that they don't incur that financial hit when they walk through those doors.

Grace: Welcome to Giving Done Right, a podcast on everything you need to know to make an impact with your charitable giving. I'm Grace Nicolette.

Phil: And I'm Phil Buchanan.

Grace: Today on the show, we wanted to bring you an example of an innovative nonprofit and a nonprofit leader who we think is very thoughtful. I think that sometimes nonprofits have this reputation of being really stodgy and not well run. There is such a breadth of what nonprofits do that we think it's really unfair that sometimes they have this reputation, and we want to kind of burst that bubble a little.

Phil: I agree with you, Grace, about that reputation, and I also agree that's some BS because nonprofits are often incredibly creative in their approaches, and this particular organization is focused on an issue that is of staggering importance. It's medical debt. Now, that might not sound like the issue that is really going to get you going, but it should because $140 billion of medical debt is held by Americans, and the Stanford economist Neale Mahoney has chronicled this and its impact, not just pushing people into poverty, not just the fact that it's the source of most bankruptcies, but also because it stops people from getting the healthcare that they need and deserve.

Grace: Today's guest is Allison Sesso, President and CEO of RIP Medical Debt. We wanted to have her on the show because RIP Medical Debt provides this really high-leverage opportunity for donors to eliminate the medical debt of those in their communities. This opportunity was so interesting to me that I decided to get involved, which we'll hear about more in the show.

As always, if you have comments for us, please email us at gdrpodcast@cep.org.

Allison Sesso, welcome to Giving Done Right.

Allison: Thank you so much for having me; I'm excited to be here.

Grace: So, tell us about your work with RIP Medical Debt. What is it and how does your model work?

Allison: Yeah, so we're a pretty unique entity. We are a non-profit organization and we are national. We mimic the for-profit debt buying industry to have a huge and important return on investment for every dollar that's given to us, to the tune of $1 relieves $100 of medical debt. And if you, you know, add that up, you go up to a $1 million gets rid of $100 million dollars of medical.

That's who we are, and we're out there: we've gotten rid of over $7 billion of medical debt using this model to date for over 4 million people. And we're just going to keep going because this issue is so important and affects just so many people.

Grace: How is it that you all have such high leverage?

Allison: Yeah, so, unfortunately medical debt is a built-in feature of our healthcare financing system.

That's just a reality of the way that we finance healthcare in the United States. There's a lot of people that just don't have the means to pay what's expected of them in terms of how much of the medical costs fall to them individually. And so, what we do is we, again, we mimic a for-profit debt buyer, so we go take every dollar that's donated to us, and we go put them together, and we go to hospitals and other providers as well as even the secondary market, and we buy large portfolios. So, it could be like a million dollars that we spend at once. And if we spend a million dollars, we usually get about a hundred million dollars of medical debt in that portfolio.

The reason why we're able to get such a return on investment, because the debt in the for-profit industry, they have to make a return on investment. So, because most people can't pay their debt, most of that, they can't get a return on investment for, so they have to price it dirt cheap so that they can get a return on their investment.

We, on the other hand, don't need to make a return on our investment, because we're leveraging donated dollars to buy that same portfolio. So, it's really using the market in a strategic way.

Phil: So, Allison, really interesting approach, and I wonder whether there are critics who say, by using the market in this way, you're actually perpetuating a market-based approach to healthcare that doesn't work very well. If you look at, you know, spending in this country per person on healthcare, it's pretty much higher than anywhere else, but the health outcomes certainly are not better. Is there a worry that you're actually propping up a system that needs to be fundamentally reconceived? How do you think about that?

Allison: Yeah, of course. There's always critics out there, of course. This is the world we live in. It's more and more divisive, too. I think the reality is that we are taking advantage of a system, and we're making sure that we're helping people who would otherwise be hurt by this debt. So, we're making sure that *we* get our hands on the debt so that it can't get into a for-profit debt buyer's hands, and we're relieving people of that debt.

A lot of the debt that we actually buy, in reality, wouldn't actually be on the market because a lot of hospitals don't sell their debt at all. So, we are making sure that we get our hands on it and relieve that debt for individuals. And otherwise, it would be just sitting there on the hospital's books, but the individual's not notified of that reality, and technically they still owe that debt.

Grace: So, in your case with buying the debt, tell us what the debt holder experiences.

Allison: Yeah, so what's beautiful about our model, and it's so different than other interventions, if you will. So, most interventions in some way or shape or form, the person has to apply. They've got to fill out some kind of paperwork, they've got to take some kind of action. Ours: there's no action to be taken. We go buy the portfolio. Once we have the portfolio, we analyze it. We identify the people who meet our qualifications, which are 400% of poverty and below, and the debt being 5% or more of their income. Then we let the people know that we bought their debt and that they are free and clear of that debt for the rest of their lives and to hold onto the letter we sent them, if anyone were to ever follow up, which is unlikely.

Grace: Wow. And what kind of responses have you gotten from those folks?

Allison: Oh my goodness. The sense of relief is palpable. The sense of stress that debt is holding over people. The mental anguish that people go through is intense. Even if we're not able to relieve all the debt that they have, right? Even if it's a small percentage of the debt, they feel like there's somebody out there helping. A lot of people point to, you know, religious responses, right? Like, for

the grace of God that I had gotten this debt saved. And other people really do point to the system. They say, you know, I just felt caught up in the system, and I kept trying to put this debt in the back of my head and pretend like it didn't exist, but I knew it was there, and now that you've taken it away, I'll feel better about going to get the healthcare needs that I deserve and that I've been avoiding all this time because I was concerned about the debts that I might have and embarrassed by this debt. So, there's a real stigma attached to.

Phil: I want to pick up on what you just said about accessing healthcare, because obviously we all kind of know and we hear politicians talk about the role of medical debt in poverty, or how so many Americans are one health crisis away from serious financial disaster. But I saw this study from Stanford that talked about what you just mentioned, the significant decrease in the likelihood that people actually go for the tests or the treatment that they need. And so this has massive health consequences as well.

Allison: Absolutely. I mean, people refusing, when they're hurt, refusing to get in an ambulance. You hear those stories all the time. You hear people taking Ubers instead of getting to ambulance, you should talk to some Uber drivers—they'll tell you that they've taken a fair amount of people to the ER because it's a lot cheaper than getting in an ambulance.

People sit outside of hospitals, you know, in the ER parking lot waiting for the pain to subside. So that they don't incur that financial hit when they walk through those doors. So, it's a pretty bleak situation in terms of medical care and the financial implications that people are very, very aware of. Because even if they haven't experienced it themselves, they know somebody that has. Approximately 50 million or 20% of Americans have actually donated to crowd sourcing approaches—and most of them fail. I mean, so that just gives you a sense of it.

Grace: I think it just underscores to me that medical debt, as you all have said in your materials, it's a debt of necessity, right? It's not the result of bad decisions. One thing that I'm really struck by is that you all don't call it debt forgiveness because that implies that they did something wrong, but rather debt relief. Could you say more about that?

Allison: I think when we first started the organization, so I've been here about two and a half years, and we were founded by these two debt buyers who really understood this market and that, you know, full credit to Jerry and Craig for coming up with this model and using that to move this institution forward. And they did, they used the word forgiveness. And I came on board and I just sort of

said, wait a second. That's not right. Because I think at the end of the day, people didn't do anything wrong. They absolutely were a victim of the system. You can do everything right and still end up in medical debt. In fact, we know from a recent Kaiser study that the number one indicator of being in medical debt is not not having insurance, it's getting sick. So, getting sick is the number one actual thing that indicates that you're going to get in medical debt, so you can't avoid it.

Grace: So, Allison, you know this, and I wanted to share with our listeners that for my birthday recently, I decided to actually set up a fundraising page on RIP Medical Debt's website. I've never done this before, but I have been really struck by the leverage and the opportunity to eliminate debt for my neighbors and people in my community. So, my fundraiser is focused on Massachusetts, and it's been fascinating to me, you know—it started a couple months ago—the number of people who have given to it that I actually don't know that well, but actually reached out to me to say, "my family was impacted by medical debt." And I really see the importance of this, and it really has been fascinating. Because I wouldn't have known, for instance, that these folks had medical debt and that it really impacted them in such a core way. You know, one person said, I wouldn't have been able to go to college had someone not paid for this debt. And so, it's been very striking to me.

Allison: Yeah, I would say just that that's the stigma coming out, right? That people aren't sharing that with you.

Grace: Yes. I think the other reason why we wanted to talk to you is also because sometimes there can be this misconception about nonprofits that they're kind of, you know, fuddy-duddy, not really innovating the way that for profit businesses are. And this model I think is really interesting, right? Like, you're not really direct service in, like, a traditional sense, but it really is an innovation off of an idea. And I'm wondering if you could talk a little bit about that. As a nonprofit, how do you see leadership and innovation vis-a-vis, the for-profit sector?

Allison: First of all, I think that that's just a fallacy. Nonprofits are extremely innovative. I think part of the problem is the way we fund nonprofits, and we don't give them space to innovate. They're living so close to the margins. I saw that with my members when I worked at the Human Services Council. There's no room for mistakes. Everyone knows in a for-profit business you need room, and you need margins to make error. What I love about our model at RIP Medical Debt is that it is innovative, and it's using a for-profit system to create

relief for people. I also love the fact that because of the way our model works, we don't have to hire people.

That's fundamentally a lot of the problem with a lot of nonprofits is they have to hire people, and then they have to fire them. A lot of our work is really done with a debt engine that we created. It's behind the scenes. It's not people. So we're a really small but mighty team that gets a lot done, and we can just reduce how much debt we buy, and we are really, sort of, an entity. Or to your point, before you talked about doing a fundraiser yourself as an individual. Well, you are able to use our debt engine, and we're making it accessible to you, and we're doing all of that work behind the scenes to make that happen for you. But if you didn't come around, like, our costs are pretty low, we wouldn't have to fire anyone or reduce our size. It's really helpful, I think, the fact that so much of our money is really almost a pass through to buying the debt, and I think that's also attractive to donors, and it gives us a little bit more wiggle room than I think the traditional nonprofit has.

Grace: What would you say to donors, though, who, in essence, I think, often can default to not wanting to pay for overhead, thinking that nonprofits are bloated? I mean, you're not saying that donors shouldn't give to those things, it just happens to be in your model that the engine kind of replaces that. But given your previous role, how would you speak to donors who are kind of stuck in that mindset?

Allison: Yeah, I mean, again, if you want an entity to be strong, they need to invest in themselves, right? Just like any business. If you're a for profit business, you know that you need to invest in your talent. You need to invest in your systems. And so, nonprofits need to do the same thing. And I think that's what we've done heavily at RIP Medical Debt too. It's made us more efficient and more effective.

But you know, all nonprofits need the wiggle room to do that. I've always been a big fan of investing in, getting support for overhead rates and understanding that those are valuable and important places for donors to support in order to make sure that their dollars are being spent well and have the proper oversight that is needed.

I'm very proud of the fact that we have a very strong and active Board of Directors. I'm very proud of the fact that we have a lot of procedures and checks and balances in place to ensure that donor dollar is being spent appropriately and efficiently.

Phil: Allison, am I right that you received a gift from MacKenzie Scott?

Allison: You are correct. I got a $50 million unrestricted gift from MacKenzie Scott, and I would say that that has been really, really amazing for us in terms of being able to support some of these things I mentioned in terms of moving us along a path to being a strong entity that can do a lot of good.

Phil: Could you say the number again?

Allison: $50 million.

Phil: So, what'd you do with it?

Allison: Well, we're still spending it. A lot of it has gone for debt relief, but I certainly didn't want to take that and just pour it into debt relief and be done. So, I spent a lot of it on improving our technology. So, making sure, again, that we are here for the long term. We are spending it a lot on our pitch to hospitals to try to get more and more hospitals engaged and on board, so we can access that debt. Of course, on marketing ourselves. Nonprofits need to be known about, and it's not just for donors. In my model, I need the beneficiaries to believe the letters that they get, right? And to know that we exist. And I need hospitals to know that I exist and to want to work with me to make me get access to that debt. So, we're pouring a lot into our marketing and branding. And again, a lot, most, of it is, of course, going to debt relief. But we are also spending some of it, importantly, on ourselves. We're also doing some innovative relationships with partners in local communities. This is so we don't have to, sort of, reinvent the wheel in each community. It's actually an efficiency. So, we're finding that we are already working in the weeds and might be looking at population health issues and already working with partnerships with hospitals and we're paying them in a contractual way to help us get the hospitals on board. But then we are leaving something in our wake. We're leaving an opportunity for them to improve their relationships with hospitals and to raise the issues locally of this medical debt problem and see if there's not local solutions that they can work on in that community. So, I'm really doing something that's like reverberating through the community while also ensuring that we're getting what we need and saving ourselves some time and energy and not having to, again, because we're national, work in every single community across the United States.

Phil: And as someone who's been in this sector for a while, can you comment a little bit about this approach that you've been on the receiving end of and how it contrasts with your other experiences raising money? And I mean, do you think there's something that donors should learn from this?

Allison: Absolutely. I think, first of all, trusting the nonprofit to do their work and then getting out of their way, it's important. I really do think that at the end of the day, what MacKenzie Scott is doing is she's looking hard, *hard* at the nonprofits in advance, right? She is making sure that we are asked hard questions about what we're doing, making sure that the vision is substantial, that we have good leadership, right? I got asked a *ton* of leadership questions before I was able to get this grant—and I didn't even know who I was talking to because that's the thing about it is, you don't have information. And in fact, one of the things I remember saying was, look, if what you are doing to give me this money, it doesn't line up with what I want to do, like, I might not take your money. And I didn't know how much we were talking about. I didn't know anything. And the fact that we passed the test, if you will, and got this money was huge. But then, she gets out of your way. I mean, she really lets you do the work that you're doing in a way that goes back to that efficiency. Having more and more donors trust the nonprofits—do the advance work—but then get out of their way.

Grace: On that note, I mean, your model is so interesting and even this conversation about MacKenzie Scott is so interesting, because we advise donors that it's important to have a relationship with the nonprofits that you give to. Part of that is about understanding, but it's also about transformation for the donor as well. You don't want to just be pushing an agenda, you want to be fully understanding what you're giving to. Can you talk a little bit about, like, when does it make sense to build a relationship with a donor and when does it not? Because it strikes me that your donors—like, with my birthday fundraiser, I'm not directly building a relationship with folks who are getting their debt canceled, and yet, it is still very powerful that this mechanism can happen. Given your background and kind of your bird's eye view of the different kinds of donor relationships, can you talk a little bit about your advice to donors on what kind of relationships they should be thinking?

Allison: Absolutely, and I really appreciate the question. You have to realize that it's a two-way street, like dating or marriage, you know, like, you're both getting something out of it. And you both have to be honest and transparent about what you're bringing to the table and what you're hoping to take away. And honestly, there has to be moments where you say, you know what? I'm not willing to bend that much in the direction. As a nonprofit leader, I know what I want to accomplish, and I know where there's, you know—if there's certain opportunities, you can weigh them against your vision—but you don't want to get thrown off track. That could be so easy to get done, especially if somebody's throwing a big number at you. I think that's a real potential problem for leaders of nonprofits.

And then on the donor side, I would say, realize that that's a pitfall, right? Like nonprofits really want to do their work, and they have real pressures financially in front of them. And so, you could, by asking them to push, push, push and keep pushing them in the wrong direction or in a direction you want them to go in, that they might say yes, and it might actually fundamentally undermine the very thing that you attracted you to them in the first.

I would just say really be careful of that power dynamic. You can't get rid of it. The reality is: it's there. And so, you need to do your best as a donor to manage it and realize that the nonprofit is going to try to make you happy. And I would say for the leaders of nonprofits, also be honest about what you can and cannot do and keep your eye on the prize.

Phil: And one of the things that we are doing at CEP is studying, as I think you know, Allison, because we've had an exchange about this, we're studying what happens to the organizations that have been on the receiving end of these big gifts from MacKenzie Scott. How do they spend the money? What does that tell us about pain points and priorities? What impact they believe that they're able to have that they wouldn't otherwise have been able to have? What are the unintended consequences, if any? Does it make fundraising easier or harder? Because people look and say, well, I don't know if they need our resources anymore, which would be a foolish conclusion to come to, I think. But anyway, so, we're looking at that and trying to really distill the lessons for donors because I think it is such an interesting natural experiment—it really does differ from the sort of default approach that so many donors take, which is actually to believe that they have to look over your shoulder and, "how are you allocating those resources?" because of a sort of lack of trust that doesn't really make a lot of sense, because, after all, you know best about the work that you're doing.

Grace: Actually, I recommend to our listeners, Allison, in your last role, you were involved with a YouTube video that has become really famous here at CEP. I believe was called "The Funder," and it was a parody video of really the blind spots that funders can often have when they're not thinking about the nonprofit's best interest but thinking of their own interest. So, we'll put a link to that in the show notes.

Phil: And that's where I wanted to go also is, one of the interesting things we've seen in the research is—it's in its early days, we're still analyzing the data, so we're not really supposed to be talking about it—but the executive directors talk about the emboldening and empowering experience that being on the receiving end of these huge gifts from MacKenzie Scott has been, and it has led them to be more direct in the way that you are encouraging, Allison, with other donors

to just say what they need. So, I think that's probably something, maybe she contemplated that that would be an effect, but that would be a sort of unintended, potentially positive consequence of this model that she's taken.

Allison: I think she gives people the space—that's what happens, right? Because you have a little bit of space. It's that margin that I was talking about earlier. Because she's basically given us some margin to play with, we're able to think more creatively and do the things that we didn't even let ourselves imagine, because we didn't think we'd be able to get enough funding to do it in like the time and you know, to get everybody on board and rowing in the same directions.

The problem with nonprofits is you're trying to satisfy so many different people's desires and needs, and then put it on a path forward. With MacKenzie Scott, you sort of are let to do what you want to do in some ways. I mean, you certainly still have to get buy in. You want to do what your donor base really wants you to do, the people that are there all the time and there for the long haul. But it really just allows you to be more innovative in a way that's amazing.

Grace: I think with her gift, what's so interesting, right? It's a number of layers. It's obviously the size of the gifts is a big piece of it, but also the fact that there are no strings attached, and really there's no direct relationship with her.

This is one thing I wanted to ask you about, because recently I was speaking to another major donor and she was saying, these days, nonprofits just want my money, and they want me to get out of the way. And then she was wrestling with, is there a role that I have to play in this relationship? Is it possible that I have some things to bring to the table too? And I'm curious, because I do think she's not alone in feeling that way as donors these days, what do you say to donors who are kind of wrestling with that dynamic?

Allison: I think it's every couple months we have this thing, it's called Meet the CEO, where we invite a handful of donors, and I give them insight into my thinking, I let them ask me questions, I give them an opportunity for that. And then that's actually what I was saying before about, yes, it's not just what, like what I said, what *I* want do. It's not what I, Allison, want to do. It's what I, as the CEO who is getting insight and information from across a wide range of donors, a wide range of stakeholders, that allow me to make decisions appropriately and take all those things into account. And so, having those meet the CEO opportunities really lets me engage donors and share my thinking very clearly about where I'm going and what I'm thinking about and get their questions. And that guides both my decisions, as well as gives them a good

sense and don't feel like they're on the outside. So, I think you do need to create opportunities. But that's different than saying, “I'm going to give you these dollars in this way, and I want you to do it in this way, and I'm going to keep checking on you every 10 minutes, and you have to, you know, keep making sure that I'm engaged,” because you know, there's a lot of donors out there, and if you want the nonprofit head to do that, then they're not going to be focused on the mission.

Phil: I want to go back to this question of critique of the model, and you said before, well there's always critics. That's certainly true. But can we go a little deeper on what you would say to folks who say, “look, this is just a Band-Aid on a fundamentally broken system.” How do you see that? Do you see yourself as part of an ecosystem of players in which others are actually trying to fundamentally alter the system such that you might not even at RIP Medical Debt need to exist at some point in the future and that that would be a victory? Or do you just focus more narrowly on your own mission? Is there room for donors to kind of do both, to help with the present crisis of medical debt while simultaneously supporting others who are trying to ensure there's a future in which medical debt isn't even a thing?

Allison: I love this question. And I feel pretty employable, so I feel like I could totally get another job if, like, this medical debt issue was, you know…

So, I’m actually very actively steering the organization in a direction that, yes, our number one thing is to get rid of medical debt from people. 100 percent. That is the main thing that we're going to do. And we are doing that very well. We've, again, gotten over $7 billion and we're just going to keep those numbers up.

I think that it is a Band-Aid to a broken system. However, that Band-Aid is absolutely necessary. It's clear from the individuals who are telling us their stories that this is valuable *today*. I mean, I don't know about you, but I don't see us solving this medical debt problem. The politics aren't lining up. Nothing is lining up to fix fundamentally these problems anytime soon. I, you know, see a lot of things going in the wrong direction, and so in the meantime, I need to be there, and I need to be helping as many people as possible.

At the same time, there is no question that I am going to be actively contributing to the larger conversation. And the way that we actually think about this is, we actually hired an anthropologist on our team, that was a result of the MacKenzie Scott funding, we hired an anthropologist to get a better sense of the return. When we hear back from people, what are the themes that we're hearing and

their stories? So that we can contribute that to the larger conversation about the impact of medical debt and how it's hurting people, so that that hopefully puts more pressure on the need to do something about this and what those solutions might look like.

At the same time, we're also getting data, information from hospitals. When we work with hospitals, we give them an analysis that gives them a good sense of how their financial assistance policies might not be working as well as they think they are, because we show them who's slipped through the cracks. It's all between us and them. We have a BAA, so it's a safe space for them to get that information, but we give them tips on how they could change those financial assistance policy.

We have a policy agenda. It's got three prongs:

One is, before people walk in the door, we want to make sure that they have the best insurance that they can. So, things like, you know, expanding the subsidies on the ACA, which they just actually did. They actually expanded it for, I think, another three years.

Then, number two, making sure that hospitals do have good financial assistance policies in place as they're supposed to, and that they're strong and people have access to them. So, once they've gotten there, if they don't have the money, that they're, you know, getting covered by the local financial assistance policy of that hospital.

And then third, once a person does have medical debt, being really mindful of the things that people are allowed to do to collect on that debt. Like, should we allow people to garnish wages and take their homes away and their cars? Probably not, because it's not something you can control, and you're just making that person's life worse. So, I think that there are some really tangible steps that we can take, and RIP Medical Debt is contributing to that conversation. We are not a policy shop, but we have something to say.

Grace: I think donors often think that nonprofits are either working on the relief side of things, but not necessarily on root causes, or vice versa, they're working on root causes, but not necessarily solving, kind of, the here and now. And listening to you, it just makes me reflect that most nonprofit leaders we've spoken to actually are thinking about both and are active in both.

Allison: For change to happen, it's going to take a lot of actors, and I think that we actually have unique information to contribute to this conversation. But

again, I'm not taking my eye off the prize. I am not a policy shop, but I have something to say. There's a difference between the two.

Phil: Yeah, it makes me think of these sort of utopian critiques of philanthropy that we hear so much of, it seems, in recent years, sort of this sense that, "well, philanthropy is doing, you know, what the government should do." But the government's not doing it. So, what do we say to the people who are experiencing suffering? Just, "tough luck, because we're building a utopia in our minds here." It's just so crucial that we work on both fronts and obviously your work is having such a powerful effect on people's lives. And I loved your description earlier of just the feeling that people have when they realize they don't have this burden anymore.

Grace: Allison, can you share with us a story of someone whose debt was canceled through RIP Medical Debt?

Allison: There are so many, but yes, absolutely. One woman that comes to mind is this woman named Vanessa in Massachusetts, which is, I think, where you're fundraising. We only relieved a thousand dollars for her, which you know, is not, I shouldn't say *only*, it's a good amount of money, but it wasn't the full amount of her debt that she had. But she was so grateful. The thing about her is that she was a nurse working on the front lines during the pandemic, and she was working at the same hospital that she received care at, and that is a debt we relieved. And I think that's just shows you how broken the system is. She wanted to go to that hospital because she knew the people who were going to give her the care, and yet she ended up in medical debt. And she had insurance the whole time, but the co-payments were just too high for her given what she was making as a nurse working on the front lines during the pandemic. And that story to me was just one that I always feel is amazing and heartbreaking and just shows you how much everyone is impacted by this issue of medical debt.

Grace: So, Allison, at the end of every show, we like to ask all of our guests—giving done right, to you, means: fill in the blank. How would you answer that?

Allison: To me, it means believing in the mission, deeply, of the nonprofit that you're supporting; being a long-term supporter, so coming back to the table repeatedly year after year; and trusting the nonprofit to do the work that they're doing.

Grace: Thank you so much for joining us.

Phil: Thank you, Allison.

Allison: Thanks! This was fun.

Phil: Obviously, we live in a market driven economy. But the markets don't always work so well, particularly in certain sectors. And it is often nonprofits that are intervening to try to make things better. And that is true of RIP Medical Debt. They may not be getting at the root cause of a broken healthcare system, but they are getting at the root cause of a lot of poverty and suffering by erasing the debt of folks who are burdened with it. And that is so important.

Grace: You know how there's that adage of, it's easier for people who already have money to make money? I mean, I think of this, the statistic that RIP Medical Debt has that, on average, only $8.87 of a donation are required to erase a single billing account in debt. And the fact that the debt holder, the medical debt holder themselves cannot erase their debt for pennies on the dollar, but it requires someone else, like a donor or a group of donors, to come in and do that, to me is just bonkers. And I'm glad that we have that opportunity. I mean, this is why, when she said it takes many people to get involved, and they're working on a particular part of this problem, I think it really stirred something in me. Which is why, for the first time, I wanted to do something related to a guest that we had on the show. So, we're going to link to the Massachusetts fundraiser in the show notes. If you can donate the cost of a cup of coffee today and just join us—join me, Phil, and our producer have, I'm really grateful they've also given—but we just can eliminate a lot of people's debt for just pennies. I just wanted to see like, what does that feel like? And I'd be curious to hear from all of you, our listeners, if you do join me, what you learn in the process.

Phil: Grace, it's so cool that you're doing that for your birthday—happy belated birthday by the way. It is bonkers, and maybe that's what nonprofits do, is make this world a little less bonkers or a little less unfair, unjust for people, even as Allison would be the first to acknowledge that there's much work that they can't do, you know, policy work to be done to change this system such that someday there is no such thing as medical debt. But here we are today, and I'm really glad that this organization exists.

Grace: Thank you for listening to *Giving Done Right*. You can find more resources about effective giving and the podcast on givingdoneright.org. You can find us on Twitter, I'm @gracenicolette and Phil is at @philxbuchanan. And if you like the show, please leave us a review on Apple Podcasts, it really helps.

Phil: Listeners, we want to hear from you. Tell us what giving done right is about to you, what it really means, and we'll feature some of our favorites on the

show later this season, just send us a short voice memo—one minute or less—to gdrpodcast@cep.org.

Grace: Giving Done Right is a production of the Center for Effective Philanthropy. It's hosted by me, Grace Nicolette, and Phil Buchanan. Our executive producer is Sarah Martin with mixing and engineering by Kevin O'Connell and additional editing by Isabelle Hibbard.

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