



**ANDY BESHEAR**  
**GOVERNOR**

## **EXECUTIVE ORDER**

**Secretary of State**  
**Frankfort**  
**Kentucky**

**2026-600**  
**September 15, 2026**

In Kentucky we are reigniting the American Dream.

That Dream starts with a good paying job and a place to call home. But home ownership means a mortgage and mortgage means access to credit.

Medical debt unfairly damages Kentuckians' credit – despite it being no indication of actual creditworthiness. As a result, it has become an unnecessary and destructive barrier to home ownership.

And far too many Kentuckians bear the burden of medical debt.

Today, 1 in 5 Kentuckians and more than 100 million Americans struggle with medical debt. In many Kentucky counties, more than 1 in 3 face that struggle.

The problem is so bad that medical debt has become a leading cause of bankruptcy in America. In fact, 66% of all bankruptcies are directly linked to the high cost of health care, prescription drugs, surprise or erroneous billing, hidden fees, and losing jobs due to medical conditions.

But this is not a debt we choose. Unlike other debt that people choose, like charging a credit card or student loans, Kentuckians don't get to choose whether they are in a major accident or suffer from a serious illness.

Nor do they get to negotiate prices with providers. The ability to "shop around" for healthcare is virtually nonexistent. And, in emergency situations, people may have no choice at all – or it may be made for them.

Kentuckians live in fear of those big medical bills that might be around the corner. In some cases, people delay or outright skip going to the doctor or the hospital because they are afraid of the bill, even when it jeopardizes their life or their health.

Healthcare is a basic human right and no Kentuckian should ever have to make the choice between their dollar and their life.

In other cases, Kentuckians can be mistakenly billed for services they never received. And some never be notified that they have medical debt.

And, even if it doesn't bankrupt a person, medical debt can have a major impact on a person's family and life. It can force families to cut back on basic necessities, or become trapped in a cycle of loans, payment plans, and credit cards.

Medical debt can stop Kentuckians from saving for retirement, investing in their children's college funds, buying a home – or even being blocked from future care – with 1 in 7 people with debt denied access to a hospital, doctor or provider.

Having only \$500 dollars of medical debt can result in a 20-60 point reduction in one's credit score. Depending on other factors, that means at best having higher interest rates when purchasing a home or a car – costing tens of thousands of dollars in interest payments – and, at worst, it can mean no access to credit at all.



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As Governor, my job is to move Kentucky forward and have the back of all Kentucky families. No family should be one medical emergency away from financial ruin and all should have the opportunity to achieve the American Dream.

Relieving medical debt will improve the credit scores of tens of thousands of Kentuckians desperate for help. Better credit scores means access to credit, lower interest rates, and ultimately will put home ownership – the cornerstone of the American Dream – back within reach of so many Kentucky families.

**NOW, THEREFORE**, I, Andy Beshear, Governor of the Commonwealth of Kentucky, by virtue of the authority vested in me by Sections 69 and 81 of the Kentucky Constitution do hereby Declare, Order and Direct the following:

- I.** The Secretary of the Finance and Administration Cabinet transfer \$2.5 million dollars to Undue Medical Debt for the purpose of erasing \$250 million in medical debt for an estimated 130,000 eligible Kentuckians.
- II.** The Finance and Administration Cabinet is directed to provide all necessary support, and technical assistance required to expedite the process

This Order shall take effect immediately.

  
ANDY BESHEAR, Governor  
Commonwealth of Kentucky

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MICHAEL G. ADAMS  
Secretary of State