

## **BEST PRACTICES AGREEMENT**

WHEREAS, the Parties to this Agreement—the New York State Attorney General and Northwell Health (“Northwell”)—believe that healthcare should be affordable and accessible to all New Yorkers; and

WHEREAS, inability to pay for needed medical care impacts thousands of New Yorkers and disproportionately affects people who are low-income, people who are uninsured or underinsured, communities of color, immigrants, and people with disabilities; and

WHEREAS, the health care insurance marketplace leaves many families with unaffordable deductibles and uncertain coverage for medically necessary care; and

WHEREAS, inability to pay for needed medical care, and concerns about incurring unmanageable debt, causes many consumers to forego or delay necessary healthcare and to suffer financial uncertainty and stress; and

WHEREAS, the Parties to this Agreement share a commitment to assisting consumers in understanding and accessing financial assistance for medical care; and

WHEREAS, the Parties to this Agreement believe that all consumers should be treated with dignity and be provided with effective assistance in understanding their ability to obtain free or low cost care (“charity care” or “financial assistance”) based upon their financial circumstances; and

WHEREAS, the Attorney General seeks to increase the transparency of financial assistance practices of non-profit hospitals across the state to ensure compliance with the charitable mission and purposes of the hospitals, as well as with New York State Hospital Financial Assistance Law and Section 501(r) of the Internal Revenue Code; and

WHEREAS, Northwell enters into this Agreement for the purpose of memorializing its commitments to uphold certain policies and practices relating to access to, the screening for and provision of financial assistance, medical debt collection, and reporting of financial assistance, and to provide a public model for effective compliance by tax-exempt hospitals with their nonprofit

mission and purpose regarding financial assistance; and

THEREFORE, Northwell and the Attorney General stipulate and agree to the entry of the following Agreement:

### **DEFINITIONS**

- A. **Amount Generally Billed (“AGB”)**: the amounts generally billed for Emergency Medical Care or other Medically Necessary Services to individuals who have insurance covering such care, determined by multiplying the Gross Charges for the care by the AGB Percentage. AGB is calculated by Northwell utilizing Medicaid rates on a “Look-Back” basis, as defined by Section 1.501(r)-5 of the Department of Treasury regulations, for all its Hospital Facilities and Clinics. AGB for services provided by physicians employed by Northwell at Northwell Hospital Facilities and Clinics is calculated based on a “Look-Back” basis utilizing Medicare rates.
- B. **Emergency Medical Care**: Health care services that a hospital or a physician exercising prudent clinical judgment, would provide to a patient exhibiting an Emergency Medical Condition, as defined by Section 1867 of the Social Security Act (42 U.S.C. 1395dd) (the Emergency Medical Treatment and Active Labor Act (“EMTALA”)).
- C. **Extraordinary Collection Action (ECA)**: Collections Actions that hospital facilities exempt under 501(c)(3) of the Internal Revenue Code may take to collect payment on a medical bill pursuant to Section 1.501(r)-6 of the Department of Treasury regulations. Under this Agreement, ECAs that Northwell may take, but only with the consent of a Medical Debt Ombudsperson and after certain procedures are carried out as described in its Collection Policy (see Appendix D), include actions that require a legal or judicial process, including but not limited to (a) commencing a civil action against an individual, (b) placing a lien on an individual’s property other than a primary residence, and (c) attaching or seizing an individual’s bank account or any other personal property.

- D. **Family Income:** Family Income as measured by Northwell includes wages, salaries, unemployment compensation, workers' compensation, Social Security, Supplemental Security Income, public assistance, veterans' payments, survivor benefits, pension or retirement income, net rents from property, net profits and fees from their own business, interest, dividends, rents, royalties, income from estates, trusts, alimony, child support and other miscellaneous sources. Family Income is determined on a before-tax basis and excludes capital gains or losses. If a person lives with a family, income of all family members (but not unrelated household members) may be considered part of Family Income. Noncash benefits, such as food stamps and housing subsidies, are not considered income.
- E. **Financial Assistance:** The free or discounted care, advice and assistance in obtaining insurance coverage or payment, and guidance in accessing such care, provided to a patient for Emergency Medical Care or Medically Necessary Services pursuant to Northwell's Financial Assistance Policy.
- F. **Financial Assistance Application ("Application"):** A uniform document setting forth information and documentation needed to assess a patient's Family Income. The Application may be completed by the patient or a representative for the patient, or by a Northwell Certified Application Counselor on behalf of a patient.
- G. **Hospital Facilities and Clinics:** Northwell hospital facilities and clinics listed in **Appendix A**.
- H. **Medically Necessary Services:** Health care services that a physician or other licensed health care provider, exercising prudent clinical judgment, would provide to or order for a patient for the purpose of evaluating, diagnosing or treating an illness, injury, disease or its symptoms, and that are: (a) in accordance with the generally accepted standards of medical practice; (b) clinically appropriate; and (c) not primarily for the convenience of the patient.

- I. **Plain Language Summary:** A written statement describing the Financial Assistance Policy in language that is clear, concise, and easy to understand with the aim that as much of it as practicable (given the topic and substance of the document) be drafted at a fifth-grade reading level.
- J. **Third-Party Payors:** An entity, whether private or governmental, that provides reimbursement to Northwell for health care items and services provided by Northwell.
- K. **Written Determination:** Northwell's written decision of a patient's Financial Assistance eligibility.

## **GENERAL**

1. The provisions of this Agreement will apply to Northwell and to its successors, employees, assigns, contractors, representatives, and all others acting in concert or active participation with Northwell, with respect to each Northwell Hospital Facility and Clinic listed in **Appendix A** of this Agreement, including employed physicians at the Hospital Facilities and Clinics, and all third-party collection agencies and outside debt collection law firms to which Northwell refers accounts ("Contracted Agencies and Firms").
2. Northwell will report to the OAG annually on its efforts to centralize the processes and policies by which it provides Financial Assistance for services outside Northwell Hospitals and Clinics, including, as applicable, employed physicians' practices, non-hospital services (including pharmacy services, lab fees and other diagnostic testing costs), and Northwell-affiliated facilities and clinics not included in Appendix A.
3. Within thirty (30) days following the entry of this Agreement, Northwell will inform all persons associated with Northwell responsible for or involved in implementation of this agreement about the terms of its Financial Assistance and Collections Policies and the terms and conditions of this Agreement and will direct those persons and entities to comply with this Agreement. Northwell will also provide appropriate training, as deemed necessary by Northwell, to

all persons covered under this Agreement as set forth in this Agreement.

4. Northwell will implement policies and procedures to ensure that it reasonably complies with this Agreement upon the later to occur of (a) October 20, 2024 and (b) the date upon which Chap. 57, Part Y, Subpart C, Section 1 of the 2023 N.Y. Laws takes effect.

5. For 5 years following the date of entry of this Agreement, Northwell will maintain policies and procedures to ensure that it reasonably complies with this Agreement.

### **FINANCIAL ASSISTANCE**

6. Northwell will maintain the Financial Assistance Policy attached to this Agreement at **Appendix B**, which will apply to all Hospital Facilities and Clinics, employed physicians for services rendered at the Hospital Facilities and Clinics, and Contracted Agencies and Firms.

7. Northwell will also maintain the Plain Language Summary of the Financial Assistance Policy at **Appendix C** which will be updated with any changes to the Financial Assistance Policy.

8. Northwell will provide at least thirty (30) days advance written notice to the Office of the New York State Attorney General (“OAG”) of any planned change to the Financial Assistance Policy except for annual updates to the Federal Poverty Guidelines (“FPG”) and any additions to the Appendices to the FAP. If the OAG believes that the proposed change to the Financial Assistance Policy would not be consistent with the purposes of this Agreement, the OAG will notify Northwell and request to meet and confer. Northwell will make a representative available to meet and confer before any changes are made.

### **Financial Assistance Eligibility**

9. Northwell will provide Financial Assistance to New York State residents who receive Emergency Medical Care or other Medically Necessary Services at a Northwell Hospital Facility or Clinic upon finding that the individual’s Family Income falls at or under 500% of the current FPG at the time of eligibility determination. Patient responsibility for the medical bill will

be discounted according to the AGB for the service(s) received at the following rates:

| <b>Family Income as % of FPG</b> | <b>Uninsured Patient Responsibility (% of AGB)</b> | <b>Underinsured Patient Responsibility (% of Patient's Cost Sharing)</b> |
|----------------------------------|----------------------------------------------------|--------------------------------------------------------------------------|
| <b>200% or less</b>              | <b>\$0</b>                                         | <b>\$0</b>                                                               |
| <b>201% to 250%</b>              | <b>5%</b>                                          | <b>5%</b>                                                                |
| <b>251% to 300%</b>              | <b>10%</b>                                         | <b>10%</b>                                                               |
| <b>301% to 350%</b>              | <b>15%</b>                                         | <b>15%</b>                                                               |
| <b>351% to 400%</b>              | <b>20%</b>                                         | <b>20%</b>                                                               |
| <b>401% to 500%</b>              | <b>100%</b>                                        | <b>100%</b>                                                              |

10. Northwell will consider on a case-by-case basis applications for Financial Assistance by individuals who are not New York State residents or whose Family Income exceeds 500% FPG but face other financial hardship that affects their ability to pay their medical bill.

11. Northwell will accept Applications at any point before payment for a service has been completed. Applications may be made by the patient or a family member, close friend, or associate of the patient, subject to applicable privacy laws.

12. While an Application is pending, Northwell and/or a Contracted Agency or Firm will suspend all collections activity and any previously-initiated ECAs, will not refer the account to a Contracted Agency, and will not take any new ECA to collect the amount owed. Applications are considered pending between the time the Application has been received until either: (a) Northwell has determined whether the individual is eligible for Financial Assistance based on a complete Application, or (b) in the case of an incomplete Application, the individual has failed to completely respond to requests for additional information and/or documentation within a reasonable period of time given to respond to such requests, a minimum of thirty (30) days following the request.

#### **Notification and Education of Financial Assistance**

13. Northwell will make available the Application and Plain Language Summary of the Financial Assistance Policy at each Hospital Facility and Clinic web address, at each Hospital Facility's main registration or Emergency Room desk, and upon request through the Northwell

customer service and financial counseling phone lines.

14. In every bill and financial statement issued by a Hospital Facility or Clinic and at any Northwell Hospital Facility or Clinic web address where one may pay a medical bill or sign up for a payment plan, Northwell will notify patients in writing with plain and conspicuous language that Northwell provides services at a reduced cost to patients who are determined to be eligible based on financial need, whether or not they have insurance, and provide a link to the Application, along with a toll-free phone number they may call for further assistance.

15. Conspicuous notices with larger than 20-point font alerting patients to the availability of Financial Assistance and information on how to apply will also be conspicuously placed in emergency rooms, admitting and registration departments, hospital business offices, clinics, and patient financial counseling offices that are located on Northwell Hospital Facility campuses.

16. The Application and Plain Language Summary will be translated into languages (a) used to communicate, during at least five percent of patient visits in a year, by patients who cannot speak, read, write or understand the English language at the level of proficiency necessary for effective communication with health care providers, or (b) spoken by non-English speaking individuals comprising the lesser of (i) 1,000 residents or (ii) more than one percent of the primary hospital service area population. Northwell will have a procedure in place to ensure the accuracy of these translations. These translations of the Application and Plain Language Summary will be easily accessible on Northwell's website and at each Hospital Facility and Clinic campus.

17. Northwell will provide free interpretation services for any person who requires a preferred language that is not encompassed in paragraph 16 above or otherwise needs assistance in understanding the Application or Policy. Free interpretation services will also be made available to individuals with vision and/or hearing impairments.

18. Northwell will train its Hospital and Clinic intake and registration staff to communicate with patients about the availability of Financial Assistance as well as translation

services and financial counseling during intake and registration. If requested, all patients will be provided the Plain Language Summary in their preferred language during intake.

### **Financial Counseling**

19. Northwell will maintain a dedicated financial counseling department that offers the services of certified application counselors (CACs) to assist and counsel patients in managing the financial aspects of the care they receive. CAC certification requires successful completion of state and local training courses and annual training thereafter.

20. Contact information to discuss Financial Assistance with a Northwell representative will be prominently displayed in each of the communications described above alerting patients to the availability of Financial Assistance.

21. Northwell and the Contracted Agencies and Firm's customer service phone operators (including any line that receives calls related to billing) will be trained how to notify callers about the availability of Financial Assistance and direct callers to the financial counseling department when they identify any financial hardship or difficulty paying their bill. Northwell will affirmatively notify patients of the availability of Financial Assistance when they are offered a payment plan.

22. Northwell will employ a reasonable number of CACs to meet the demand from patients for the service.

23. CACs will be trained to screen patients for eligibility for health insurance as well as Financial Assistance and assist them in the application process for each.

24. Northwell will make reasonable efforts to direct uninsured patients to the financial counseling department for assistance in applying for health insurance or Financial Assistance.

25. CACs will be trained to assist patients in identifying alternative documentation when they are unable to provide requested documentation or information for the Application. The financial counseling department will have a procedure in place to provide approval in cases where applicants do not have required documentation or seek a hardship modification to the eligibility requirements.

## **Processing of Financial Assistance Applications**

26. Within thirty (30) days of submission of an Application, Northwell will provide a Written Determination to the individual of their Financial Assistance eligibility. If the individual is found eligible for Financial Assistance, Northwell will provide them an updated billing statement indicating the amount owed, how the amount was determined, and the applicable AGB percentage. Northwell will reimburse any amounts paid in excess of the amount determined to be owed, unless such excess is less than \$5.00.

27. If the individual is found ineligible for Financial Assistance, a Written Determination will explain the reason for the denial. All Written Determinations will notify individuals of the right to appeal any determination made and instructions on how to do so.

28. If a patient disputes any determination by Northwell in the Application, whether or not they were found eligible for any Financial Assistance, they will be advised of their right to and permitted to submit an appeal within thirty (30) days of the Written Determination. Northwell will provide the individual with a written notice detailing the findings of the appeal within thirty (30) days.

29. Approved Applications for uninsured patients will remain valid for 12 months and may be used to determine eligibility for subsequent services. Financial Assistance determinations may be re-evaluated at any time information relevant to the eligibility of the patient for Financial Assistance changes during those twelve months. Northwell will apply Financial Assistance discounts at approved levels to any outstanding unpaid account the patient may have for medically necessary services without respect to date of service.

30. To process Applications, Northwell may ask patients to supply documentation of Family Income as defined in this Agreement and the Financial Assistance Policy.

31. Northwell will not consider assets when assessing Financial Assistance eligibility. Northwell may consider other patient income raised specifically for the purpose of paying medical

bills.

32. If an incomplete Application for Financial Assistance is received, Northwell will send a written notice that describes the additional information or documentation required to make an eligibility determination for Financial Assistance and provide patients thirty (30) days to supply the required information. The notice will also inform patients how they may contact a Northwell representative if they have difficulty obtaining the requested information or documentation.

33. If a patient reports that they are unable to locate certain information or documentation requested in the Application, Northwell will work with them to identify other documentation that may demonstrate their financial need. For instance, Northwell may consider whether the patient is homeless or demonstrates other evidence of financial hardship.

### **Presumptive Eligibility**

34. Northwell will contract with a vendor that provides financial data on consumers' estimated Family Income and Federal Poverty Level without impacting their credit status. For patients who have not submitted an Application or signed up for a payment plan 365 days after the patient's first post-discharge billing statement or 60 days after referring the patient to a secondary Contracted Agency, Northwell will use data provided by the contracted vendor to determine whether the patient may be presumptively eligible for Financial Assistance ("presumptive eligibility screening").

35. Northwell will run such presumptive eligibility screenings on a monthly basis, which will result in some patients being screened shortly before the timeline discussed above and others shortly after.

36. If Northwell determines that a patient is presumptively eligible for Financial Assistance, Northwell will provide the patient with a discount in accordance with their estimated Family Income. Northwell will also notify the patient, in writing, regarding the basis for the Financial Assistance discount, and how to submit an Application to be assessed for further

Financial Assistance.

37. Northwell will take steps to explore resources that would enable it to more accurately determine a patient's financial status for purposes of presumptive eligibility screenings and determine whether such a new process enables them to conduct the presumptive eligibility screening at an earlier point in the collection process.

### **DEBT COLLECTION**

38. Northwell will maintain the Collection Policy attached to this Agreement at **Appendix D**, which will apply to all Northwell Hospital Facilities and Clinics, employed physicians for services rendered at Northwell Hospital Facilities and Clinics, and Contracted Agencies and Firms.

39. Northwell will provide at least thirty (30) days advance written notice to the OAG of any planned change to the Collection Policy. If the OAG believes that a proposed change to the Financial Assistance Policy would be inconsistent with the purposes of this Agreement, the OAG will notify Northwell and request to meet and confer. Northwell will make a representative available to meet and confer before any changes are made.

40. Northwell will not report information about a patient to a consumer credit reporting agency or credit bureau.

41. Northwell will not require any patient to make a payment prior to receiving Emergency Medical Care.

42. If a patient is placed on one or more payment plans in connection with an approved Application under the Financial Assistance Policy, Northwell will not charge interest on the amount owed and the monthly payment(s) on the plan(s) together will not exceed 5% of the patient's gross monthly income. Patients are only eligible for payment plans if their account balance is at least \$100 total, with a minimum monthly payment of \$25.

43. In every document and web page permitting patients to create a payment plan,

Northwell will include a conspicuous notice about the availability of Financial Assistance.

Northwell and Contracted Agency staff will be trained to notify patients that they may qualify for Financial Assistance when discussing payment plans. If a patient indicates a need for or requests Financial Assistance, they will be referred to Northwell's financial counseling department.

44. Northwell will not offer loan programs or medical credit cards to patients to resolve any medical bill.

45. Northwell will send an itemized bill to any patient who requests one within ten (10) days of the request.

46. If a patient advises Northwell or a Contracted Agency or Firm that a) the patient does not owe all or part of a bill; or b) a Third-Party Payor should pay the bill:

- a. Northwell will, if warranted based on a review of the patient's account, suspend further collection efforts until Northwell confirms that a debt is, in fact, owed; and
- b. Northwell will respond to the patient's concern, verbally or in writing, to confirm whether the patient owes the debt or that the applicable Third-Party Payor has already paid all amounts for which it is obligated. If the response is verbal, such response will be documented by Northwell.

#### **Medical Debt Ombudsperson**

47. Northwell will continue to employ a Medical Debt Ombudsperson (the "Ombudsperson") that it reasonably believes is qualified for such a role who is responsible for (a) reviewing and approving any ECA related to the collection of debt or judgment enforcement taken in accordance with the Collection Policy; and (b) working collaboratively across Northwell to ensure compliance with the Collection Policy.

48. The Ombudsperson will continue to report directly to Northwell's Senior Vice President, Chief Corporate Compliance Officer, who reports directly to the Audit and Compliance

Committee of the Board of Trustees, as well as be a member of the corporate Executive Audit and Corporate Compliance Committee.

49. When reviewing accounts prior to initiating ECAs, the Ombudsperson will have access to available patient account charges, consent to treatment forms, documents or recordings of patient communications with Northwell staff and Contracted Agencies, and the dates of the statements sent by Northwell to the patient. The Ombudsperson will also have access to information about a person's estimated income and Medicaid eligibility available to Northwell or contracted vendors (including those used in presumptive eligibility screening), and will search as needed public records such as available property tax records, judgments, or other liens, as appropriate, to perform the functions as described below.

### **Third-Party Payors**

50. Northwell will not bill a patient directly for any amount that it is aware that a Third-Party Payor is obligated to pay unless the Third-Party Payor has paid the patient directly. Where Northwell is out-of-network for the patient, Financial Assistance will be made available pursuant to the Financial Assistance Policy.

51. If Northwell timely receives information about a patient's Third-Party Payor but does not timely submit a claim to the Third-Party Payor, Northwell will not hold the patient liable for the amount it would have received from such Third-Party Payor or refer the patient's bill to a Contracted Agency or Firm.

52. Northwell will provide reasonable assistance to patients in resolving insurance and coverage issues.

### **Third-Party Debt Collection Agencies**

53. Northwell will maintain procedures to approve contracts with Contracted Agencies and Firms. Such written contracts will require the Contracted Agency or Firm to act in accordance

with the terms of this Agreement and Northwell's Financial Assistance Policy and Collections Policy.

54. Each Contracted Agency and Firm must agree that a flat commission, consisting of either a flat fee or non-escalating commission, will be its sole source of compensation.

55. Northwell will enter into a written contract directly with any Contracted Agency or Firm it uses to collect debt from patients and will not delegate the selection of any Contracted Agency or Firm.

56. Northwell will provide patients with a written notice a minimum of thirty (30) days prior to any referral to a Contracted Agency. This notice will inform patients of the availability of Financial Assistance and of any collection activity that Northwell may initiate if a patient has not paid an outstanding balance or complied with the Financial Assistance process. A copy of a Plain Language Summary of the Financial Assistance Policy will be included with such notice.

57. In addition, prior to referring any patient's account(s) to a Contracted Agency or Firm, Northwell must ensure the following:

- a. At least 180 days have passed since Northwell provided the post-discharge billing statement;
- b. There is a reasonable basis to believe the patient owes the debt;
- c. The debt is the financial responsibility of the patient and not any known primary Third-Party Payor;
- d. For patients who have not responded to prior contact, Northwell has attempted to reach the patient at every current address and phone number for the patient of which Northwell's financial services department is aware;
- e. The patient has been provided a reasonable opportunity to submit an Application but has not done so;

- f. Based on information available to Northwell, the patient was not eligible for Medicaid at the time services were rendered; and
- g. Where a patient does not otherwise qualify for Financial Assistance and has contacted Northwell to express an inability to pay the full amount of the patient's balance in one payment, Northwell has first offered the patient a reasonable payment plan without sending to collections.

58. Northwell will require all Contracted Agencies and Firms to submit all customer complaints from Northwell patients to Northwell. Northwell will work with Contracted Agencies and Firms, as needed, to resolve such complaints.

59. Northwell will also require all Contracted Agencies and Firms to provide up-to-date lists of all subcontractors they work with on Northwell accounts, including process servers.

60. Northwell will ensure Contracted Agencies and Firms train their staff who communicate with Northwell patients about the availability of Financial Assistance. For patients who express financial hardship or an interest in applying for Financial Assistance, Contracted Agencies and Firms will provide such patients with (a) Northwell's phone number to discuss Financial Assistance; (b) Northwell's website to access an Application; and (c) if requested by the patient, a hard copy of an Application via mail or e-mail.

61. Contracted Agencies and Firm will also notify patients of the availability of Financial Assistance when they discuss payment plan options.

#### **Extraordinary Collections Actions**

62. Northwell will not initiate any ECAs on an account for a minimum of 180 days from the date that Northwell provides the first post-discharge billing statement for the care.

63. Before initiating any ECA, Northwell will provide the patient the Plain Language Summary and a written notice ("ECA Notice") that indicates that Financial Assistance is available for eligible individuals, identifies the ECAs that Northwell Health (or any Contracted

Firm) may initiate to obtain payment for the care, and states a deadline after which such ECAs may be initiated that is no earlier than thirty (30) days after the date of the ECA Notice. Northwell will also make a reasonable effort to provide oral notification about the Financial Assistance Policy and how the individual may obtain assistance with the Application process at least thirty (30) days before first initiating one or more ECAs to obtain payment for the care.

64. Northwell will not file a civil action against a patient to collect medical debt until the Ombudsperson has ensured that the following has been approved, reviewed, and, where applicable, confirmed:

- a. At least 180 days have passed since Northwell provided the post-discharge billing statement and the patient does not have an Application for Financial Assistance pending with Northwell;
- b. Northwell has sent the patient at least three statements informing them of the debt owed and the availability of Financial Assistance;
- c. Northwell has sent the ECA Notice to the patient at the patient's last known address at least 30 days prior to initiation of the ECA;
- d. There is a reasonable basis to believe that the patient owes the debt;
- e. Known Third-Party Payors have been properly billed such that any remaining debt is the financial responsibility of the patient;
- f. Where the patient has indicated an inability to pay the full amount of the debt in one payment, Northwell has offered the patient the opportunity to pay pursuant to a payment plan, regardless of whether the patient qualifies for Financial Assistance;
- g. Northwell has given the patient a reasonable opportunity to apply for Financial Assistance;
- h. The patient's estimated Family Income is more than 500% of FPG based on estimated family size;

- i. The patient is not known to be an enlisted service person or veteran;
- j. The patient is not known to be a Northwell Employee or covered dependent;
- k. The patient is not known to be unemployed;
- l. The patient is not known to be disabled or blind;
- m. The patient must not have previously been approved for Financial Assistance within the last 12 months, or if they have been approved, no information relevant to the eligibility of the patient for Financial Assistance has changed during those 12 months; and
- n. The patient is not known to be deemed incapacitated by a medical professional.

65. No civil action will be initiated against any debtor until Northwell has given written authorization to its debt collection attorney to commence such action. If civil action must be taken, the action will be initiated in the name of the applicable Northwell entity.

66. Northwell will not obtain a default judgment against any patient without the specific approval of the Ombudsperson. Before authorizing a motion for a default judgment, the Ombudsperson will review and confirm that there is no reasonable basis to believe that the patient:

- a. Has adequately answered the complaint by calling or writing to Northwell or a Contracted Agency or Firm;
- b. Is known to be sick, disabled, infirm, or elderly to potentially render the patient unable to answer the complaint; or
- c. May not have received service of the complaint.

67. Contracted Agencies and Firms must have a reasonable belief that (a) the patient still owes the debt; and (b) the patient's assets, such as funds at a financial institution, are not likely to be exempt from judgment execution before taking steps to enforce a judgment.

68. If a patient submits a written claim that the patient's identified assets are exempt from garnishment or other enforcement measure, Northwell's Contracted Firm will not object to the claim

or exemption without first receiving the specific, case-by-case approval of the Ombudsperson. In deciding whether to grant such approval in a particular case, the Ombudsperson will review all information submitted by the patient in support of the patient's claim of exemption.

## **COMPLIANCE**

69. For all individuals who request an itemized bill, Northwell's Compliance Department will review, on a quarterly basis, a sample of accounts to determine if responses were sent within 10 days.

70. Northwell's Compliance Department will review a sample of Applications determinations on a quarterly basis to ensure Applications are being processed in accordance with this Agreement.

71. Northwell's Compliance Department will confirm the certification status of a sample of CACs in Northwell's financial counseling department on an annual basis.

## **QUALITY ASSURANCE**

### **Communications with Patients**

72. Northwell will take steps to ensure that all communications relating to collections of a bill and patient phone call protocols are appropriate and consistent with Northwell's policies, this Agreement, and Northwell's mission statement.

73. On a monthly basis, Northwell will review a sample of customer calls both with Northwell and with Contracted Agencies and Firms to ensure compliance with Northwell policies and regulatory requirements, as well as the quality of staff's behavior and the accuracy and adequacy of information provided. Both live and recorded calls will typically be reviewed.

74. Northwell's Compliance Department will review on quarterly basis (a) a sample of customer calls to Northwell that have already been quality checked by the relevant Northwell department; and (b) a sample of customer calls to Contracted Agencies and Firms that have already been quality checked by the relevant Northwell department.

75. Northwell will maintain a system to record patient inquiries. This system will include a log of patient complaints received by its Hospital Facility and Clinic billing offices, including complaints received on its toll-free number and designated address for written complaints, regarding applications for Financial Assistance and the collection of medical debt by Northwell or by Contracted Agencies and Firms. Such records may be maintained at more than one location.

### **Training**

76. Northwell will provide annual training for staff who interact with patients regarding billing and collections, including training on the Financial Assistance Policy and expectations for treating patients with dignity. Northwell will also provide annual training materials to Contracted Agencies and Firms on its Financial Assistance and Collection Policies, including updated copies of such policies and Application. Training topics will include (a) Financial Assistance eligibility; (b) income guidelines; (c) common questions and misconceptions about Financial Assistance eligibility; and (d) the Application process and timeline.

77. Northwell's Compliance Department will review and approve training materials in paragraph 76 above on an annual basis.

78. In addition to the annual training listed above, Northwell will inform staff who interact with patients regarding billing and collections within one month of any revisions to the Financial Assistance Policy and Collections Policy and will provide additional training as deemed necessary.

79. Northwell will also inform Contracted Agencies and Firms about any revisions to the Financial Assistance Policy and Collections Policy within one month of such revisions and will provide training materials as needed.

### **Other Oversight of Contracted Agencies and Firms**

80. Northwell will hold monthly meetings with Contracted Agencies and Firms to review a sample of customer calls and provide feedback ("monthly reviews"). Northwell will have

procedures in place to monitor and take action when entities or individuals do not comply with Northwell's policies and expectations.

81. Northwell will perform an annual review of Contracted Agencies and Firms which will include:

- a. Compliance with Northwell contracts and policies, including the Collection Policy, Financial Assistance Policy and training materials;
- b. Cumulative quality assurance and performance, including creation of a scorecard and performance review compiling Northwell's findings and recommendations from monthly reviews;
- c. Patient and consumer complaints submitted to the Contracted Agency or Firm, or Northwell, or complaints posted on the websites of the Consumer Finance Protection Bureau and Better Business Bureau.

#### **Reporting to the Board of Trustees and OAG**

82. Northwell will provide the following information in the material that is shared with and communicated to the members of Northwell's Board of Trustees on an annual basis, as well as to the extent applicable, during quarterly meetings of the Finance Committee of Northwell's Board of Trustees:

- a. The total amount of Financial Assistance provided for the year, and a comparison of that amount with Financial Assistance totals for each of the prior two years;
- b. A copy of the IRS Form 990 to be submitted for the most recent year;
- c. The number of Applications processed for the year, and of that number, the number and percentage approved and denied;
- d. A comparison of the number of Applications processed, approved, and denied with those numbers for each of the prior two years;

- e. The number of patients for whom Northwell provided Financial Assistance during the year who are at or below 500% of FPG;
- f. The number of uninsured patients that Northwell's financial counseling department enrolled in government sponsored health care insurance programs, and a comparison of that number with numbers for each of the prior two years;
- g. The number of interest-free payment plans for Northwell's patients that have been initiated on an annual basis, along with a comparison of that number with the number for each of the prior two years;
- h. The total amount of net expense reportable as community benefit by each Northwell organization that files IRS Form 990, based on the instructions for IRS Form 990, Schedule H, on an annual basis, and a comparison of that amount with the amounts for each of the prior two years;
- i. A chart showing the breakdown of Northwell community benefit for the current year by category and entity; and
- j. The annual number of patient collection matters reviewed for litigation by Northwell's Ombudsperson and outcomes of the Ombudsperson's review, and a comparison of that amount with the amounts for each of the prior two years.

83. On an annual basis, Northwell will provide the following information to the OAG covering the past year, broken down by each Northwell Hospital;

- a. Information provided to Northwell's Board of Trustees pursuant to paragraph 82 above.
- b. A copy of Northwell's Schedule H filings when it submits its IRS Form 990 to the IRS;
- c. An annual system-wide summary of all Schedule H filings in Schedule H format;
- d. The results and methodology of all presumptive eligibility assessments conducted;

- e. The number of patients provided Financial Assistance at all Northwell Hospital Facilities, broken down by the level of discount provided, and amount of Financial Assistance provided;
- f. The number of uninsured patients who were assisted in applying for Medicaid, Essential Plan, and Child Health Plus health plans;
- g. The demographics of all patients who completed Financial Assistance Applications and/or applying for health insurance including the application decision and facility location, if available;
- h. The number of patient collection matters reviewed by Northwell’s Ombudsperson and the outcome of the review, including the number of matters approved for civil action or ECAs. For all matters approved for civil action, the amount of debt, the facility location and demographic information of patient, if available.

## **FEDERAL CHARITY CARE REPORTING**

### **Schedule H (IRS Form 990) Reporting**

84. Northwell will follow the Instructions for Schedule H (“Schedule H Instructions”) published annually by the Internal Revenue Service (IRS) when calculating and reporting Financial Assistance on IRS Form 990, Schedule H (“Schedule H”).

85. To calculate “Financial Assistance at Cost” (Part I, line 7a), Northwell will use Worksheet 1 in the Schedule H Instructions (“Worksheet 1”). Only charges written off pursuant to the Financial Assistance Policy will be included when calculating “Financial Assistance at Cost.” Self-pay allowances may be included in the calculation of “gross patient charges written off under financial assistance policies” (Worksheet 1, line 1) only for amounts that qualified for Financial Assistance.

86. According to Worksheet 1, Northwell will calculate “Total community benefit expense” (Line 7a(c)) by converting gross patient charges written off under Financial Assistance

policies to cost using the Ratio of Patient Care Cost to Charges (“RCC”). Deductibles and copayments written off as Financial Assistance for underinsured patients will also be converted to cost for Schedule H reporting by applying the RCC. The RCC is to be calculated based on Worksheet 2 in the Schedule H Instructions (“Worksheet 2”).

87. When calculating the RCC under Worksheet 2, the total (gross) expense of research, health professions education, and community health improvement services that qualifies to be reported as part of “Total community benefit expense” on Schedule H will be subtracted from the numerator of the RCC used to calculate the cost of Financial Assistance. Grants that fund community benefits (and that have been reported in “Other Operating Revenue”) will only be subtracted once from the numerator of the RCC: either from the cost of “Nonpatient care activities” (Worksheet 2, line 2), “Total community benefit expense” (Worksheet 2, line 4), or “Total community building expense” (Worksheet 2, line 5) when the RCC is calculated. If the expenses for home care, ambulance and other similar services have been included in the Statement of Functional Expenses (Form 990, Part XI), then those expenses will be included in (rather than subtracted from) the numerator of the RCC and from the denominator of the RCC.

88. Northwell will include the difference between amounts paid into and amounts received from the Indigent Care Pool in net community benefit expense for Financial Assistance.

#### **Medicare Cost Report, Worksheet S-10**

89. Northwell will follow the Medicare Cost Report Instructions published by the Centers for Medicare & Medicaid Services (CMS) when calculating and reporting Financial Assistance or “charity care” on the Medicare Cost Report, Worksheet S-10. In contrast to Schedule H, in the Medicare Cost Report Worksheet S-10, the amount of the copayments and deductibles written off to charity care for insured patients eligible for Financial Assistance will be included.

## MISCELLANEOUS

90. In the event that Northwell concludes that any requirement of this Agreement is no longer feasible, or that the public may be better served by a modification of this Agreement, Northwell may request that the Attorney General consent to a modification of the terms of this Agreement. The OAG will make a good faith evaluation of the then-existing circumstances and, after collecting information the OAG deems necessary, make a decision within thirty (30) days as to whether to consent to a modification of this Agreement.

91. Northwell will notify OAG before making any material changes to procedures, training, billing communications and notices, website instructions or other public communications related to the policies and practices discussed in this Agreement. If the OAG believes that the proposed change would not be consistent with the purposes of this Agreement, the OAG will notify Northwell and request to meet and confer. Northwell will make a representative available to meet and confer before any changes are made.

92. The OAG may request access to additional documents in the possession, custody, or under control of Northwell to monitor compliance with this Agreement at any time while this Agreement remains in effect. Northwell will comply with all reasonable requests within twenty (20) days of written notice by the OAG.

### **Effects of Agreement**

93. All terms and conditions of this Agreement will continue in full force and effect on any successor, assignee, or transferee of Northwell or its affiliates. Northwell will include any such successor, assignment or transfer agreement a provision that binds the successor, assignee or transferee to the terms of the Agreement. No party may assign, delegate, or otherwise transfer any of its rights or obligations under this Agreement without the prior written consent of the OAG.

94. Nothing contained herein will be construed as to deprive any person of any private right under the law.

95. Any failure by the OAG to insist upon the strict performance by Northwell of any of the provisions of this Agreement will not be deemed a waiver of any of the provisions hereof, and the OAG, notwithstanding that failure, will have the right thereafter to insist upon the strict performance of any and all of the provisions of this Agreement to be performed by Northwell.

### **Communications**

96. All notices, reports, requests, and other communications pursuant to this Agreement must reference the “Best Practices Agreement” and will be in writing and will, unless expressly provided otherwise herein, be given by electronic mail; hand delivery; express courier; or at an address designated in writing by the recipient, and will be addressed as follows:

If to Northwell, to: Laurence Kraemer, Executive Vice President, General Counsel and Chief Legal Officer, Northwell Health, 2000 Marcus Ave., New Hyde Park, NY 10042, or in his absence, to the person holding the title of General Counsel and Chief Legal Officer

If to the OAG, to: James Sheehan, Chief, Charities Bureau, New York State Office of the Attorney General, The Capitol, Albany NY 12224, or in his absence, to the person holding the title of Bureau Chief, Charities Bureau.

### **Representations and Warranties**

97. The OAG has agreed to the terms of this Agreement based on, among other things, the representations made to the OAG by Northwell and their counsel. Northwell represents and warrants that neither it nor its counsel has made any material representations to the OAG that are inaccurate or misleading.

98. No representation, inducement, promise, understanding, condition, or warranty not set forth in this Agreement has been made to or relied upon by Northwell in agreeing to this Agreement.

99. Northwell represents and warrants, through the signature below, that the terms and conditions of this Agreement are duly approved and execution of this Agreement by the signatory below is duly authorized.

### **General Principles**

100. Nothing in this Agreement will relieve Northwell of other obligations imposed by any applicable state or federal law or regulation or other applicable law.

101. Nothing contained herein will be construed to limit the remedies available to the OAG in the event that Northwell violates the Agreement after its effective date.

102. This Agreement may not be amended except by an instrument in writing signed on behalf of the Parties to this Agreement.

103. Northwell acknowledges that they have entered this Agreement freely and voluntarily and upon due deliberation with the advice of counsel.

104. This Agreement will be governed by the laws of the State of New York without regard to any conflict of laws principles.

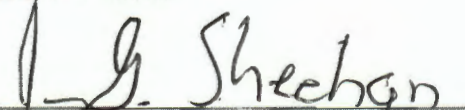
105. The Agreement and all its terms will be construed as if mutually drafted with no presumption of any type against any party that may be found to have been the drafter.

106. This Agreement may be executed in multiple counterparts by the parties hereto. All counterparts so executed will constitute one agreement binding upon all parties, notwithstanding that all parties are not signatories to the original or the same counterpart. Each counterpart will be deemed an original to this Agreement, all of which will constitute one agreement to be valid as of the effective date of this Agreement. For purposes of this Agreement, copies of signatures will be treated the same as originals. Documents executed, scanned and transmitted electronically and electronic signatures will be deemed original signatures for purposes of this Agreement and all matters related thereto, with such scanned and electronic signatures having the same legal effect as original signatures.

107. The effective date of this Agreement will be June 4, 2024

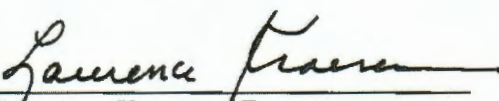
LETITIA JAMES  
Attorney General of the State of New York  
28 Liberty Street  
New York, NY 10005

By:

  
James G. Sheehan, Esq.  
Bureau Chief, Charities

NORTHWELL HEALTH

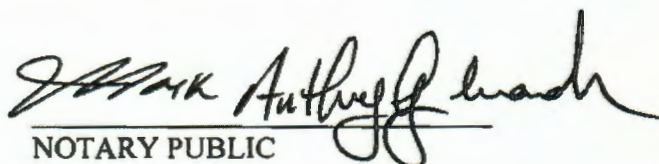
By:

  
Laurence Kraemer, Esq.  
Executive Vice President, General Counsel and  
Chief Legal Officer

STATE OF New York )  
COUNTY OF Nassau ) ss.:

On the 3<sup>rd</sup> day of June in the year 2024 before me personally came Laurence Kraemer to me known, who, being by me duly sworn, did depose and say that he is the Executive Vice Present, General Counsel and Chief Legal Officer of Northwell Health, the corporation described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by authority of the board of directors of said corporation, and that he signed his name thereto by like authority.

Sworn to before me this  
3<sup>rd</sup> day of June, 2024

  
NOTARY PUBLIC

Mark Anthony Gloade  
Notary Public, State of New York  
Reg. No. 02GL4995329  
Qualified in Westchester County  
My Commission Expires 07/12/2026

**APPENDIX A**  
**NORTHWELL HEALTH HOSPITAL FACILITIES AND CLINICS SUBJECT TO THIS**  
**AGREEMENT**

**Hospitals:**

1. Central Suffolk Hospital Association d/b/a Peconic Bay Medical Center
2. Cohen Children's Medical Center
3. Glen Cove Hospital
4. Huntington Hospital Association
5. John T. Mather Hospital
6. Lenox Health Greenwich Village
7. Lenox Hill Hospital
8. Long Island Jewish Forest Hills
9. Long Island Jewish Medical Center
10. Long Island Jewish Valley Stream
11. Manhattan Eye, Ear & Throat Hospital
12. North Shore University Hospital
13. Northern Westchester Hospital
14. Phelps Memorial Hospital Center
15. Plainview Hospital
16. South Shore University Hospital
17. Staten Island University Hospital – North Campus
18. Staten Island University Hospital – Prince's Bay Campus
19. Syosset Hospital
20. The Long Island Home d/b/a South Oaks Hospital
21. Zucker Hillside Hospital

**Clinics:**

1. Northwell Health Multispecialty and Imaging Services at Glen Cove, 10 Medical Plaza, Glen Cove, NY 11542
2. Dolan Family Health Center Diagnostic and Treatment Center d/b/a Northwell Health Family Health Center at Huntington, 1572 New York Ave, Huntington Station, NY 11746
3. John T. Mather Memorial Hospital Outpatient Rehabilitation, 125 Oakland Ave., Port Jefferson, NY 11777
4. Outpatient Behavioral Health Services 100 Highlands Blvd., Port Jefferson, NY 11777
5. Precision CyberKnife of New York, 181 Belle Meade Road, East Setauket, NY 11733
6. Primary Med. Care Outpatient, 5225 Rt. 347, Port Jefferson Station, NY 11776
7. Lenox Hill Hospital Extension Clinic at MEETH, 210 East 64<sup>th</sup> Street, New York, NY 10021
8. Pediatric & Adolescent Medicine Clinic, 410 Lakeville Road, New Hyde Park, NY 11040
9. Manhasset Ambulatory Care Center, 1554 Northern Blvd., Manhasset, NY 11030
10. Long Island Jewish Medical Center Satellite Dialysis Center, 222-22 Hillside Ave, Bellrose, NY 11426
11. Far Rockaway Treatment Center, 1600 Central Ave., Far Rockaway, NY 11691
12. Garden City Treatment Center, 711 Stewart Ave, Garden City, NY 11530
13. Project Outreach Clinic, 600 Hempstead Tpk., West Hempstead, NY 11552

14. Nassau Day Training Program, 600 Hempstead Tpk., Elmont, NY 11003
15. Franklin K. Lane School Clinic, 999 Jamaica Ave., Brooklyn, NY 11208
16. Long Island Jewish Medical Center - Center for Advanced Medicine, 450 Lakeville Rd., Lake Success, NY 11042
17. Northwell Ambulatory Care Center - A Program of Long Island Jewish Medical Center, 95-25 Queens Blvd, Rego Park, NY 11374
18. Brian Piccolo I.S. 53 School Clinic, 1045 Nameoke Street, Far Rockaway, NY 11691
19. Far Rockaway H.S. Clinic, 821 Bay 25<sup>th</sup> Street, Far Rockaway, NY 11691
20. John Adams High School Clinic, 101-01 Rockaway Blvd., Jamaica, NY 11417
21. Imbert Cancer Center, 440 E. Main Street, Bay Shore, NY 11706
22. August Martin High School Clinic, 156-10 Baisley Blvd., Jamaica, NY 11434
23. LIJMC (DSRIP) Primary Care Clinic, 256-11 Union Turnpike, Glen Oaks, NY 11004
24. LIJMC Greenlawn Cancer Center, 270 Pulaski Rd., Greenlawn, NY 11740
25. Backstretch-BEST Clinic at Belmont Raceway, 2150 Hempstead Turnpike, Elmont, NY 11003
26. Northern Westchester Hospital at Chappaqua Crossing, 480 Bedford Rd., Chappaqua, NY 10514
27. Northern Westchester Hospital at Yorktown Imaging, 1940 Commerce Street, Yorktown, NY 10598
28. NSUH Sleep Studies Center, 100 Community Drive, Great Neck, NY 11021
29. The Irving Goldman Family Care Center, 865 Northern Blvd., Great Neck, NY 11021
30. North Shore University Hospital at the Center for Advanced Medicine, 450 Lakeville Road, Lake Success, NY 11042
31. NSUH Comprehensive Wound Care Center and Vascular Access Program, 1999 Marcus Ave., Lake Success, 11042
32. North Shore LIJ Imaging at Great South Bay, 620 Main Street, Islip, NY 11751
33. NSUH Imaging at Great Neck, 611 Northern Blvd., Great Neck, NY 11021
34. NSUH LIJ Imaging at Syosset, 100 Lafayette St., Syosset, NY 11791
35. North Shore Imaging at Garden City, 711 Stewart Ave., Garden City, NY 11530
36. NSUH Imaging at Huntington, 284 Pulaski Rd., Greenlawn, NY 11740
37. The NSUH Imaging Center at Smithtown, 226 Middle Country Road, Smithtown, NY 11787
38. Peconic Bay Physical Therapy and Rehab Center, 64 Commerce Dr., Riverhead, NY 11901
39. Alcohol Treatment Services, 22 Rockledge Ave., Ossining, NY 10520
40. Phelps Psychiatric Clinic, 12 Schumann Ct., Briarcliff, NY 10510
41. Phelps at Croton, 440 South Riverside Ave., Croton-on-Hudson, NY 10520
42. Imaging Extension Clinic, 11 Ashford Ave., Dobbs Ferry, NY 10522
43. South Shore University Hospital Clinic Endoscopy and Pain Management Center, 39 Brentwood Road, Bay Shore, NY 11706
44. South Shore University Hospital Sleep Center Extension Clinic, 125 Kennedy Drive, Hauppauge, NY 11788
45. South Shore University Hospital Extension Clinic for Pre-Surgical Testing, 2048 Sunrise Hwy., Bayshore, NY 11706
46. Northwell Health Cancer Institute at Riverhead, 896 Old Country Rd, Riverhead, NY 11901
47. Northwell Health STARS at Bay Shore, 46 Brentwood Road, Bay Shore, NY 11706
48. New Dorp High School Clinic, 465 New Dorp Lane, Staten Island, NY 10306
49. Primary Care Clinic, 500 Seaview Ave, Staten Island, NY 10305
50. Chemical Dependence Treatment Program, 111 Water Street, Staten Island, NY 10304
51. Psych/Alcoholism Treatment Program, 450 Seaview Ave, Staten Island, NY 10305

- 52. Sanford R. Nalitt Institute For Cancer, 256 Mason Ave., Staten Island, NY 10305
- 53. Center for Women's Health, 440 Seaview Ave, Staten Island, NY 10305
- 54. 256 Mason Ave. Radiology, 256 Mason Ave., Staten Island, New York 10305
- 55. Canarsie Multi Service Center, 567 East 105<sup>th</sup> St., Brooklyn, NY 11218
- 56. Port Richmond High School, 85 St. Joseph's Ave., Staten Island, NY 10302

## **APPENDIX B**

### **FINANCIAL ASSISTANCE POLICY**

#### **GENERAL STATEMENT of PURPOSE:**

Northwell Health strives to improve the health of the communities it serves and is committed to providing the highest quality of care for the community regardless of ability to pay. As part of its commitment, Northwell Health provides Emergency Medical Care or other Medically Necessary Services at a discount depending upon the circumstances. This Financial Assistance Policy (“FAP” or the “Policy”) sets forth the process that will be used to determine whether Northwell Health patients, whether Uninsured or Underinsured, are eligible for Financial Assistance or a Clinic Sliding Fee Scale Discount.

This Policy is intended to comply with the Financial Assistance policy requirements of Internal Revenue Code Section 501(r) and Section 2807-k(9-a) of the New York Public Health Law. This Policy shall take effect immediately upon the later to occur of (a) October 20, 2024 and (b) the date upon which Chap. 57, Part Y, Subpart C, Section 1 of the 2023 N.Y. Laws takes effect.

#### **POLICY**

Northwell Health is committed to providing services at a discount, based upon financial need, as a community benefit for New York residents who are Uninsured, Underinsured, ineligible for government programs or other third-party coverage, or otherwise unable to pay for Emergency Medical Care or other Medically Necessary Services. Northwell Health is dedicated to assisting and counseling patients in managing the financial aspects of the care they receive and to fulfilling its commitment to improve the health of individuals, families, and the communities it serves.

This Policy is in effect for all Northwell Health tax-exempt hospital facilities exempt under 501(c)(3) of the Internal Revenue Code and for services provided by Northwell Health-employed physicians in those hospitals. A sliding fee discount is also available for medically necessary services provided in a Northwell hospital clinic. Appendix A lists the tax-exempt hospital facilities that are covered by this Policy, along with hospital services provided in those hospital facilities by employed physicians. Appendix A is available on Northwell Health’s website at <https://www.northwell.edu/billing-and-insurance/financial-assistance-programs-policies/financial-assistance-policy> or in paper copy upon request in person or via mail by contacting the applicable Northwell Health hospital facility at the address or phone number provided in Section J of this Policy.

Financial Assistance and the Clinic Sliding Fee Scale Discount are not to be considered a substitute for personal financial responsibility. Financial Assistance and the Clinic Sliding Fee Scale Discount are available only for persons who meet the eligibility criteria described in this Policy. Patients are expected to comply with Northwell Health’s procedures for obtaining Financial Assistance and/or the Clinic Sliding Fee Scale Discount or other forms of payment and to contribute to the cost of their care based on their individual ability to pay. Individuals with the financial capacity to purchase health insurance shall be encouraged to do so, as a means of assuring access to health care services for their overall personal health.

Northwell Health does not, through this Policy, assist any patient in paying for services provided by a provider or practitioner that is not employed by Northwell Health, even if those services are provided in one of Northwell Health’s hospital facilities. A listing of independent providers or practitioners who may deliver Emergency Medical Care or other Medically Necessary Services at each hospital facility and whose services are not covered under this Policy can be found in Appendix B on Northwell Health’s website at <https://www.northwell.edu/billing-and-insurance/financial-assistance-programs->

policies/financial-assistance-policy. Appendix B is also available in paper copy upon request in person or via mail by contacting the applicable Northwell Health hospital facility at the address or phone number provided in Section J of this Policy. Appendix A and Appendix B are reviewed and updated on a quarterly basis.

## SCOPE

This Policy is in effect for all Northwell Health tax-exempt hospital facilities exempt under 501(c)(3) of the Internal Revenue Code. Third-party collection agencies and outside debt collection law firms to which Northwell Health has referred accounts shall apply this Policy in carrying out collection activities on behalf of Northwell Health.

## DEFINITIONS

For purposes of this Policy, certain terms are defined as follows:

**Amount Generally Billed (“AGB”):** The amounts generally billed for Emergency Medical Care or other Medically Necessary Services to individuals who have insurance covering such care, determined by multiplying the Gross Charges for the care by the AGB Percentage.

**AGB Percentage(s):** The amount obtained using the “Look-Back” method, as defined by Section 1.501(r)-5 of the Department of Treasury regulations, for any Emergency Medical Care or other Medically Necessary Services.

**Application:** The Financial Assistance or Clinic Sliding Fee Scale Discount program application, as applicable, whether submitted in hard copy, electronically, or via telephone interview.

**Clinic:** Northwell Health clinics listed at <https://www.northwell.edu/billing-and-insurance/financial-assistance-programs-policies/sliding-fee-scale-program>.

**Clinic Sliding Fee Scale Discount:** The discount offered by Northwell Health to Uninsured persons who cannot afford to pay for the care they received for Medically Necessary Services (other than Emergency Care) received in a Clinic, pursuant to this Policy. For information regarding the Clinic Sliding Fee Scale Discount, see Exhibit A attached hereto.

**Cost Sharing:** The total amount owed by an Underinsured patient following the application of such patient’s insurance coverage, including, but not limited to, deductibles, copayments, coinsurance, and balance after insurance.

**Emergency Medical Care:** Health care services that a hospital or a physician exercising prudent clinical judgment, would provide to a patient exhibiting an Emergency Medical Condition.

**Emergency Medical Conditions:** As defined by Section 1867 of the Social Security Act (42 U.S.C. 1395dd), also known as the Emergency Medical Treatment and Active Labor Act (“EMTALA”), a medical condition manifesting itself by acute symptoms of sufficient severity such that the absence of immediate medical attention could reasonably be expected to result in: (i) placing the health of the individual in serious jeopardy; (ii) serious impairment to bodily functions; or (iii) serious dysfunction of any bodily organ part. EMTALA also defines an emergency medical condition to include a pregnant woman who is having contractions.

**Extraordinary Collection Action (“ECA”):** Collections actions requiring a legal or judicial process that Northwell Health may take pursuant to Section 1.501(r)-6 of the Department of Treasury regulations to obtain payment of a bill for care, including (1) commencing a civil action against an individual, (2)

placing a lien on an individual's property other than a primary residence, and (3) attaching or seizing an individual's bank account or any other personal property.

**Family:** A group of two or more people who reside together and who are related by birth, marriage (including legal common law spouse), or adoption. If the patient claims someone as a dependent on their income tax return, they may be considered a dependent for purposes of this Policy. Northwell Health reserves the right to validate the financial responsibility for any listed family member.

**Family Income:** Family Income includes wages, salaries, unemployment compensation, workers' compensation, Social Security, Supplemental Security Income, public assistance, veterans' payments, survivor benefits, pension or retirement income, rents from property, profits and fees from their own business, interest, dividends, rents, royalties, income from estates, trusts, alimony, child support and other miscellaneous sources. Family Income is determined on a before-tax basis and excludes capital gains or losses. If a person lives with a Family, income of all family members may be considered (unrelated household members do not count). Noncash benefits, such as food stamps and housing subsidies, are not considered income.

**Financial Assistance:** The discount offered by Northwell Health to persons who cannot afford to pay for the care they received for Emergency Medical Care or other Medically Necessary Services pursuant to this Policy.

**Gross Charges:** The total charge for providing patient care and other services at a Northwell Health entity based upon established rates before any deductions from the total charge are applied.

**Guarantor:** The person responsible for paying a bill. The Guarantor is always the patient unless the patient is an incapacitated adult or an unemancipated minor (under age 18), in which case, the Guarantor is the patient's parent or legal guardian.

**Medically Necessary Services:** Health care services that a physician, exercising prudent clinical judgment, would provide to a patient for the purpose of evaluating, diagnosing or treating an illness, injury, disease or its symptoms, and that are: (a) in accordance with the generally accepted standards of medical practice; (b) clinically appropriate; and (c) not primarily for the convenience of the patient.

**Plain Language Summary of the Policy ("PLS"):** A written statement that notifies an individual that the hospital facility offers Financial Assistance and the Clinic Sliding Fee Scale Discount and provides the following information in language that is clear, concise, and easy to understand with the aim that as much of it as practicable (given the topic and substance of the document) be drafted at a fifth-grade reading level:

1. A brief description of the eligibility requirements and assistance offered under the Policy;
2. A brief summary of how to apply for assistance under the Policy;
3. The direct website address (or URL) and physical locations where the individual can obtain copies of the Policy and the Application form;
4. Instructions on how the individual can obtain a free copy of the Policy and the applicable Application by mail;
5. The contact information, including telephone number and physical location, of the hospital facility office or department that can provide information about the Policy and assistance with the application process;
6. A statement of the availability of translations of the Policy, Application and Plain Language Summary ("PLS") in other languages, if applicable; and,
7. A statement that an individual eligible for Financial Assistance may not be charged more than the AGB for Emergency Medical Care or other Medically Necessary Services.

**Preferred Languages:** Languages (a) used to communicate, during at least five percent of patient visits in a year, by patients who cannot speak, read, write or understand the English language at the level of proficiency necessary for effective communication with health care providers, or (b) spoken by non-English speaking individuals comprising the lesser of (i) 1,000 residents or (ii) more than one percent of the primary hospital service area population.

**Underinsured:** The patient is not Uninsured and has out-of-pocket medical costs accumulated in the past 12 months for Emergency Medical Care or other Medically Necessary Services that amount to more than 10% of the individual's annual gross income.

**Uninsured:** The patient has no level of health insurance or third-party assistance to assist with meeting their health care related payment obligations or the patient has exhausted their health insurance benefits and can demonstrate an inability to pay full charges based on the eligibility criteria in this Policy.

## **PROCEDURE/GUIDELINES**

In order to manage resources responsibly and to allow Northwell Health to provide the appropriate level of Financial Assistance to persons in need, the following procedures and guidelines are established for the provision of Financial Assistance. Accordingly, the Policy includes the following information regarding Financial Assistance.

- A. Eligibility for Financial Assistance
- B. Patient Financial Assistance guidelines
- C. Applicable medical services under this Policy
- D. Methods for applying for Financial Assistance and determinations
- E. Documentation for Financial Assistance
- F. Presumptive Financial Assistance eligibility
- G. Communication of this Policy to patients and the public
- H. Billing and collection policies
- I. Regulatory requirements
- J. Contact information to reach the Northwell Health financial counseling offices

Separate procedures and guidelines for the provision of the Clinic Sliding Fee Scale Discount are found at Exhibit A.

### **A. Eligibility for Financial Assistance**

New York State residents are eligible for Financial Assistance if they: (a) receive Emergency Medical Care or other Medically Necessary Services at any Northwell Health hospital facility; and (b) are Uninsured, Underinsured, ineligible for government programs or other third-party coverage, or otherwise unable to pay for Emergency Medical Care or other Medically Necessary Services; and (c) meet the patient financial assistance guidelines stated in this policy. Eligibility for Financial Assistance for non-residents of New York State for Emergency Medical Care or other Medically Necessary Services will be determined on a case-by-case basis and requires senior leadership approval. In no case may a patient receive both Financial Assistance and the Clinic Sliding Fee Scale Discount for the same service.

The granting of Financial Assistance will be based on an individualized determination of financial need in accordance with this Policy, and shall not take into account age, gender, race, color, national origin, religion, social or immigrant status, sexual orientation, gender identity, spousal affiliation, physical handicap, or mental handicap.

The granting of Financial Assistance (a) may be contingent upon a patient's willingness to apply for

Medicaid or other public insurance programs for which the patient may be eligible based upon Northwell Health's assessment, and (b) requires the patient to fully cooperate with Northwell Health's Application requirements, including the disclosure of personal, financial, or other information necessary for determination of financial need.

When considering Applications, Northwell Health reserves the right to:

1. Consider eligibility for Financial Assistance at any point before or after service(s) are rendered and/or any time during the billing and collection cycle;
2. Request Financial Assistance applications or confirmation of previously supplied information at each medical visit or admission to a Northwell Health hospital facility;
3. Make hardship modifications to any aspect of the Policy on a case-by-case basis; and
4. Utilize information from available external resources to verify family size and/or Family Income verification.

## **B. Patient Financial Assistance Guidelines**

Eligibility for Financial Assistance is based on current Family Income and is available to individuals with Family Incomes that are no more than 500% of the current Federal Poverty Guidelines ("FPG"). The current maximum Family Income for Financial Assistance is set forth in the table below for illustrative purposes.

| <b>Household / Family Size</b>                                                | <b>Maximum Family Income (500% of 2024 Federal Poverty Guidelines) *</b> |
|-------------------------------------------------------------------------------|--------------------------------------------------------------------------|
| 1                                                                             | \$75,300                                                                 |
| 2                                                                             | \$102,200                                                                |
| 3                                                                             | \$129,100                                                                |
| 4                                                                             | \$156,000                                                                |
| 5                                                                             | \$182,900                                                                |
| 6                                                                             | \$209,800                                                                |
| For each additional person, add                                               | \$26,900                                                                 |
| * 2024 shown for illustrative purpose. Amounts updated annually as necessary. |                                                                          |

Northwell Health uses the FPG in effect at the time the Application is reviewed, to determine eligibility for Financial Assistance (see table above). Northwell Health will update the FPG income guidelines, based on the FPG which is published annually by the U.S. Department of Health and Human Services, effective each year as of March 1 or thirty (30) days from the date of publication, whichever is later.

For Emergency Medical Care or other Medically Necessary Services, other than services provided to Uninsured patients in a Clinic (see Exhibit A for additional information on assistance available to Uninsured patients receiving care in a Clinic), all Uninsured patients, regardless of their means, will automatically receive a reduction from total charges to Northwell's payment rate from its highest volume commercial payor for the applicable service plus any applicable surcharges required under state law.

Subject to the availability of certain other resources as described in this Policy or allowed by state law, patients with Family Income at and below 500% of FPG may qualify for Financial Assistance:

1. Patients whose Family Income is at or below 200% of the FPG are eligible to receive Emergency Medical Care or Medically Necessary Services at no charge; and
2. Patients whose Family Income is above 200% but not more than 500% of the FPG are eligible to receive a discount for Emergency Medical Care or Medically Necessary Services as outlined

in the table below. Patients eligible for Financial Assistance will not be charged more than the AGB:

| <b>Family Income as % of FPG</b> | <b>Uninsured Patient Responsibility (% of AGB)</b> | <b>Underinsured Patient Responsibility (% of Patient's Cost Sharing)</b> |
|----------------------------------|----------------------------------------------------|--------------------------------------------------------------------------|
| <b>200% or less</b>              | <b>\$0</b>                                         | <b>\$0</b>                                                               |
| <b>201% to 250%</b>              | <b>5%</b>                                          | <b>5%</b>                                                                |
| <b>251% to 300%</b>              | <b>10%</b>                                         | <b>10%</b>                                                               |
| <b>301% to 350%</b>              | <b>15%</b>                                         | <b>15%</b>                                                               |
| <b>351% to 400%</b>              | <b>20%</b>                                         | <b>20%</b>                                                               |
| <b>401% to 500%</b>              | <b>100%</b>                                        | <b>100%</b>                                                              |

AGB is calculated by Northwell Health utilizing Medicaid rates on a “Look-Back” basis, as defined by Section 1.501(r)-5 of the Department of Treasury regulations, for all its tax-exempt hospital facilities. AGB for services provided by physicians employed by Northwell Health at Northwell Health hospital facilities is calculated based on a “Look-Back” basis utilizing Medicare rates.

Additional information pertaining to the current AGB percentages used by each Northwell Health hospital facility, as well as information as to how Northwell Health calculated these percentages is available upon request, free of charge by accessing Appendix C at <https://www.northwell.edu/billing-and-insurance/financial-assistance-programs-policies/financial-assistance-policy> or by contacting a customer service representative using the phone numbers and addresses listed below in Section J of this Policy.

### **C. Applicable Medical Services under Northwell Health’s Financial Assistance Policy**

Financial Assistance is available for the following health care services for patients eligible under Sections A and B of this Policy:

1. Emergency Medical Care, including patients who present at any Northwell Health Emergency Department (including transfers under EMTALA), provided in an emergency room setting; and
2. Medically Necessary Services.

Determinations regarding medical necessity are the responsibility of the health care professional providing the care, without regard to the ability to pay by the patient. Northwell Health will not engage in any actions that discourage individuals from seeking Emergency Medical Care.

Northwell Health provides Emergency Medical Care regardless of a patient’s eligibility under this Policy. Northwell Health does not require emergency department patients to pay before receiving treatment for Emergency Medical Conditions nor does Northwell Health permit debt collection activities in the emergency department or other areas when such activities could interfere with the provision of Emergency Medical Care on a non-discriminatory basis.

### **D. Methods for Applying for Financial Assistance and Determinations**

1. Patients are encouraged to apply for Financial Assistance within ninety (90) days from the date noted on the first post-discharge billing statement; however, Northwell will accept Financial Assistance Applications at any time a patient has an outstanding balance for Emergency Medical Care or other Medically Necessary Services received at a Northwell Health hospital facility. A billing statement is considered “post-discharge” if it is provided after the patient received care, whether inpatient or outpatient, and the patient has left the hospital facility.

2. Patients may apply for Financial Assistance by submitting an Application or through an interactive process with a financial counselor. Patients must complete the Application and provide all required documentation. Applications may be obtained:
  - a) Online at the Northwell Health web address: [www.northwell.edu/billing-and-insurance/financial-assistance-programs-policies/financial-assistance-program](http://www.northwell.edu/billing-and-insurance/financial-assistance-programs-policies/financial-assistance-program);
  - b) At each Northwell Health hospital facility's main registration desk or Emergency Room desk; or
  - c) By contacting Northwell at one of the offices listed in Section J of this Policy and asking to speak with a financial counselor.
3. Patients are asked to submit their Applications via a telephone interview or online or to mail their Applications to one of the addresses listed in Section J.

Once the Application has been submitted, the patient may disregard any bills/statement until a written notification has been received regarding the status of the Application. Patients will receive a written notification of eligibility for Financial Assistance within thirty (30) days of submission of an Application.

Upon receipt of an Application for Financial Assistance, any and all applicable ECAs will be suspended.

If a patient is deemed eligible for Financial Assistance, an updated billing statement will be provided which will indicate the amount owed, how the amount was determined, and the applicable AGB percentage. Any amounts paid in excess of the amount determined to be owed by a patient will be refunded accordingly.

All decisions on Financial Assistance eligibility will be communicated in writing. The notification of denial of Financial Assistance will explain the reason for the denial and how denials can be appealed.

4. If an incomplete Application is received, Northwell Health will send a written notice that describes the additional information or documentation required to make an eligibility determination for Financial Assistance. Patients should submit the additional information or documentation within thirty (30) days of notification. The patient should expect to receive routine follow-up notices for any unpaid bills.
5. Appeals may be filed within thirty (30) days of the determination notice. A decision regarding the appeal will be made within thirty (30) days of receiving an appeal. Patients will be notified in writing of the outcome of their appeal.

#### **E. Documentation for Financial Assistance**

To help the patient qualify for Financial Assistance, the patient or the patient's Guarantor may be asked to provide some or all the following documentation:

1. An Application;
2. Proof of address;
3. Prior year's tax return(s);
4. Minimum of two most recent pay stubs;
5. Minimum of three most recent bank statements for savings and checking accounts; and
6. For Underinsured patients, proof of out-of-pocket medical expenses accumulated in connection with the provision of Emergency Medical Care or other Medically Necessary Services in the prior 12 months.

- a) For any Northwell Health out-of-pocket medical expenses:
  - Provide documentation of such expenses.
  - If you cannot provide such documentation, provide Northwell Health with the name of the Northwell Health hospital or Clinic location where you received services, your date of birth, the approximate date(s) of such service(s), and any other information you may have; and
- 7. Other documentation of Family Income.

If an applicant does not have any of the listed documents to prove Family Income, the applicant may call the hospital facility's financial counseling office noted in Section (J) of this Policy below to determine whether other evidence may be provided to demonstrate eligibility.

Northwell Health may also:

1. Take into account other patient income raised specifically for the purpose of paying medical bills, to the extent permitted by applicable federal and state law; and
2. Include a review of the patient's outstanding bill(s) for prior services to assure that all applicable balances are assessed for Financial Assistance.

Northwell Health will not request documentation beyond what is listed in this Policy and the Application.

Non-emergent services may be scheduled prior to making a request for Financial Assistance; however, a Financial Assistance eligibility determination is generally required prior to obtaining services.

Approved Financial Assistance Applications for Uninsured patients (other than those patients who have exhausted their health insurance benefits) will remain valid for twelve months and may be used to determine eligibility for subsequent services. Financial Assistance determinations may be re-evaluated at any time information relevant to the eligibility of the patient for Financial Assistance changes during those twelve months.

Financial Assistance will be applied at approved levels to any outstanding unpaid account the patient may have for Emergency Medical Care or other Medically Necessary Services without respect to date of service.

#### **F. Presumptive Financial Assistance Eligibility**

There are instances when a patient may receive Financial Assistance discounts if the patient or patient's Guarantor does not establish contact with Northwell Health during the billing and collection cycle despite the usual and customary efforts of Northwell Health. In these cases, Northwell Health may utilize soft credit inquiries that have no impact on the patient's credit status or ability to obtain future credit to determine eligibility for Financial Assistance on a presumptive basis. Once a patient has been determined eligible for presumptive Financial Assistance, the patient may be eligible for a discount on the account balance.

If a patient is presumptively determined to be eligible for Financial Assistance, Northwell Health will notify the patient, in writing, regarding the basis for the Financial Assistance discount, and how to submit an Application to be assessed for further Financial Assistance. A copy of the PLS will also be provided to the patient.

#### **G. Communication of the Financial Assistance Program to Patients and the Public**

Northwell Health provides public notice regarding the availability of Financial Assistance by various means, including, as applicable, notices in patient bills, emergency rooms, admitting and registration

departments, hospital business offices, clinics, and patient financial counseling offices that are located on Northwell Health hospital facility campuses. Information is also included on Northwell Health hospital facility websites. Additionally, Northwell Health provides summaries of the Financial Assistance program to local public agencies and non-profit organizations who serve the health needs of the community's low-income populations. Northwell will notify patients in writing with plain and conspicuous language that Northwell provides services at a reduced cost to patients who are determined to be eligible based on financial need, whether or not they have insurance, and provide a link to the Application, along with a toll-free phone number they may call for further assistance.

Referral of patients for Financial Assistance may be made by any member of Northwell Health's staff or medical staff, including physicians, nurses, financial counselors, social workers, case managers, chaplains, and religious sponsors. A request for Financial Assistance may be made by the patient or a family member, close friend, or associate of the patient, subject to applicable privacy laws. Northwell Health will endeavor to contact Uninsured patients, while they are in the hospital facility, prior to discharge from a Northwell Health hospital facility in order to provide financial counseling, including information about payment programs and Financial Assistance.

The Application and the PLS are available in English and the Preferred Languages. Northwell Health shall ensure the accuracy of all translations.

Northwell Health shall additionally provide free interpretation services for anyone who requires such, including individuals who speak languages to which the Application and PLS are not translated, who have difficulty reading, or who have visual and/or hearing impairments. Northwell Health shall ensure that patients are informed of this service whenever a staff person becomes aware that the patient may benefit from it.

Patients will be notified in writing regarding the availability of Financial Assistance during the registration, discharge and financial counseling process in their identified language of preference. The PLS will be offered to all patients as part of the intake process.

#### **H. Billing and Collection Policies**

The actions Northwell Health may take in the event of nonpayment are described in a separate Collection Policy. That Collection Policy also includes information on the actions, processes and timeframes Northwell Health uses to obtain payment, including the reasonable efforts it will make to determine whether an individual is eligible under this Financial Assistance Policy before initiating any ECA. The Collection Policy also includes information on the office or persons that have the final responsibility for determining that Northwell Health has made reasonable efforts to determine whether an individual is eligible for Financial Assistance and may therefore initiate an ECAs against an individual. This Collection Policy is displayed on Northwell Health's website, which is accessible at <https://www.northwell.edu/billing-and-insurance/financial-assistance-programs-policies/financial-assistance-policy> or available in paper copy upon request in person or via mail by contacting the applicable Northwell Health hospital facility at the address and phone number provided in Section J of this Policy.

#### **I. Regulatory Requirements**

Northwell Health will comply with all federal, state, and local laws, rules, and regulations that apply to activities conducted pursuant to this Policy.

#### **J. Northwell Health Financial Counseling Offices**

For additional information about Financial Assistance offered by Northwell Health, or to obtain assistance

with applying for Financial Assistance, patients can contact us at the addresses or phone numbers listed below.

**Northwell Health Financial Assistance Unit noted below provides counseling services for the following facilities:** North Shore University Hospital, Long Island Jewish Medical Center, Long Island Jewish Forest Hills, Long Island Jewish Valley Stream, Cohen Children's Medical Center, Zucker Hillside Hospital, Huntington Hospital Association, Lenox Hill Hospital, Manhattan Eye, Ear and Throat Hospital, Staten Island University Hospital, Glen Cove Hospital, Plainview Hospital, South Shore University Hospital, and Syosset Hospital

For the above-listed facilities, please contact:

Northwell Health  
Financial Assistance Unit  
2 Huntington Quadrangle, Suite 4S01  
Melville, NY 11747-9001  
Phone: 1-800-995-5727

Mailing Address:  
Northwell Health  
Financial Assistance Unit  
PO Box 9001  
Melville, NY 11747-9001

Web address: [www.northwell.edu/billing-and-insurance/financial-assistance-programs-policies/financial-assistance-program](http://www.northwell.edu/billing-and-insurance/financial-assistance-programs-policies/financial-assistance-program)

**For John T. Mather Hospital, please contact:**

Financial Assistance Department  
75 North Country Road, 1<sup>st</sup> Floor  
Port Jefferson, NY 11777-2190  
Phone: 631-313-7712

Web address: [www.northwell.edu/billing-and-insurance/financial-assistance-programs-policies/financial-assistance-program](http://www.northwell.edu/billing-and-insurance/financial-assistance-programs-policies/financial-assistance-program)

**For Northern Westchester Hospital, please contact:**

Financial Assistance Unit  
400 East Main Street  
Mount Kisco, NY 10549-1096  
Phone: 914-666-1512

Web address: [www.northwell.edu/billing-and-insurance/financial-assistance-programs-policies/financial-assistance-program](http://www.northwell.edu/billing-and-insurance/financial-assistance-programs-policies/financial-assistance-program)

**For Phelps Memorial Hospital Center, please contact:**

Financial Counseling  
701 North Broadway  
Sleepy Hollow, NY 10591-1096  
Phone: 914-366-3004

Web address: [www.northwell.edu/billing-and-insurance/financial-assistance-programs-policies/financial-assistance-program](http://www.northwell.edu/billing-and-insurance/financial-assistance-programs-policies/financial-assistance-program)

**For Peconic Bay Medical Center, please contact:**

Financial Assistance Coordinator  
1 Heroes Way  
Riverhead, NY 11901  
Phone: 631-548-6099  
Web address: [www.pbmchealth.org/admissions/billing/financial-aid](http://www.pbmchealth.org/admissions/billing/financial-aid)

**K. Transition**

Tax-exempt hospital facilities that become members of Northwell Health after the effective date of this Policy shall follow this Policy once they become fully operationally integrated with Northwell Health, including but not limited to being on Northwell Health's electronic medical record system.

| <b><u>APPROVAL:</u></b>                         |  |
|-------------------------------------------------|--|
| Northwell Health Policy and Procedure Committee |  |
| Finance Committee                               |  |

**Exhibit A**  
**Clinic Sliding Fee Scale Discount**

1. **Eligibility.** New York State residents are eligible for Clinic Sliding Fee Scale Discount if they: (a) receive Medically Necessary Services (other than Emergency Medical Care) in a Clinic; (b) are Uninsured and (c) meet the patient guidelines for Clinic Sliding Fee Scale Discounts stated in this Policy. Eligibility for Clinic Sliding Fee Scale Discount for Uninsured, non-residents of New York State for Medically Necessary Services will be determined on a case-by-case basis and requires senior leadership approval. Other than the foregoing, Section A of this Policy applies to the Clinic Sliding Fee Scale Discount in the same manner as Financial Assistance. In no case may a patient receive both Financial Assistance and the Clinic Sliding Fee Scale Discount for the same service.
2. **Clinic Sliding Fee Scale Discount Guidelines.** Eligibility for the Clinic Sliding Fee Scale Discount is based on current Family Income and is available to individuals with Family Incomes that are no more than 500% of the FPG (see Section B of this Policy for a discussion of the FPG).

Amounts charged to patients who are eligible for a Clinic Sliding Fee Scale Discount are outlined in the table below. Patients eligible for a Clinic Sliding Fee Scale Discount will not be charged more than the AGB using the same methodology used by Northwell Health to calculate the AGB as described above.

| <b>Family Income<br/>as a % of FPG</b> | <b>Uninsured Patient Responsibility</b>                     |
|----------------------------------------|-------------------------------------------------------------|
| 200% or less                           | \$0                                                         |
| 201%-250%                              | No more than the lesser of (a) \$37 and (b) 5% of the AGB   |
| 251%-300%                              | No more than the lesser of (a) \$50 and (b) 10% of the AGB  |
| 301%-350%                              | No more than the lesser of (a) \$55 and (b) 15% of the AGB  |
| 351%-400%                              | No more than the lesser of (a) \$60 and (b) 20% of the AGB  |
| 401%-450%                              | No more than the lesser of (a) \$65 and (b) 100% of the AGB |
| 451%-500%                              | No more than the lesser of (a) \$75 and (b) 100% of the AGB |

3. **Services Eligible.** Patients eligible under Section 1 of this Exhibit may receive a Clinic Sliding Fee Scale Discount for Medically Necessary Services other than Emergency Medical Care only. Determinations regarding medical necessity are the responsibility of the health care professional providing the care, without regard to the ability to pay by the patient.
4. **Methods for Applying for Clinic Sliding Fee Scale Discount and Determinations.**
  - a. New Clinic patients are asked to submit Application materials (as described in Section 5 of this Exhibit) before their first appointment or to bring the materials necessary to submit an Application to their first appointment. Clinic Sliding Fee Scale Discount Applications are processed before or on the patient's initial date of service.

- b. Patients may apply for a Clinic Sliding Fee Scale Discount by submitting an Application or through an interactive process with a financial counselor. Patients must complete the applicable Application and provide all required documentation. Applications may be obtained:
    - i. Online at the Northwell Health web address: [www.northwell.edu/billing-and-insurance/financial-assistance-programs-policies/financial-assistance-program](http://www.northwell.edu/billing-and-insurance/financial-assistance-programs-policies/financial-assistance-program);
    - ii. At each Northwell Health hospital facility's main registration desk or Emergency Room desk;
    - iii. By contacting a financial counselor at one of the offices listed Section J of this Policy; or
    - iv. At the applicable Clinic.
  - c. All decisions on Clinic Sliding Fee Scale Discount eligibility will be communicated in writing. If a patient is determined not to be eligible for a Clinic Sliding Fee Scale Discount, Financial Assistance may still be available to such patient in accordance with this Policy.
5. **Documentation for Clinic Sliding Fee Scale Discount.** The same documentation and Application required to process Financial Assistance Applications under Section E of this Policy is required for Clinic Sliding Fee Scale Discounts, as well. If an applicant does not have any of the listed documents to prove Family Income, the applicant may call the hospital facility's financial counseling office noted in Section J of this Policy below or discuss with applicable Clinic personnel, to determine whether other evidence may be provided to demonstrate eligibility. Approved Applications for the Clinic Sliding Fee Scale Discount for Uninsured patients (other than those patients who have exhausted their health insurance benefits) will remain valid for twelve months and may be used to determine eligibility for subsequent services. Clinic Sliding Fee Scale Discount determinations may be re-evaluated at any time information relevant to the eligibility of the patient for a Clinic Sliding Fee Scale Discount changes during those twelve months.
6. **Communication of the Clinic Sliding Fee Scale Discount Program to Patients and the Public.** Section G of this Policy applies in its entirety with respect to the Clinic Sliding Fee Scale Discount.
7. **Northwell Health Financial Counseling Offices.** Section J of this Policy applies in its entirety with respect to the Clinic Sliding Fee Scale Discount.

**APPENDIX C**  
**PLAIN LANGUAGE SUMMARY OF THE FINANCIAL ASSISTANCE POLICY**

**Northwell Health Financial Assistance Policy**  
**Plain Language Summary**

**At Northwell Health (Northwell), we are committed to providing the best care possible for all of our patients and to increasing access to high-quality clinical care in the communities we serve.** We understand that, as a patient, you may feel stressed to receive a hospital bill. That is why we have created a robust financial assistance policy at our hospitals and hospital-based clinics. You may qualify for help if you are unable to pay all or part of your bills for emergency or other medically necessary care.

We have a large staff of trained financial counselors ready to assist you if you believe you need financial assistance. **We encourage you to use the contact information listed below to contact Northwell and ask to speak to a financial counselor to see if you qualify.** Northwell financial counselors may also be able to help you obtain health care insurance available to you.

**Summary of Northwell Health's Financial Assistance Policy**

For more complete details, please review the full policy available at <https://www.northwell.edu/billing-and-insurance/financial-assistance-programs-policies/financial-assistance-policy>.

**Eligible services**

You may be eligible for financial assistance for emergency medical care and other medically necessary services provided and billed by Northwell Health's hospitals. These services include physician services in these hospitals provided by physicians who are employed by Northwell Health. A sliding fee discount is also available for medically necessary services provided to uninsured patients in a Northwell hospital clinic.

If you are a New York state resident, you may qualify for financial assistance or the sliding fee discount if you submit an application and if we determine that you are eligible. You may be eligible if you have no health insurance, or if you are otherwise unable to pay. If you do have health insurance, you may still be eligible if you have out-of-pocket expenses that you are not able to pay. Factors that will determine your eligibility for financial assistance are discussed below.

**How to apply for financial assistance**

Submit a complete financial assistance application with all required documentation online, via mail, or by working with one of Northwell Health's financial counselors over the phone. You can get an application in any of the following ways:

- online at the Northwell Health website: <https://www.northwell.edu/billing-and-insurance/financial-assistance-programs-policies/financial-assistance-program>
- at each Northwell Health hospital facility's main registration desk or emergency room

- desk, or at the applicable clinic
- by contacting Northwell at the contact listed below and asking to speak with a financial counselor

If you are a **hospital patient**, we encourage you to apply for financial assistance as soon as possible and within 90 days from the date on your first post-discharge billing statement. Note, however, that you can submit a financial-assistance application at any time after you are treated at the hospital.

If you are a **new** patient at a hospital clinic, we encourage you to submit your application before your first appointment, or to bring the materials necessary to submit an application to your first appointment.

If you submit an incomplete application, we will notify you and give you an opportunity to provide any missing information or documentation.

### **Determination of eligibility**

Eligibility for financial assistance is based on family income and, in some cases, on other information you provide. If after reviewing your application, Northwell determines that your income is at 500% of Federal Poverty Guidelines (FPG) or below, you will be eligible for a discount on your bill for eligible services. Greater discounts are provided for lower levels of income. In 2024, the maximum income levels for eligibility at 500% of FPG are shown below:

| <b>Household / Family Size</b>                                   | <b>Maximum Family Income (500% of 2024 Federal Poverty Guidelines)*</b> |
|------------------------------------------------------------------|-------------------------------------------------------------------------|
| 1                                                                | \$75,300                                                                |
| 2                                                                | \$102,200                                                               |
| 3                                                                | \$129,100                                                               |
| 4                                                                | \$156,000                                                               |
| 5                                                                | \$182,900                                                               |
| 6                                                                | \$209,800                                                               |
| For each additional person, add                                  | \$26,900                                                                |
| * These guidelines are from 2024 but will be updated every year. |                                                                         |

If your family income is less than or equal to 200% of the FPG, you may qualify for free hospital or hospital clinic care. If your family income is between 201% and 500% of the FPG, you may qualify for partial financial assistance. If eligible, you will not be billed more than the amount generally billed to insured persons for the care provided.

### **For non-English speakers**

Find translations of our financial assistance policy, our application for financial assistance, and this plain language summary online at <https://www.northwell.edu/billing-and-insurance/financial-assistance-programs-policies/financial-assistance-policy> or request a

copy.

.....

**Contacts for questions about financial assistance or for help completing an application**

**All Northwell hospitals and hospital clinic sites *except* Peconic Bay**

Website: [www.northwell.edu/billing-and-insurance/financial-assistance-programs-policies/financial-assistance-program](http://www.northwell.edu/billing-and-insurance/financial-assistance-programs-policies/financial-assistance-program)

**Most Northwell Health hospitals or hospital clinic sites**

For: North Shore University Hospital, Long Island Jewish Medical Center, Long Island Jewish Forest Hills, Long Island Jewish Valley Stream, Cohen Children's Medical Center, Zucker Hillside Hospital, Huntington Hospital Association, Lenox Hill Hospital, Manhattan Eye, Ear and Throat Hospital, Staten Island University Hospital, Glen Cove Hospital, Plainview Hospital, South Shore University Hospital, Syosset Hospital

Phone: 1-800-995-5727  
Walk-in address: Northwell Health  
Financial Assistance Unit  
2 Huntington Quadrangle, Suite 4S01  
Melville NY 11747-9001

Mailing address: Northwell Health  
Financial Assistance Unit  
P.O.B. 9001  
Melville NY 11747-9001

**John T. Mather Hospital**

Phone: 631-313-7712  
Mailing address: Financial Assistance Department  
75 North Country Road, 1<sup>st</sup> floor  
Port Jefferson NY 11777-2190

**Northern Westchester Hospital**

Phone: 914-666-1512  
Mailing address: Financial Assistance Unit  
400 East Main Street  
Mount Kisco NY 10549-1096

**Phelps Memorial Hospital Center**

Phone: 914-366-3004  
Mailing address: Financial Counseling

701 North Broadway  
Sleepy Hollow NY 10591-1096

**Peconic Bay Medical Center** (note different website address)

Phone: 631-548-6099

Mailing address: Financial Assistance  
1 Heroes Way  
Riverhead NY 110901

Website: [www.pbmchealth.org/admissions/billing/financial-aid](http://www.pbmchealth.org/admissions/billing/financial-aid)

## **APPENDIX D**

### **COLLECTION POLICY**

#### **GENERAL STATEMENT of PURPOSE**

This Collection Policy (the “Policy”), along with Northwell’s Financial Assistance Policy (“FAP”), establishes procedures regarding collection of patient accounts. The purpose of this Policy is to reasonably balance the need for financial stewardship with needs of individual patients who are unable or unwilling to pay their accounts. This Policy covers the procedures Northwell Health will take prior to engaging in collections activities and the procedures Northwell Health and any collection agency engaged by Northwell Health will take when performing collections activities. This Policy is intended to comply with the Financial Assistance policy requirements of Internal Revenue Code Section 501(r) as enacted in 2010 and the Department of Treasury regulations and Section 2807-k(9-a) of the New York Public Health Law. This Policy shall take effect immediately upon the later to occur of (a) October 20, 2024 and (b) the date upon which Chap. 57, Part Y, Subpart C, Section 1 of the 2023 N.Y. Laws takes effect.

In order for Northwell Health to responsibly manage its resources and provide the appropriate level of assistance to the greatest number of persons in need, patients are expected to contribute to the cost of their care based on the requirements of their insurance, or in the case of uninsured or underinsured patients, based on their individual ability to pay.

Please see Section H of the FAP for information on how to obtain a free paper copy of this Policy.

#### **POLICY**

It is the policy of Northwell Health to pursue collection of unpaid patient balances from patients who have the ability to pay those balances. Northwell Health will apply collection procedures consistently and fairly for all patients regardless of insurance status. All collection procedures will comply with applicable laws and with Northwell Health’s mission. For those patients unable to pay all or a portion of their bill, reasonable efforts will be made to determine whether the patient qualifies for Financial Assistance under the FAP. Collection agencies and outside debt collection law firms may be enlisted to assist in collecting unpaid patient balances only after reasonable collection and payment options have been exhausted. Collection agencies and outside debt collection attorneys may help resolve accounts for services where patients are uncooperative in making payments, have not made appropriate payments, or have been unwilling to provide reasonable financial and other data to support their request for Financial Assistance. Collection agencies and outside debt collections attorneys retained by Northwell Health and their staff will agree to comply with this Policy and the FAP, including providing information to patients on how to apply for Financial Assistance, suspending any Extraordinary Collection Action (“ECA”) while a Financial Assistance Application is pending, and upholding the confidentiality and individual dignity of each patient. For any patient determined to be eligible for Financial Assistance, collection agencies and collection agency staff will ensure that the individual does not pay more than they are determined to be required to pay and that all reasonably available measures are taken to reverse any ECAs taken against the individual. All collection agencies and outside debt collections attorneys will follow the Health Insurance Portability and Accountability Act

(“HIPAA”) requirements for handling personal health information.

## SCOPE

This Policy applies to all Northwell Health tax-exempt hospital facilities exempt under 501(c)(3) of the Internal Revenue Code and services rendered at those hospital facilities by employed physicians.

## DEFINITIONS

**Amount Generally Billed (“AGB”):** The amounts generally billed for Emergency Medical Care or other Medically Necessary Services to individuals who have insurance covering such care, determined by multiplying the Gross Charges (as defined in the FAP) for the care by the AGB Percentage (as defined in the FAP).

**Application:** The Financial Assistance program application whether submitted in hard copy, electronically, or via telephone interview.

**Emergency Medical Care:** Health care services that a hospital or a physician exercising prudent clinical judgment, would provide to a patient exhibiting an Emergency Medical Condition.

**Emergency Medical Conditions:** As defined by section 1867 of the Social Security Act (42 U.S.C. 1395dd), also known as the Emergency Medical Treatment and Active Labor Act (“EMTALA”), a medical condition manifesting itself by acute symptoms of sufficient severity such that the absence of immediate medical attention could reasonably be expected to result in: (i) placing the health of the individual in serious jeopardy; (ii) serious impairment to bodily functions; or (iii) serious dysfunction of any bodily organ part. EMTALA also defines an emergency medical condition to include a pregnant woman who is having contractions.

**Extraordinary Collection Action (“ECA”):** Collections actions requiring a legal or judicial process that Northwell Health may take pursuant to Section 1.501(r)-6 of the Department of Treasury regulations to obtain payment of a bill for care, including (1) commencing a civil action against an individual, (2) placing a lien on an individual’s property other than a primary residence, and (3) attaching or seizing an individual’s bank account or any other personal property.

**Financial Assistance:** The discount offered by Northwell Health to persons who cannot afford to pay for the care they received for Emergency Medical Care or other Medically Necessary Services pursuant to the Northwell Health Financial Assistance Policy (“FAP”).

**Medically Necessary Services:** Health care services that a physician, exercising prudent clinical judgment, would provide to a patient for the purpose of evaluating, diagnosing, or treating an illness, injury, disease, or its symptoms, and that are: (a) in accordance with the generally accepted standards of medical practice; (b) clinically appropriate; and (c) not primarily for the convenience of the patient.

**Plain Language Summary of the FAP (“PLS”):** A written statement that notifies an individual that the hospital facility offers Financial Assistance and provides the following information in language that is clear, concise, and easy to understand with the aim that as much of it as practicable (given the topic and substance of the document) be drafted at a fifth-grade reading level:

1. A brief description of the eligibility requirements and assistance offered under the FAP;
2. A brief summary of how to apply for assistance under the FAP;
3. The direct web site address (or URL) and physical locations where the individual can obtain copies of the FAP and the Financial Assistance Application form;
4. Instructions on how the individual can obtain a free copy of the FAP and the Application by mail;
5. The contact information, including telephone number and physical location, of the hospital facility office or department that can provide information about the FAP and assistance with the Application process;
6. A statement of the availability of translations of the FAP, Application and Plain Language Summary in other languages, if applicable; and
7. A statement that an individual eligible for Financial Assistance may not be charged more than the AGB for Emergency Medical Care or other Medically Necessary Services.

**Third-Party Payor:** An entity, whether private or governmental, that provides reimbursement to Northwell Health for health care items and services provided by Northwell Health.

## **PROCEDURE/GUIDELINES**

### **A. Financial Expectations**

1. Consistent with this Policy, the FAP, and applicable law, Northwell Health shall clearly communicate with patients regarding financial expectations.
2. Patients are responsible for understanding their insurance coverage and for providing requested documentation to aid in Northwell Health’s submission of claims to insurance for reimbursement.
3. Patients are generally responsible for paying self-pay balances, including any amounts not paid by Third-Party Payors, not covered by Financial Assistance pursuant to the FAP, and deemed patient responsibility. This may include but is not limited to charges for services not covered or deemed not medically necessary by the patient’s Third-Party Payor.
4. Patients are responsible for remitting payment to Northwell Health when, pursuant to their particular insurance policy, the insurer pays funds to the patient directly that are due to Northwell Health.
5. Prior to providing non-Emergency Medical Care, Northwell Health may request that patients pay an estimated amount, such as estimated copayments, co-insurance, deductibles, amounts for non-covered services as determined by their insurance before the provision of services, or a preservice deposit. These preservice payments may be requested of all patients without regard to a patient’s outstanding bills for previous services. Such amounts may also be collected after services are provided. Required preservice payments will not exceed the AGB.

6. For patients with an outstanding balance, Northwell Health will, in a manner consistent with this Policy, endeavor to collect from those patients amounts owed before access to future non-Emergency Medical Care or non-Medically Necessary Services is granted, unless prior payment arrangements have been made. Northwell Health will not defer or deny Emergency Medical Care or Medically Necessary Services because of an individual's nonpayment of one or more bills for previously provided care.

## **B. Collection Resources, Authorization and Other Requirements**

Northwell Health is dedicated to providing accessible and affordable care to the individuals, families and communities it serves. Northwell Health has committed significant resources to accomplish this goal, including but not limited to the following:

1. A dedicated financial counseling department that offers the services of certified application counselors ("CACs") to assist and counsel patients in managing the financial aspects of the care they receive. CAC certification requires successful completion of state and local training courses. To maintain certification, CACs are required to attend any state-imposed training on an annual basis. To ensure that all CACs are properly certified, Northwell Health tracks and monitors each CAC's certification status upon hire and annual recertification. In addition, Northwell Health's Corporate Compliance Office (the "Compliance Office") shall, on an annual basis, receive a list of CACs currently employed by Northwell Health and conduct a probe sample to confirm that certifications are in place.
2. A dedicated Compliance Program Director who serves as the Medical Debt Ombudsperson (the "Ombudsperson") and is responsible for (a) reviewing and approving any ECA related to the collection of debt or judgment enforcement taken in accordance with this Policy; and (b) working collaboratively across Northwell Health to ensure compliance with this Policy.

The chart below describes the level of internal Northwell Health approval required to engage in certain collection activities. The individual(s) identified below shall provide written consent to any collection agency or outside debt collection attorney undertaking collection activities before the commencement of civil action or pursuit of a default judgment or judgment enforcement.

| <b><u>Approval Needed</u></b>                                  | <b><u>Role</u></b>                                                                                     |
|----------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|
| Placement of account or group of accounts at collection agency | Northwell Health Manager or above                                                                      |
| Civil Action                                                   | Northwell Health Manager or above and Ombudsperson                                                     |
| Default Judgement                                              | Northwell Health Manager or above and Ombudsperson                                                     |
| Judgement Enforcement                                          | Northwell Health Manager or above, Senior Vice President or Executive Vice President, and Ombudsperson |

In addition to the above, wherever an action will require the filing of an affidavit by the Chief Financial Officer of a Northwell Health hospital pursuant to Section J(7), the approval of such

Chief Financial Officer will be required, as well.

### **C. Matters of Third-Party Payors**

1. Northwell Health shall maintain and comply with policies and procedures to ensure the timely and accurate submission of claims to known Third-Party Payors. If Northwell Health timely receives information about a patient's Third-Party Payor but does not timely submit a claim to the Third-Party Payor, Northwell Health shall not hold the patient liable for the amount it would have received from such Third-Party Payor.
2. Northwell Health shall not bill a patient for any amount that it is aware that a Third-Party Payor is obligated to pay.
3. Northwell Health will collect all amounts permitted from Third-Party Payors and will seek payment from patients in accordance with each patient's Third-Party Payor's plan.
4. Northwell Health may refer a patient's outstanding balance to a collection agency or outside debt collection attorney following an initial denial or adjudication of the claim by the Third-Party Payor and unsuccessful attempts to secure payment from the patient directly, all in accordance with Sections B and H.
5. Northwell Health shall not knowingly refer any bill to a collection agency or outside debt collection attorney for collection activity when a claim is denied by a Third-Party Payor due to Northwell Health's failure to timely submit a claim to a Third-Party Payor, and such error results in the patient becoming liable for the debt when they would not otherwise be liable. Northwell Health reserves the right to substantiate that an error has been made. Patients must sign an authorization allowing Northwell Health to bill the patient's Third-Party Payor or any other applicable Third-Party Payor and must cooperate with Northwell Health in a reasonable manner to facilitate proper billing to a patient's Third-Party Payor. Northwell Health makes every reasonable attempt to collect from all known Third-Party Payors.
6. Northwell Health will assist patients toward resolution of outstanding insurance issues.

### **D. Self-Pay Collections**

1. Northwell Health will employ reasonable procedures in a fair and consistent manner to collect patient self-pay balances and to maintain confidentiality and patient dignity.
2. All self-pay collection procedures must comply with this Policy and the FAP.
3. All self-pay patient bills must include a conspicuous notice regarding the availability of Financial Assistance, along with a toll-free phone number and other instructions for patients who seek to dispute a bill have questions about the bill or the FAP, or seek assistance with the Application process. The phone number and address for a customer service representative shall be listed on patient bills and collection notices sent by Northwell Health. All telephone calls made by patients and/or their designees will be answered in real time or will be responded to as promptly as possible. Northwell Health shall respond to correspondence sent to a designated address by patients within a reasonable period depending on the request.
4. Standard collection tools may include:
  - a. Collection letters/billing statements requesting payment;
  - b. Phone calls requesting resolution of the balance;
  - c. Letters indicating the account may be placed with a collection agency;

- d. In accordance with Section J below, notices indicating that one or more ECAs may be utilized if the patient does not pay the outstanding balance; and
  - e. Outsourced collection programs performing the above tasks in accordance with Northwell Health policies and procedures.
- 5. Collection letters and phone call protocols will ensure communications with patients are appropriate and consistent.
- 6. If a patient advises Northwell Health that a) the patient does not owe all or part of a bill; or b) a Third-Party Payor should pay the bill:
  - a. Northwell Health will, if warranted based on a review of the patient's account, suspend further collection efforts until Northwell Health confirms that a debt is, in fact, owed; and
  - b. Northwell Health will respond to the patient's concern, verbally or in writing, to confirm whether the patient owes the debt or that the applicable Third-Party Payor has already paid all amounts for which it is obligated. If the response is verbal, such response shall be documented by Northwell Health.
- 7. If a patient advises Northwell Health's collection agencies or outside debt collection attorneys that a) the patient does not owe all or part of a bill; or b) a Third-Party Payor should pay the bill:
  - a. The collection agency or outside debt collection attorney must suspend further collection efforts until Northwell Health, its collection agency or outside debt collection attorney confirms that a debt is, in fact, owed; and
  - b. Northwell Health, its collection agency or outside debt collection attorney must respond to the patient's concern, verbally or in writing, to confirm whether the patient owes the debt or that the applicable Third-Party Payor has already paid all amounts for which it is obligated. If the response is verbal, such response shall be documented by Northwell Health, its collection agency or outside debt collection attorney, as applicable.
- 8. If the patient provides new insurance information, Northwell Health will bill the appropriate Third-Party Payor.
- 9. For all current or former hospital patients who request an itemized bill, Northwell Health shall respond in writing within ten (10) days of receiving a request. The Compliance Office will review, on a quarterly basis, a sample of accounts to determine if responses are sent in a timely manner.
- 10. Northwell Health shall maintain a system to record patient inquiries. This system shall include a log of patient complaints received by its billing offices, including complaints received on its toll-free number and designated address for written complaints, regarding the collection of medical debt by Northwell Health or by its collection agencies or outside debt collection attorneys. Such records may be maintained at more than one location. The Compliance Office will review, on a quarterly basis, a sample of patient inquiries and any applicable response to confirm that inquiries are appropriately resolved.

## **E. Balance Resolution**

- 1. Northwell Health is committed to working with each patient toward equitable resolution of the patient's self-pay balances, regardless of whether a patient qualifies for Financial Assistance. Financial Assistance and in some cases, hardship adjustments, shall be considered

for those patients whose income will not allow full payment of a patient balance within a reasonable time, pursuant to the FAP. Financial Assistance will be applied at approved levels to any outstanding unpaid account the patient may have for Emergency Medical Care or Medically Necessary Services without respect to the date of service. All patients who have submitted an Application will be notified in writing regarding Financial Assistance eligibility determinations (including, if applicable, the assistance for which the individual is eligible) and the basis for this determination.

2. During collection interactions with patients, Northwell Health staff and any outside collection agency staff or debt collection attorneys shall take reasonable steps in accordance with this Policy and the FAP to equitably resolve their account.
3. Northwell Health shall offer multiple options for resolving patient self-pay balances when such options are present.
4. Representatives shall discuss the options available to patients who do not qualify for Financial Assistance under the FAP, and help patients identify which option may best meet their needs and Northwell Health's collection goals. Options may include:
  - a. Payment by cash, check, debit, or credit cards;
  - b. Offering payment plans; and
  - c. Offering modified payment terms on a case-by-case basis.
5. When patients are placed on one or more payment plans in connection with an approved Application under the FAP, Northwell Health shall not charge interest and the monthly payment(s) on such plan(s) together shall not exceed 5% of the patient's gross monthly income. Patients are only eligible for payment plans if their account balance is at least \$100 total, with a minimum monthly payment of \$25.
6. In every document and web page permitting patients to create a payment plan, Northwell will include a conspicuous notice about the availability of Financial Assistance.
7. Multiple attempts will be made to communicate with patients to resolve a balance so that referrals to outside collection agencies and debt collection attorneys will not be necessary.
8. At any stage of the patient experience, including collections, the patient may request that a determination be made to see if the patient qualifies for Financial Assistance under the FAP. Once an Application is approved, the FAP will govern handling of that patient's balance.
9. Northwell Health will not sell patient's medical debt to any third party, unless such third party explicitly purchases such medical debt in order to relieve the debt of the patient.

## **F. Staff Training and Monitoring**

1. A staff training program for Northwell Health staff who interact with patients regarding billing and collections is essential for successful customer service and collection interactions. Such staff shall be trained when they begin in their role of interacting with patients regarding billing and collections, and annually thereafter while they remain in that role.
2. In addition to participating in Northwell Health annual training programs required of all employees, training of these individuals who interact with patients regarding billing and collections highlights Northwell Health's expectations for treating patients with dignity, and it provides information necessary to effectively inform patients regarding the FAP, and how a patient can obtain more information about the FAP or apply for Financial Assistance. The Compliance Office will also provide training to these individuals on topics including, but not limited to, HIPAA and health care fraud prevention.

3. Northwell Health also imposes training requirements on its debt collection agencies and outside debt collection attorneys on topics including, but not limited to, those described above in Section F(2). The Compliance Office will review, on an annual basis, any applicable training materials provided to debt collection agencies and outside debt collection attorneys.
4. Northwell and collection agency staff will be trained to notify patients that they may qualify for Financial Assistance when discussing payment plans. If a patient indicates a need for Financial Assistance, they will be referred to Northwell's financial counseling department.
5. Northwell Health shall implement and enforce a quality assurance program to evaluate and monitor the activities of Northwell Health staff and its debt collection agencies and outside debt collection attorneys.
  - a. Northwell Health shall review a random sample of customer calls each month.
  - b. In order to further ensure that the calls are meeting Northwell Health's standards, the Compliance Office will review, on a quarterly basis, (i) a sample of customer calls to Northwell Health that have already been quality checked by the relevant Northwell Health department; and (ii) a sample of customer calls to debt collection agencies and outside debt collection attorneys that have already been quality checked by the relevant Northwell Health department.
  - c. Prior to referring an account for civil action under Section K, the Ombudsperson will review any and all calls related to such account.
  - d. Northwell Health shall also perform an annual review of debt collection agencies and outside debt collection attorneys to ensure compliance with Northwell Health policies and procedures.

## **G. Write-off Procedures**

When warranted, and subject to Northwell Health's internal approval process, accounts may be written off at any point in the collections process. For example, Northwell Health may write off a patient's account if that patient's ability to pay is adversely affected by a new illness or life event.

## **H. Collection Agencies**

1. Northwell Health shall assist all patients to satisfy their financial obligation before enlisting the assistance of a collection agency. With the exception of outsourced collection programs mentioned above, third-party debt collection agencies may be enlisted only after Northwell Health staff have exhausted reasonable collection and payment options. Agencies may help resolve accounts for services where patients are uncooperative in making payments, have not made appropriate payments, or have been unwilling to provide reasonable financial and other data to support their request for Financial Assistance.
2. When reviewing a patient account for referral to a collection agency, Northwell Health will ensure:
  - a. There is a reasonable basis to believe that the patient owes the debt; and
  - b. Known Third-Party Payors have been properly billed by Northwell Health such that any remaining debt is the financial responsibility of the patient.
3. Instances in which Northwell Health may pursue collection activities through the use of a collection agency include:

- a. Where Northwell Health has made reasonable efforts to determine whether a patient qualifies for Financial Assistance under the FAP in accordance with the process set forth in Section J below and 180 days has passed since the date Northwell Health provided the first post-discharge billing statement for the care;
  - b. Where a patient does not otherwise qualify for Financial Assistance pursuant to the FAP and has indicated an inability to pay the full amount of the patient's balance in one payment, Northwell Health has first offered the patient a reasonable payment plan or other arrangement to pay the bill without sending to collections; or
  - c. A patient ceases to make payments in accordance with the terms of a payment plan previously agreed to or ceases to cooperate with Northwell Health to resolve the patient's account.
4. Patients are provided a minimum of thirty (30) days advance notice prior to any referral to an outside collection agency. This notice will also inform patients of the availability of Financial Assistance.
5. Northwell Health and outside collection agencies shall cease all collection efforts if a patient is determined to have been eligible for Medicaid at the time services were rendered if Medicaid coverage was available.
6. Northwell Health will not pursue collection against a patient for any amount that a Third-Party Payor is obligated to pay Northwell Health directly, provided the patient has given authorization to bill the Third-Party Payor and such payment has not been paid to and retained by the patient.
7. In accordance with the procedures set forth in Section J below, if a patient applies for Financial Assistance after an account has been referred for collection activity, Northwell Health and/or a collection agency shall suspend all collection activity until the patient's Application has been processed and Northwell Health notified the patient of its determination.

## **I. Relations with Collection Agencies and Outside Debt Collection Attorneys**

1. Northwell Health will contract with collection agencies and outside debt collection attorneys approved by Northwell Health's Office of Procurement, based on agreements approved by Northwell Health's Office of Procurement and the Northwell Health Office of Legal Affairs. A copy of all executed contracts shall be promptly provided to Northwell Health Office of Procurement who shall maintain a list of each outside collection agency or outside debt collection attorney under contract and the expiration date of such contract.
2. Northwell Health shall require all collection agencies and debt collection attorneys to submit all customer complaints to Northwell Health. Northwell Health will work with collection agencies and debt collection attorneys, as needed, to resolve such complaints.
3. Each contracted collection agency and debt collection attorney must agree that a flat commission percentage shall be its sole source of compensation.
4. Northwell Health shall terminate its contract with any collection agency or debt collection attorney who is not satisfying its contractual obligations in a material way.
5. Northwell Health shall enter written contracts directly with any outside debt collection attorney or law firm utilized by it to collect debt from its patients and shall not subcontract or delegate the selection of any outside debt collection attorney or law firm to a collection agency. Such written contracts shall require the outside debt collection attorney or law firm to act in accordance with the terms of the FAP and this Policy and all applicable laws.

## **J. Extraordinary Collection Actions**

Northwell Health (or, upon written authorization from Northwell Health, a collection agency or an outside debt collection attorney), may, in accordance with the terms of this Policy and the FAP, undertake one or more ECAs to collect an outstanding patient balance. Before initiating any ECAs, the Ombudsperson shall determine that reasonable efforts were made by Northwell Health and/or any collection agency or outside debt collection attorney to determine whether a patient is eligible for Financial Assistance under the FAP.

### **1. Timeframes for ECAs**

Northwell Health will provide a 180-day “Notification Period” during which Northwell Health will provide a minimum of two notices which inform the patient about the FAP. Northwell Health will not initiate any ECAs or refer an account to an outside debt collection agency or law firm for at least 180 days from the date Northwell Health provides the first post-discharge billing statement for the care.

With respect to any ECA, Northwell Health will provide written notice that indicates that financial assistance is available for eligible individuals, identifies the ECAs that Northwell Health (or any collection agency) may initiate to obtain payment for the care, and states a deadline after which such ECAs may be initiated that is no earlier than 30 days after the date of the written notice (“ECA Notice”). Northwell Health will also provide a Plain Language Summary of the FAP with the ECA Notice and will make a reasonable effort to provide oral notification about the FAP and how the individual may obtain assistance with the Application process at least 30 days before first initiating one or more ECAs to obtain payment for the care.

### **2. Suspending ECAs While Applications Pending**

If an individual submits an incomplete Application, Northwell Health will notify the individual, in writing, about how to complete the Application and provide the patient with a reasonable opportunity to do so. Upon receipt of a complete or incomplete Application, Northwell Health (or any collection agency) will not initiate or take further action on any previously-initiated ECAs to obtain payment for the care until either: (1) Northwell Health has determined whether the individual is eligible for Financial Assistance based on a complete Application, or (2) in the case of an incomplete Application, the individual has failed to respond to requests for additional information and/or documentation within a reasonable period of time, a minimum of thirty (30) days, given to respond to such requests.

### **3. Determinations Regarding Eligibility for Financial Assistance**

If, at any point, an individual submits a Application that Northwell Health deems to be complete, Northwell Health will make a determination as to whether the individual is eligible for Financial Assistance for the care and will notify the individual in writing of this eligibility determination (including, if applicable, the assistance for which the individual is eligible) and the basis for this determination within thirty (30) days of receipt of the Application.

If Northwell Health determines an individual is eligible for Financial Assistance after submitting an Application under the FAP for the care, it will do the following:

- a. *Billing Statement to Recipients of Discounted Care*: If the individual is determined to be eligible for discounted, as opposed to free care, Northwell Health will provide the individual with a billing statement that indicates the amount the individual owes for the care as an individual eligible for discounted care and how that amount was determined and that states or describes how the individual can get information regarding the AGB for the care.
- b. *Appropriate Refund*: Refund to the individual any amount paid for the care (whether to Northwell Health or any other party to whom Northwell Health has referred debt for the care) that exceeds the amount the individual is determined to be personally responsible for paying as an individual eligible for Financial Assistance, unless such excess amount is less than \$5.
- c. *Measures to Reverse any ECA*: Take all reasonably available measures to reverse any ECA taken against the individual to obtain payment for the care.

#### 4. Civil Action

- a. Except as otherwise provided herein, Northwell Health reserves the right to take civil action against anyone who has accepted responsibility or is required to accept responsibility for a patient's bill.
- b. Northwell Health (or any external collection agency or outside debt collection attorney it retains) will not pursue a civil action until one hundred and eighty (180) days after Northwell Health provides a patient with the first post-discharge billing statement.
- c. Situations that may qualify for a civil action include:
  - i. Patients who keep insurance payments or settlements owed to Northwell Health for care; and
  - ii. Patients who refuse to pay an undisputed bill for patient services even though they have sufficient resources to pay.
- d. A civil action shall not be filed against any patient to collect medical debt until the Ombudsperson has approved, reviewed, and, where applicable, confirmed the following:
  - i. There is a reasonable basis to believe that the patient owes the debt.
  - ii. Known Third-Party Payors have been properly billed such that any remaining debt is the financial responsibility of the patient.
  - iii. Northwell Health has complied with Section J(1) above.
  - iv. Northwell has sent the patient at least three statements informing them of the debt owed and the availability of Financial Assistance
  - v. Where the patient has indicated an inability to pay the full amount of the debt in one payment, Northwell Health has offered the patient the opportunity to pay pursuant to a payment plan, regardless of whether the patient qualifies for Financial Assistance under the FAP.
  - vi. The patient's estimated income is more than 500% of the Federal Poverty Guidelines based on estimated family size.
  - vii. The patient is not known to be an enlisted service person or veteran.

- viii. The patient is not known to be a Northwell Health Employee or covered dependent.
  - ix. The patient is not known to be unemployed.
  - x. The patient is not known to be disabled or blind.
  - xi. The patient must not have previously been approved for Financial Assistance within the last 12 months, or if they have been approved, no information relevant to the eligibility of the patient for Financial Assistance has changed during those 12 months.
  - xii. The patient is not known to be deemed incapacitated by a medical professional.
- e. No civil action will be initiated against any debtor's account until Northwell Health has given written authorization to its debt collection attorney to commence such action. Reasonable efforts to collect on an account pursuant to Section H must be made prior to commencing a civil action. If a civil action must be taken, the action will be initiated in the name of the applicable Northwell Health entity.

## 5. Default Judgments

- a. Northwell Health shall not obtain a default judgment against any patient without the specific approval of the Ombudsperson. Before authorizing a motion for a default judgment, the Ombudsperson should consider whether there is a reasonable basis to believe that the patient:
  - i. Already believes that the patient has adequately answered the complaint by calling or writing to Northwell Health, its collection agency, or its outside debt collection attorneys;
  - ii. Is known to be sick, disabled, infirm, or elderly to potentially render the patient unable to answer the complaint; or
  - iii. May not have received service of the complaint.
- b. If Northwell Health has knowledge of the identity of an attorney representing a patient in connection with Northwell Health debt collection efforts, it shall notify its outside debt collection attorney, law firm, and agency of the identity of such attorney. Neither Northwell Health, nor any contracted collection agency or outside debt collection attorney retained by Northwell Health, shall directly contact any patient known to be represented by an attorney regarding the collection of that debt without the permission of the patient's attorney.

## 6. Judgment Enforcement

- a. Northwell Health shall not give any collection agency or outside debt collection attorney unlimited authorization to pursue any measures for the enforcement of judgments.
- b. After obtaining a judgment against a patient in court for a debt, Northwell Health may garnish, encumber or levy the bank account or other asset of any patient in accordance with applicable law and upon written approval by the Ombudsperson as well as a Northwell Health Executive Vice President or Senior Vice President.

- c. Before Northwell Health authorizes its collection agencies or outside debt collection attorneys to proceed with measures to enforce a judgment, the appropriate Northwell Health manager or above and Ombudsperson must verify that:
  - i. Northwell Health has no reasonable basis to believe that the patient's assets, such as funds at a financial institution, are likely to be exempt from garnishment, or other measures of judgment execution pursuant to state and federal law. Such information may include, but is not limited to, whether the patient is on Social Security, Medical Assistance, or other relief based on need.
  - ii. There is a reasonable basis to believe that the patient owes the debt.
- d. Northwell Health shall require its law firm to send an appropriate notice to any patient of a garnishment or other judgment enforcement action.
- e. If a patient submits a written claim that the patient's assets are exempt from garnishment or other enforcement measure, Northwell Health's outside debt collection attorney shall not object to the claim or exemption without first receiving specific, case-by-case approval of the Ombudsperson. In deciding whether to grant such approval in a particular case, the Ombudsperson shall review all information submitted by the patient in support of the patient's claim of exemption.
- f. Any measures utilized to enforce judgments will be in accordance with state and federal law, including but not limited to Article 52 of the New York Civil Practice Law and Rules (§5201-§5253) and New York Public Health Law 2807-k(9-a).
- g. Pursuant to current federal and state rules and regulations, the following assets will not be pursued:
  - i. A patient's primary residence
  - ii. A patient's child support income
  - iii. A patient's retirement account balances
  - iv. A patient's Social Security income

#### 7. ECAs for Patients Below 400% of the Federal Poverty Guidelines

- a. Notwithstanding anything in this Section J to the contrary, Northwell Health shall not commence any ECA against patients with incomes below 400% of the Federal Poverty Guidelines.
- b. In connection with any ECA requiring the submission of a complaint, such complaint shall be accompanied by an affidavit of the applicable Northwell Health hospital's Chief Financial Officer stating that, based upon Northwell Health's reasonable effort to determine the patient's income, the patient against whom it is taking legal action does not have an income below 400% of the Federal Poverty Guidelines based on estimated family size.

### **K. Enforcement**

This Policy will be enforced for all applicable Northwell Health entities covered by the scope of this Policy, their employees, and collection agencies (and their agents and employees) and outside debt collection attorneys (and their agents and employees) retained by Northwell Health. Any abusive, harassing, or misleading language or conduct by any Northwell Health

employees responsible for collecting medical debt from patients, or from any debt collection agencies and outside debt collection attorneys and their respective agents and employees, will be addressed through corrective action procedures or contractual remedies.

#### **L. Patient Inquiries**

For any questions or concerns regarding medical bills or Northwell Health's collection processes, please call (888) 214-4066 or submit an online inquiry by visiting <https://www.northwell.edu/billing-and-insurance/submit-an-insurance-claim/medical-bills>.

For any compliance-related concerns or inquiries, please contact Northwell Health's Corporate Compliance HelpLine at 800-894-3226, [www.northwell.ethicspoint.com](http://www.northwell.ethicspoint.com), or via mobile texting option using the following QR code:



The HelpLine is available 24 hours, seven days a week. Individuals are encouraged to report any problem or concern either anonymously or in confidence via the HelpLine as they deem appropriate. Individuals also have the option of contacting the Compliance Office directly via telephone at 516-465-8097 or fax at 516- 465-8996 during regular business hours or in-person at 1111 Marcus Avenue, Suite 107, Lake Success, New York.

#### **M. Collection Efforts for Non-Hospital Services by Northwell Health-Employed Physicians**

Collection efforts related to services performed by Northwell Health-employed physicians in physician offices that are non-hospital facilities ("Non-Hospital Services") shall follow this Policy once all such physician offices have fully transitioned to Northwell Health's new electronic medical record system ("Transition Date"). This Policy shall be in effect for collection efforts related to Non-Hospital Services provided by physicians who become employed by Northwell Health after the Transition Date once the physicians become fully operationally integrated with Northwell Health, including but not limited to being on Northwell Health's electronic medical record system.

Patients can reference their billing statement(s) for the applicable customer service lines for any questions or concerns regarding Non-Hospital Service medical bills or collection processes.

#### **N. Transition**

Tax-exempt hospital facilities that become members of Northwell Health after the effective date of this Policy shall follow this Policy once they become fully operationally integrated with Northwell Health, including but not limited to being on Northwell Health's electronic medical

record system.

## **O. Equal Opportunity**

When making decisions throughout the collection process, Northwell Health employees and agents shall comply with the multiple federal and state laws that preclude discrimination and shall not take into account age, gender, sex, race, color, national origin, religion, military service, social or immigrant status, sexual orientation, gender identity, spousal affiliation, physical handicap, mental handicap, or any other classification protected by federal, state or local laws.

### **REFERENCES to REGULATIONS and/or OTHER RELATED POLICIES**

- New York State Public Health Law § 2807-k(9-a)
- New York Civil Practice Law and Rules §§ 5201-5253
- Internal Revenue Code § 501(r)
- Northwell Health Human Resources Progressive Discipline Policy
- Northwell Health Policy #800.73 Compliance Program Disciplinary Standards for Non-Employees

### **CLINICAL REFERENCES/PROFESSIONAL SOCIETY GUIDELINES**

N/A

### **ATTACHMENTS**

N/A

### **FORMS**

N/A

| <b><u>APPROVAL:</u></b>                         |  |
|-------------------------------------------------|--|
| Northwell Health Policy and Procedure Committee |  |
| Finance Committee                               |  |