Financial Assistance Policy for Hospital Services

Policy

All patients living within the five boroughs of New York City will have the opportunity to apply for financial assistance for emergency and non-emergency services based on financial need. All other patients will have the opportunity to apply for financial assistance for emergency services (including emergency transfers under EMTALA) based on financial need. All patients will have access to information regarding estimated or actual charges for hospital services, as well as the opportunity to apply for government sponsored insurance programs. Beth Israel Medical Center, St. Luke's-Roosevelt Hospital Center and Long Island College Hospital (the "Hospitals") affiliated with Continuum Health Partners, Inc ("Continuum") reserve the right to extend discounts to other patients, either generally or on a case-by-case basis.

Patients who have an income at or below 400% of the federal poverty level and meet the criteria listed in this policy are eligible for financial assistance. Patients at the lower end of the poverty guideline scale receive a greater amount of assistance than those patients at the higher end of the poverty guideline scale. The discount under the Continuum Hospitals' Financial Assistance Policy for Hospital Services ("the Policy") starts with the gross charges of the services to be performed reduced to the Medicaid rate of reimbursement and then provides for additional discounts based upon the patient's eligibility.

Statement of Purpose
The Continuum Hospitals recognize that many of the patients they serve may not have health insurance or the financial resources to access quality health care services without financial assistance. Consistent with their mission, Continuum Hospitals are committed to assuring that ability to pay will be considered carefully when settling amounts due for health care services.

Continuum Hospitals recognize their role in helping those in need of financial assistance and have established a Financial Assistance Committee to implement the Policy. The objectives of the Policy are to:

- Maintain respect and compassion for our patients and their families;
- Assist patients in gaining access to government insurance programs;
Financial Assistance Policy for Hospital Services

- Provide clear information regarding the Policy;
- Ensure easy access to the Policy for all concerned parties;
- Consistently apply the Policy to all patients;
- Apply sound business practices with respect to collections for patient services; and
- Comply with all applicable laws, rules and regulations.

Scope

1. The Policy applies to hospital charges for inpatient elective and emergent/urgent care, ambulatory surgery, and to outpatient emergency, clinic, and ancillary services such as Cat Scans, X-Rays and Blood Tests, etc.

2. The Policy applies to:
   - Uninsured patients;
   - Non-covered medically necessary services (as determined by the patient’s third party payer benefits); and
   - Charges incurred after patients’ exhaustion of third party payer benefits.

3. The Policy excludes:
   - Deductibles, co-payments and co-insurance imposed by third party payers on hospital claims;
   - Otherwise insured patients who utilize Continuum Hospitals for non-covered out of network elective procedures or services;
   - Discretionary charges, such as a private room or private duty nurses;
   - Elective cosmetic surgery and other services not covered by Medicare and/or Medicaid;
   - Professional service fees for physicians who elect not to participate in the Policy’s financial assistance program; and
   - Other fees not charged directly by Continuum Hospitals (e.g., television or telephone charges).

4. The patient will be ineligible for financial assistance under this Policy if any of the following occur:
   - The Department of Financial Counseling ("DFC") determines that false information was provided by the patient or responsible party during the application process;
   - The patient or responsible party refuses to cooperate with the DFC during the application process; or
   - The patient or responsible party refuses to apply for government insurance programs after DFC determines that the patient or responsible party is potentially eligible for those programs.

5. When a patient refuses to cooperate and is unable to provide the necessary documents to complete an application for Financial Assistance, he/she may elect to participate in Continuum Hospitals Self Pay Discount Program.
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6. To determine a patient's financial responsibility for outpatient charges, excluding ambulatory surgery, radiation, and chemotherapy treatments, the DFC will apply a means test based solely on household gross income and a sliding fee scale, as defined and set forth in Attachment I. Test A - Income Test ("the Sliding Fee Scale Discount Table") in Attachment 1 is based on the Federal Poverty Guidelines.

7. To determine patient's financial responsibility for inpatient, ambulatory surgery charges, and radiation and chemotherapy treatments, the DFC will apply the means test set forth in the preceding paragraph. If a patient is eligible for a discount and has liquid assets, the DFC will also apply a Liquid Asset Adjustment as follows: In addition to the discounted amount derived from applying the means test, the patient will also be responsible for paying 50% of the amount by which the patient's liquid assets exceed the discounted amount. However, an eligible patient will not have to pay more than the Medicaid Rate for the services.

Liquid Asset Adjustment Exceptions:

A.) A patient whose annual income is at or below 100% of the Federal Poverty Guidelines (FPG) will not have the Liquid Asset Adjustment applied.

B.) A patient whose annual income is at 101% - 150% of the Federal Poverty Guidelines (FPG) will not have the Liquid Asset Adjustment applied unless the patient's liquid assets are above the amounts stated on the chart below. The adjustment will be applied only to assets in excess of these amounts:

<table>
<thead>
<tr>
<th>Household Size</th>
<th>Asset Levels For Patients At 101% - 150% FPG</th>
</tr>
</thead>
<tbody>
<tr>
<td>One</td>
<td>$13,800.00</td>
</tr>
<tr>
<td>Two</td>
<td>$20,100.00</td>
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<td>$38,190.00</td>
</tr>
<tr>
<td>Each Additional Person</td>
<td>$3,015.00</td>
</tr>
</tbody>
</table>
Financial Assistance Policy for Hospital Services

8. The Sliding Fee Scale Discount Table may be adjusted from time to time in accordance with Federal Poverty Guidelines updates and because of other special considerations.

9. Where there is a package rate for specific services, that package rate will supersede the Policy.

10. Continuum Hospitals reserve the right to evaluate any patient’s eligibility on a case-by-case basis, especially where complex medical, scientific or financial situations exist.

Access to Information

Patients will obtain information on hospital charges and eligibility for government or hospital programs primarily from each hospital’s DFC. Availability of the Continuum Hospitals Financial Assistance is noted on the patient’s bill. Patients will be alerted to the Policy by multi-lingual signage and brochures at points of patient service, information distributed in the admission package, the Continuum web site (www.wehealnewyork.org), and responses to direct inquiries made to Continuum Hospitals. All related inquiries will be directed to the hospital’s DFC. All other hospital staff will be directed to distribute standard information or refer inquiries to the Continuum web site to ensure all concerned parties receive consistent information.

Procedure

1. For inpatient and ambulatory surgery services, a Financial Counselor will make best efforts to contact patients who appear to be uninsured prior to or during the service. It may also be necessary to contact patients after their hospital stay or ambulatory surgical procedure. For most other outpatient services, uninsured patients will be referred to the DFC by the patient service area. For services rendered to diagnose or treat an emergency medical condition, appropriate medical screening and stabilization services will be completed before a Financial Counselor seeks information concerning sources of payment. Neither a Financial Counselor nor DFC staff shall take any action that might inhibit Continuum Hospitals' compliance with their obligations under the Emergency Medical Treatment and Labor Act (“EMTALA”) and hospital policies on compliance with EMTALA.

2. All patients will be provided charge information for specific procedures upon request. In addition, the DFC will provide estimates of total charges with the cooperation of the patient’s physician. In the absence of information from the patient’s physician regarding anticipated treatment, the DFC will supply standard hospital charge information to patients in addition to information regarding this Policy.

3. A Financial Counselor’s responsibilities will include, but are not limited to the following:
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a) Determine if the patient or responsible party has third party coverage.
b) If there is no third party coverage, determine if the patient or responsible party is eligible for government insurance programs. If eligible, pursue the application, with the cooperation of the patient or responsible party, to final determination of eligibility/coverage made by the appropriate government agency.
c) If the patient or responsible party is deemed ineligible for government insurance programs, determine if the services provided to the patient are eligible for coverage by an existing endowment of Continuum Hospitals. If eligible, pursue application to the applicable endowment, with the cooperation of the patient or responsible party, to final determination of eligibility/coverage made by the endowment administrator.
d) Determine financial assistance eligibility based on a completed Application. Where applicable, select an appropriate payment plan and execute a payment agreement with the patient or responsible party.
e) The Financial Counselor's immediate supervisor will review each Application and make a final determination on financial assistance eligibility and payment agreements.

4. Patients must provide the following documentation with each Financial Assistance Application:

a) Proof of identity;
b) Proof of address;
c) Income verification:
   Two bi-weekly or four weekly payroll stubs
   AND/OR
   Letter from the Social Security Administration, or the New York State Department of Labor regarding unemployment benefits
   AND/OR
   Letter of support from individuals providing for patient's basic living needs (including proof of income, resources and management from the supporting individual(s));
d) Proof of dependents;
e) Proof of child support and/or alimony;
f) Proof of assets (three months of bank statements); and
g) Prior year's income tax return (if applicable).

5. In most cases, determinations on eligibility for financial assistance will be made within 10 business days of receipt of a completed Application (including all required supporting documentation). Where the DFC has found a patient eligible for financial assistance, an appropriate discount will be determined based on the Sliding Fee Scale Discount Table and/or Liquid Asset Adjustment. The patient or responsible party will be notified in writing of eligibility determinations and, if
Financial Assistance Policy for Hospital Services

eligible, will be asked to sign a payment agreement. A patient or responsible party who refuses to sign the payment agreement will not be eligible for a discount or payment plan under this Policy.

6. Financial Assistance discounts provided to qualifying patients for inpatient or ambulatory surgery procedures will be valid for the single inpatient occasion of service or ambulatory surgery procedure referenced in the patient’s approval letter. Discounts provided to qualifying patients for outpatient procedures will be valid until the end of the calendar year in which the discount was submitted. To receive a financial assistance discount on outpatient charges, patients must provide the original outpatient financial assistance approval letter prior to service, along with photo identification.

7. Eligible patients will be offered a 10% prompt pay discount on full payment of the discounted charges. Payment is due and payable within 30 days of billing, subject to normal collection procedures.

8. Extended interest-free payment plans are available for patients who are unable to meet their obligations immediately.

   a) A down payment of discounted charges of up to 25% of the patient or the responsible party’s household liquid assets will be paid initially, with the remaining balance paid in equal monthly installments of up to 10% of the patient or responsible party’s monthly gross household income.

   b) Patients will receive a written statement with the total amount due and the due dates or periods of payments scheduled to repay the balance.

9. New York State surcharge will be added to all amounts determined to be the patient’s responsibility, as appropriate under the Health Care Reform Act.

10. A patient has the right to appeal decisions on eligibility for financial assistance within 30 days of notification of an eligibility determination from the DFC, based on the following criteria:

    • Incorrect information was provided;
      OR
    • Changes in the patient’s financial status occurred;
      OR
    • Extenuating circumstances exist.

The Director of the DFC will decide appeals in cases where incorrect information was provided or where changes occur in a patient’s financial status. For cases involving extenuating circumstances, final decisions on appeals will be made by the Vice President of Patient Accounting. Appeals should be made in writing (or
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in person, by appointment) to the Director of the DFC (Department of Financial Counseling) at the following address:

Beth Israel, Petrie Division:
307 First Avenue
New York, NY 10003-2929
Tel. (212) 844-6041 / Fax. (212) 505-6910

Beth Israel, Phillips Ambulatory Care Center:
10 Union Square East, 2nd Floor
New York, New York 10003
Tel. (212) 844-6041 / Fax. (212) 844-8401

Beth Israel Kings Highway Division:
3201 Kings Highway
Brooklyn, New York 11234
Tel. (718) 951-2751 / Fax. (718) 951-2822

St. Luke’s Hospital:
1111 Amsterdam Avenue at 114th Street
New York, New York 10025
Tel. (212) 523-2552 / Fax. (212) 523-5620

HEAL Center:
1111 Amsterdam Avenue
Clark 108 (Enter at 440 West 114th Street)
New York, New York 10025
Tel. (212) 523-3900 / Fax. (212) 523-3955

Roosevelt Hospital:
1000 Tenth Avenue at 58th Street
New York, New York 10019
Tel. (212) 523-7816 / Fax. (212) 523-8143

Long Island College Hospital:
339 Hicks Street at Atlantic Avenue
Financial Assistance Policy for Hospital Services

Brooklyn, New York 11201
Tel. (718) 780-1390 / Fax. (718) 780-4772

The DFC will strive to make appeal decisions within 10 business days of receipt of a patient appeal (i.e., after receipt of letter or an in person appeal).

11. Patients are responsible for promptly reporting changes in financial status and contact information to the DFC if unable to comply with a signed payment agreement.

12. If a patient or responsible party defaults upon a financial agreement with Continuum Hospitals after reasonable notice of non-payment, that financial agreement will become void, any remaining discounted balance will become due and the account in question will be considered delinquent. Furthermore, Continuum Hospitals reserve the right to refer patient accounts to collection, where appropriate.

13. Collection agencies must follow the same guiding principles as outlined in the Policy and as are prudent, based on a patient’s or responsible party’s financial history and current financial situation. Before approving legal actions (e.g. liens or garnishments), the DFC will seek to determine whether a patient has the means to pay outstanding balances. The collection agency must present documentation to the DFC supporting such actions. Continuum Hospitals will not authorize foreclosure on a patient or responsible party’s primary residence.

Policy Administration & Maintenance

The DFC will collect and distribute information to the Continuum Financial Assistance Committee regarding its Financial Assistance Policy on a quarterly basis. This information may include, but is not limited to:

- Number of cases referred to the DFC;
- Number of cases processed;
- Number of cases determined eligible for and referred to government insurance programs;
- Number of Financial Assistance Applications distributed by the DFC;
- Number of Applications received (complete and incomplete), accepted and rejected and reasons for rejection;
- Average time required to process applications;
- Number of signed agreements and dollar value of discounts provided;
- Collection statistics on signed agreements;
- Number of appeals made, accepted and rejected;
- Average time required to process appeals, and
- Information on financial assistance funding sources for discounts offered.
Financial Assistance Policy for Hospital Services

Continuum Hospitals' respective boards of directors will be provided annually with information regarding the implementation and progress of the Financial Assistance Policy.

APPROVED:

Gail Donovan
Executive Vice President &
Chief Operating Officer

Date: 4/6/09

John Collura
Executive Vice President &
Chief Financial Officer

Date: 4/6/09

Stanley Brezenoff
President & Chief Executive Officer

Date: 4/8/09
## Financial Assistance Policy for Hospital Services

### Continuum Health Partners, Inc.  
2009 Sliding Fee Scale Discount Table

<table>
<thead>
<tr>
<th>Family size</th>
<th>Federal Poverty Guidelines (FPL) (Clinic fee scale A)</th>
<th>Sliding fee level 1 income range (Clinic fee scale B)</th>
<th>Sliding fee level 2 income range (Clinic fee scale C)</th>
<th>Sliding fee level 3 income range (Clinic fee scale D)</th>
<th>Sliding fee level 4 income range (Clinic fee scale E)</th>
<th>Sliding fee level 5 income range (Clinic fee scale F)</th>
<th>Sliding fee level 6 income range (Clinic fee scale G)</th>
<th>Sliding fee level 7 income range (Clinic fee scale H)</th>
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<tbody>
<tr>
<td>1</td>
<td>$10,830</td>
<td>$10,830</td>
<td>$15,245</td>
<td>$21,660</td>
<td>$32,490</td>
<td>$37,905</td>
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<td>$21,855</td>
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<td>$36,426</td>
<td>$43,711</td>
<td>$40,995</td>
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<td>$27,485</td>
<td>$36,211</td>
<td>$45,776</td>
<td>$54,095</td>
<td>$50,281</td>
<td>$50,281 &amp; above</td>
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<tr>
<td>4</td>
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<td>$22,051</td>
<td>$33,075</td>
<td>$44,101</td>
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<td>$66,151</td>
<td>$77,175</td>
<td>$77,175 &amp; above</td>
</tr>
<tr>
<td>5</td>
<td>$25,790</td>
<td>$25,791</td>
<td>$38,666</td>
<td>$51,590</td>
<td>$64,476</td>
<td>$77,370</td>
<td>$90,269</td>
<td>$90,269 &amp; above</td>
</tr>
<tr>
<td>6</td>
<td>$29,530</td>
<td>$29,531</td>
<td>$44,295</td>
<td>$59,061</td>
<td>$68,590</td>
<td>$82,356</td>
<td>$103,345</td>
<td>$103,345 &amp; above</td>
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<tr>
<td>7</td>
<td>$33,270</td>
<td>$33,271</td>
<td>$49,905</td>
<td>$63,541</td>
<td>$78,175</td>
<td>$95,811</td>
<td>$118,120</td>
<td>$118,120 &amp; above</td>
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<tr>
<td>8</td>
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<td>$37,011</td>
<td>$55,515</td>
<td>$74,021</td>
<td>$92,526</td>
<td>$111,030</td>
<td>$133,085</td>
<td>$133,085 &amp; above</td>
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<tr>
<td>9</td>
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<td>$40,751</td>
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<td>$81,001</td>
<td>$101,187</td>
<td>$122,250</td>
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<tr>
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<td>$44,491</td>
<td>$56,735</td>
<td>$88,981</td>
<td>$111,225</td>
<td>$133,471</td>
<td>$165,716</td>
<td>$165,716 &amp; above</td>
</tr>
</tbody>
</table>

For each add’l person add: 

- $3,740 
- $5,610 
- $7,480 
- $9,350 
- $11,220 
- $13,090 
- $14,960 
- N.A.

Discount Amount: 

- 100% of Medicaid rate 
- 95% of Medicaid rate 
- 80% of Medicaid rate 
- 70% of Medicaid rate 
- 60% of Medicaid rate 
- 40% of Medicaid rate 
- 20% of Medicaid rate 
- 0% of Medicaid rate 
- No Discount

Patient’s Responsibility: 

- 0% of Medicaid rate 
- 5% of Medicaid rate 
- 20% of Medicaid rate 
- 30% of Medicaid rate 
- 40% of Medicaid rate 
- 60% of Medicaid rate 
- 80% of Medicaid rate 
- 100% of Gross Charges

Example: 

- Medicaid rate is $5000 
- $250 
- $1,000 
- $1,500 
- $2,000 
- $3,000 
- $4,000 
- $5,000

Percentage over FPL: 

- 100% of FPL base 
- 150% of FPL base 
- 200% of FPL base 
- 250% of FPL base 
- 300% of FPL base 
- 350% of FPL base 
- 400% of FPL base 
- Over 400% of FPL base

Liquid Asset Test: A patient with significant liquid assets will pay the hospital up to 50% of the excess liquid assets over the net payment after discount calculation, but their financial responsibility will not exceed the Medicaid Rate.

Liquid Asset Test Exception: A patient whose annual income is at or below 150% FPL will not have the liquid asset test applied unless his/her assets are above the amounts referenced below:

<table>
<thead>
<tr>
<th>Household Size:</th>
<th>One</th>
<th>Two</th>
<th>Three</th>
<th>Four</th>
<th>Five</th>
<th>Six</th>
<th>Seven</th>
<th>Eight</th>
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<tbody>
<tr>
<td>Assets levels at or below 150% FPL:</td>
<td>$13,800</td>
<td>$20,100</td>
<td>$23,115</td>
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<td>$29,145</td>
<td>$32,160</td>
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