



POLICY TITLE: Collection Policy	SYSTEM POLICY AND PROCEDURE MANUAL
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Prepared by: Office of Finance and Corporate Compliance Office	Notations:

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 STATEMENT

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

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.

<u>Approval Needed</u>	<u>Role</u>
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, 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
- Northwell Health Policy #300.20 Financial Assistance Policy and Procedures

CLINICAL REFERENCES/PROFESSIONAL SOCIETY GUIDELINES

N/A

ATTACHMENTS

N/A

FORMS

N/A

<u>APPROVAL:</u>	
Northwell Health Policy Committee	04/23/2024
System PICG/Clinical Operations Committee	05/01/2024
Finance Committee of the Board of Trustees	05/01/2024

Standardized Versioning History:

Approvals: * =Northwell Health Policy Committee; ** = PICG/Clinical Operations Committee; ☒ = Provisional; ❖ = Expedited