

If you are concerned that you may not be able to pay for your care, we may be able to help. Hospital for Special Surgery provides financial aid for medically necessary services based on a patient's financial need and includes a sliding scale discount for patients who qualify. Aid may be available for patients who do not have insurance and for those who are underinsured. We may be able to work with you to arrange a manageable payment plan.

Our financial assistance policy applies to services provided by the Hospital, and some services provided by certain HSS physicians and other clinical staff.

The full policy is below. On our website, you can access the full policy, an application and additional information, including a full list of providers who participate in the Hospital's financial assistance policy. Simply visit HSS.edu and click on the Patient and Visitor tab. You can also call the Financial Advisory Department at 212.606.1505, and we would be glad to provide information to you and answer any questions you may have.

PURPOSE

The purpose of this Policy is to ensure that all requests for Financial Assistance are evaluated and processed consistently and fairly; in support of the Hospital's Mission; and with dignity, compassion and respect. Hospital for Special Surgery (referred to herein as "HSS" and/or "Hospital") is committed to providing Financial Assistance regardless of age, gender, religion, race or sexual orientation. This Policy became effective commencing on December 14, 2015, except that with respect to physicians employed by the Hospital, this Policy became effective on January 1, 2016, and only applies to dates of service of January 1, 2016 and thereafter. Amendments to the Policy following the original effective date are effective as of the revision date above.

HSS will provide Financial Assistance to persons who meet the qualifications described in this policy. The Financial Assistance Policy (the "FAP" or the "Policy") and procedures will be maintained and implemented in accordance with all applicable law.

SCOPE AND APPLICABILITY

1. *What is Financial Assistance?*

Financial Assistance is a term used to describe medically necessary services provided by HSS and its employed clinical staff (the "Covered Providers") at a discounted cost to needy individuals. It is not intended as a substitute for available insurance coverage, entitlement programs or other assistance programs.

2. *Who is Eligible for Financial Assistance?*

In order to be eligible for Financial Assistance at HSS, individuals must meet both the Financial Criteria and Coverage Criteria, which are described below. In addition, certain individuals who might not otherwise be eligible for Financial Assistance may be eligible under the Hospital's Special Access Program, also described below:

A. The following individuals meet the Financial Criteria:

1. U.S. residents (including students) whose gross annual income does not exceed seven times the current U.S. Department of Health and Human Services Poverty Guidelines for their family size (based on total exemptions claimed on federal tax

return) and locality (the “Federal Poverty Level” or “FPL”).

2. Residents of foreign countries, but only those who are referred under the Special Access Program whose gross annual income does not exceed seven times the FPL.

B. The following individuals meet the Coverage Criteria:

1. U.S. residents who have no insurance (government or commercial) of any kind.
2. Individuals who have insurance coverage that covers services at HSS (either as in-network services or through point-of-service or out-of-network coverage), but have out-of-pocket expenses that are patient responsibility under such coverage.

C. The following individuals do **NOT** meet the Coverage Criteria:

1. Individuals who have medical insurance (governmental or private) for which HSS is not in-network, and their insurer does not provide out-of-network coverage.
2. Non-U.S. residents, other than individuals referred through the Special Access Program.

D. Special Access Program.

Individuals who satisfy the Financial Criteria but fail the Coverage Criteria may still be eligible for Financial Assistance through the Special Access Program, but only those individuals who are not anticipated to require services outside of HSS. The Special Access Program makes Financial Assistance available to the following groups, provided the applicable individuals satisfy the Financial Criteria:

1. U.S. residents who have medical insurance that does not pay for services at HSS (and no out-of-network coverage is available), but the service the individual needs is of a type that is not reasonably available (and covered under the individual's plan) nearer to the patient's residence than HSS. Generally this rule is intended to apply to highly specialized care that is not available at most hospitals, but is available at HSS.
2. U.S. residents who have medical insurance that does not pay for services at HSS (and no out-of-network coverage is available) but do not qualify under the preceding paragraph (2)(D)(1), and non-U.S. residents with no applicable coverage, in each case who are referred to HSS by physicians who are participants in the HSS Physician Hospital Organization (PHO), provided that such referral is approved by HSS.

3. *What Services are Covered by the Policy?*

A. Financial Assistance is available to help reduce the financial burden of medically necessary services. Cosmetic, experimental and convenience services may not be deemed medically necessary under this Policy, and travel and related costs are not covered under this Policy. Medical Necessity will be defined in accordance with New York Social Services Law §365-a, which defines as medically necessary those services “which are necessary to prevent, diagnose, correct or cure conditions in the person that cause acute suffering, endanger life, result in illness or infirmity, interfere with such person's capacity for normal activity, or threaten some significant handicap.”

B. This Policy covers all services provided by HSS and its Covered Providers. Schedule A provides a list of providers (other than the Hospital itself) delivering emergency and other medically necessary care at the Hospital, specifying which of such providers (or groups of providers) are subject to this Policy, and which are not subject to this Policy. Schedule A will be reviewed and revised not less often than quarterly.

C. Eligibility for Financial Assistance does not insure that a patient can see any particular provider or do so within any particular time frame.

NOTICE OF THE POLICY AND APPLICATION

1. Individuals and the community will be notified of the Financial Assistance Policy as follows:
 - A. Upon registration, all patients will receive copies of a summary of the FAP (“Summary”). In addition, the Summary will be made available upon request. The Summary will provide information on how patients can obtain the full FAP, a FAP application form, and additional information about Financial Assistance.
 - B. HSS will make this Policy, a FAP application form and the plain language Summary of the FAP available on its web site; upon request; and at various locations within the Hospital, and will notify and inform HSS patients and the community about the FAP.
2. How to Apply for Financial Assistance.
 - A. HSS will consider any indication of inability to pay as a possible request for Financial Assistance. Initial requests may be made in writing or by telephone, but the FAP application form needs to be filed before a final determination can be made. Once an individual makes a request for Financial Assistance, the individual shall be advised of this Policy, and sent a copy of the relevant application forms as well as the FAP Summary.
 - B. Notwithstanding the foregoing, HSS may, under certain circumstances, provide Financial Assistance prior to, or without, any application being made for such assistance. (See Presumptive Eligibility, below).
 - C. A request for Financial Assistance may be made at any time. This means that an individual may make a request before, during or after services are received, including after commencement of a collection agency action against the individual. However, if a patient is approved for Financial Assistance through Presumptive Eligibility (discussed below), a patient has up to thirty (30) days following notification of such determination to submit an application for greater assistance with respect to the particular services to which the Presumptive Eligibility has been applied.

COMPLETING THE APPLICATION

An application can be completed by an individual or his or her legal guardian. If you have any questions regarding completing the Financial Assistance Application, please contact the FAP staff at (212) 606-1505.

1. The FAP application requests the following information:
 - a. Date of formal request
 - b. Requested by (parent or guardian if patient is a minor)
 - c. Patient’s name
 - d. Patient’s date of birth
 - e. Patient’s address
 - f. Telephone number
 - g. Number of persons in family (as defined by number of exemptions claimed on Federal tax return)
 - h. Family income for the last twelve (12) months and the last (3) months.
 - i. Available assets for those individuals with income above 300% of the FPL
 - j. Identification of your insurer/third party payor and description of coverage
 - k. Type of clinical service requested from or provided by the Hospital or Covered Providers
 - l. Signed and dated application
2. The FAP application also requests the following information that HSS may use to verify the applicant’s household yearly gross income. Applicants need not provide each item below if the

information is not available:

- a. Pay stubs from the most current available three month period
 - b. Form approving or denying unemployment compensation
 - c. Oral or written income verification from public assistance agencies
 - d. Bank account or investment statements
 - e. Flexible Spending Account or Health Care Savings Account election information and balance
 - f. SSI Benefit Statement or Benefit Determination
 - g. Self-Attestation
3. A section of the FAP application will be dedicated to requesting information particular to the Special Access Program, such as why the applicable care is not available nearer to the individual's residence, or which HSS physician has referred the individual. See sections D(1) and D(2) above under "SCOPE AND APPLICABILITY".
4. If a FAP application is submitted and is not complete, the Hospital shall, within thirty (30) days of submission notify the applicant in writing that the application is not complete, and notify the applicant of the missing information needed. The applicant shall be given a reasonable period of time (not less than thirty (30) additional days) to submit the missing information.

DETERMINING ELIGIBILITY FOR, AND AMOUNT OF, FINANCIAL ASSISTANCE

Except for determinations of Presumptive Eligibility (discussed below), a determination of eligibility for, and amount of, Financial Assistance will be made only upon submission of a completed Financial Assistance application form accompanied by required documentation. The form must be submitted to the Financial Assistance Program in the Finance Department which can be reached at 212-606-1505. HSS must document certain information on the application form, and certain specific information must be provided by applicants. This is described above in the section "COMPLETING THE APPLICATION".

Except for determinations of Presumptive Eligibility (discussed below), HSS will follow the below procedures in reviewing an application for Financial Assistance. Determinations will be handled on a case-by-case basis, but shall be processed consistently in accordance with the Policy:

1. A determination of eligibility for, and, if applicable, determination of amount of, Financial Assistance shall be made within 30 days after the receipt of a complete application. An application will be deemed complete when all requested information and materials have been received by the Finance Department.
2. HSS will determine if the applicant is, in fact, eligible for Financial Assistance under the Policy in accordance with the following:
 1. HSS will compare the patient's household income and family size to the FPL in effect.
 2. HSS will calculate net assets in accordance with the following:
 - a. Available net assets are defined as liquid assets and will exclude patient's primary residence, assets held in a tax-deferred or comparable retirement savings account, college savings account or cars used regularly by a patient or immediate family members.
 - b. Available net assets will not be considered for any individual whose income level is at 300% or less of the FPL.
3. The Amount Generally Billed ("AGB") will be calculated by applying the average Medicaid collection ratio to the amount charged. (Individuals may obtain the specific AGB percentages and a description of the calculations upon request from the Financial Assistance Program contact indicated below or from the HSS website.)

4. To calculate annual income, HSS will generally multiply the latest 3 months income times four (4) and compare the result with full 12- month figures. The lesser amount will be used to determine eligibility for Financial Assistance.
5. HSS will determine if the Special Access Program applies.
3. Assuming the individual is deemed to be eligible to receive Financial Assistance, HSS will then determine the amount of assistance to be proposed.
 - A. If the patient's income for family size is at or below 500% of the FPL, HSS will provide services to uninsured patients for free. (For insured patients, patient responsibility will be reduced to zero.)
 - B. For an individual whose income is between 501% and 700% of the FPL, HSS shall provide a 50% discount. The discount will be applied to the patient's obligation, which, for uninsured patients, is the AGB based on the amount that Medicaid would pay for the service (or, for insured patients, the deductible and copayment obligation (see paragraph (D) below for adjustment to deductible and copayment obligation.))
 - C. For individuals whose income is between 301% and 700% of the FPL who do have sufficient available net assets to pay some or all of their hospital bills, HSS shall for the purposes of applying its sliding scale, treat one-third of the available net assets as annual income.
 - D. For individuals who are eligible for Financial Assistance, the maximum amount payable by the individual for any service is the AGB. (For insured patients, if the amount that would be payable by applying the sliding scale discount level (described above) to the patient's obligation for deductibles and copayments for the applicable care is greater than the AGB payment level, the patient's obligation will be reduced to the AGB amount.)
4. Discounts shall then be calculated by HSS on the basis of all of the foregoing. HSS shall then document the determination on the Financial Assistance Determination Form (described below).
5. Use of payment plans is permitted for the payment of outstanding balances. The monthly payment under such plan shall not exceed 10% of the gross monthly income and shall be limited to a maximum duration of 5 years. No interest shall be charged under the payment plan.
6. If a patient is referred to the Hospital through a recognized third party charitable outreach program that offers terms and conditions that differ from the foregoing, HSS may participate in the program and this Policy will be deemed amended as necessary to comply with the program's standards for the program's patients to the extent not inconsistent with New York State and Federal law regarding charitable discount policies.
7. Any patient who is determined to be eligible for Financial Assistance under this Policy based on the review of a completed application shall remain eligible (without the need for any further action) at the level of assistance so determined, for two (2) years from the date of determination, except as specified below in this paragraph. The date of determination is the date of initial determination, or the date of determination following the completion of an appeal, if an appeal was made. Notwithstanding the foregoing, in a change of circumstances in which the patient feels that additional Financial Assistance is needed, patients may apply again during the two (2) year period, and may receive additional Financial Assistance under the Policy, if applicable. A patient who is determined to be eligible based on the Presumptive Eligibility process shall be eligible on that basis only with respect to the applicable open balance(s). A patient who is eligible through the Special Access Program, shall be eligible on that basis only for the applicable episode of care.
8. It is expected that if a patient who receives Financial Assistance under the Policy subsequently has a substantial change in circumstances (such as changing from uninsured to insured status), the patient will notify the HSS Finance Department at (212) 606-1505 so that this may be taken into account in the future. Such positive changes in circumstances will not be applied to reduce any Financial Assistance already given. In addition, it is not desired that a patient report minor changes in circumstances, but only if it is obvious that the change would be likely to make a major difference in the Financial Assistance determination.
9. If HSS learns that an applicant for Financial Assistance provided material false information in the application process, such information may be taken into account by HSS in its review of the

application, or continued eligibility for Financial Assistance.

PRESUMPTIVE ELIGIBILITY

Under certain circumstances, HSS may provide Financial Assistance prior to, or without, any application being made for such assistance. At HSS, this will be done through a screening process -- unpaid accounts will be screened using commercially available income predictor software to determine whether individuals may qualify for Financial Assistance based on variables such as address, age and gender ("Presumptive Eligibility"). HSS will also conduct Presumptive Eligibility screenings on accounts prior to referral for any ECAs (defined below in "COLLECTION ACTIVITIES").

Presumptive Eligibility determinations will apply only to the unpaid balance(s) that triggered the screening process. If the individual qualifies under the presumptive methodology with respect to the unpaid balance(s), and the individual's income as estimated by the screening process is 500% of the FPL or less, then HSS will grant the maximum level of assistance otherwise permitted with respect to the unpaid amount (i.e., free care). If the individual's estimated income is between 501% and 700% of the FPL, then HSS will provide a 50% discount. Individuals who are granted Financial Assistance under Presumptive Eligibility who are not provided free care will be provided notice of their ability to apply for additional assistance under the Policy. If Presumptive Eligibility is awarded based on a screening of unpaid balances over 240 days, individuals may, within thirty (30) days from the date of the granting of Presumptive Eligibility, apply for additional Financial Assistance for the services to which the Presumptive Eligibility determination has been applied.

NOTICE OF DETERMINATION

HSS shall complete the following information on the Financial Assistance Determination Form after reviewing each completed Request for Financial Assistance Application and making a determination:

- a. Date of determination
- b. Patient's name
- c. Hospital Account Number
- d. Initial Service Date
- e. Eligibility Determination (Approved / Denied) by appropriate designee
- f. Amount approved for discount

If the request for Financial Assistance has been APPROVED, HSS will give or mail the patient or legal guardian a letter of the Financial Assistance determination indicating the approved discount, the method of determination and how to obtain additional information regarding the determination.

If the request for Financial Assistance has been DENIED, HSS will document the reason for denying the request on the Financial Assistance Determination form and give or mail a letter of denial to the patient or legal guardian. The notice of denial will include information regarding the patient's right and process to appeal the denial decision.

HSS will file copies of the notices (denial or approval) with the completed Request for Financial Assistance Application.

PATIENTS MAY APPEAL THE DENIAL of Financial Assistance and MAY ALSO appeal the level of assistance. If the patient files an appeal, the HSS will re-review the patient's documentation, including any newly submitted material and will again document its approval or denial and notify the patient in accordance with this section, within thirty (30) days of the submission of an appeal.

Patients who continually appeal denials without submitting additional information or in the absence of a change of circumstance may be summarily denied. Following a summary denial or a denial on appeal, the Hospital's determination is final and not subject to appeal.

All written notices or communications by the Hospital under this Policy may be provided by electronic mail or other forms of electronic communication, if the individual has indicated that he or she prefers to receive notices and communications electronically.

DISSEMINATION OF FINANCIAL ASSISTANCE POLICY

Hospital registration staff is responsible for ensuring the Summary is distributed at the time of patient registration. HSS will inform individuals who inquire about the costs of HSS's services about the Hospital's Financial Assistance Policy and signs will be posted regarding the HSS Financial Assistance Policy at hospital registration locations, and other appropriate locations, including waiting rooms and clinics. HSS will periodically update this Policy and Schedule A as posted on the Hospital's web site, as required.

TRAINING

HSS will train, educate and monitor appropriate hospital staff (those who interact with patients or staff who have billing or collection responsibility) on HSS's Financial Assistance Policy.

COLLECTION ACTIVITIES

HSS will obtain written agreement from collection agencies acting on the Hospital's behalf to follow this Policy, including an agreement to provide patients with information on how to apply for Financial Assistance where appropriate.

HSS will refrain from taking an ECA (defined below) if the patient has submitted a completed Financial Assistance Application, including any required supporting documentation, while the Hospital determines the patient's eligibility for such aid.

No debt will be referred for collection unless the patient is provided with a notice that the debt will be referred for collection, at least thirty (30) days prior to referring the debt for collection.

Collections will not be made from any patient determined to be eligible for medical assistance pursuant to Medicaid at the time services were rendered and for which services Medicaid payment is available.

The Hospital will not engage in Extraordinary Collection Actions ("ECAs") except in accordance with its Billing and Collection Policy. (The Billing and Collection Policy is available upon request from the Finance Department contact provided below.) ECAs include the following:

- (i) commencing any legal action to collect a bill from a patient (but this does not include filing of a claim in a pending bankruptcy proceeding)
- (ii) reporting to a credit rating agency
- (iii) deferring or denying services unless the patient prepays (unless the prepayment requirement is unrelated to the failure to pay a prior bill)
- (iv) placing a lien on the individual's property (except liens permitted under state law upon judgments or settlements for personal injury related to the care provided)
- (v) attaching or seizing any individual bank account
- (vi) garnishing wages

Any collection agency used by HSS must obtain the written consent of HSS prior to commencing a legal action to collect sums owed to HSS by a patient.

HSS may not force the sale or foreclosure of patient's primary residence to collect on an outstanding bill.

REPORTING AND COMPLIANCE

HSS will submit required reports to the State of New York with regards to the Financial Assistance Program.

The HSS Department of Corporate Compliance and Internal Audit will be responsible for annually reviewing Hospital compliance with this Policy.

Individuals who feel that the Policy has not been applied in accordance with its terms should seek assistance from the HSS Department of Corporate Compliance and Internal Audit. Complaints should be directed to the HSS Corporate Compliance Officer at (212) 774-2398 or the confidential Compliance Helpline at (888) 651-6234.

CONTACT INFORMATION

For more information about the Financial Assistance Program or to request a Financial Assistance Application, call (212) 606-1505 to speak with a Financial Assistance Associate. Foreign language translation can be provided if requested. The application is also available at www.hss.edu or you may ask a hospital registration staff member for an application.

Applications should be sent to:

**Hospital for Special Surgery
Financial Assistance Program
535 East 70th Street, ERP Plaza Level
New York, NY 10021**

or

Fax to: 212-774-2811