| Type of Policy: | **PUBLIC** | Category: | **REVENUE MANAGEMENT** |
|---|---|---|---|
| Title: | ***FINANCIAL ASSISTANCE POLICY (FAP)*** | Policy #: | **1001** |
| | | Replaces #: | N/A |
| Page: | 1 of 9 | Developed By: | Revenue Management<br>Michele T. Napier, Chief Revenue Officer |
| Issue Date: | **04/01/2026** | Approved By: | Signature On File<br>Erick Hawkins, Chief Financial Officer |
| Revision Dates: | N/A | | |

## I. POLICY:

This policy establishes the Baptist Health financial assistance processes that assume proportionate responsibility for health care services to members of the community who cannot afford to pay for emergency or medically necessary medical treatment.

## II. DEFINITIONS:

When used in this policy these terms have the following meanings:

A. Amounts Generally Billed ("AGB"): amounts generally billed to patients for emergency or other medically necessary care.

B. Application Period: the period during which Baptist Health must accept and process an application for financial assistance under its financial assistance policy submitted by an individual to have made reasonable efforts to determine whether the individual is eligible for financial assistance under the policy. The Application Period begins on the date the medical care is provided and ends on the later of either the 240th day after the date the first post-discharge billing statement is provided or at least thirty (30) days after Baptist Health provides the individual with a written notice that sets a deadline after which ECAs may be initiated.

C. Extraordinary Collection Actions ("ECAs"): per IRS Guidelines, any action against an individual related to obtaining payment of a Self-Pay Account that requires legal or judicial process or involves selling of Self-Pay Account to another party or reporting adverse information about the guarantor to consumer credit reporting agencies or credit bureaus.

D. Financial Assistance Policy ("FAP"): Baptist Health's Financial Assistance Policy.

E. FAP-Eligible Individual: an individual eligible for financial assistance under Baptist Health's FAP (without regard to whether the individual has applied for assistance under the FAP).

F. Federal Poverty Guidelines ("FPG"): a measure of income issued every year by the Department of Health and Human Services ("HHS"). Federal poverty guidelines are used to determine eligibility for certain programs and benefits, including savings on Marketplace health insurance, and Medicaid and CHIP coverage.

G. Guarantor: individual receiving care and/or the financially responsible party.

H. Health Savings Account ("HSA"): a tax-advantaged medical savings account available to those enrolled in a high-deductible health plan ("HDHP").

I. Patient/Agent/Legal Representative: a person who, under applicable law, has the authority to act on behalf of an individual. A legal representative includes a healthcare surrogate, proxy, guardian, or parent or other person acting in place of a parent (in loco parentis) for an un-emancipated minor, or an executor or administrator of an estate.

J. Medically Indigent/Catastrophic Support: financial support provided to a Patient/Guarantor when medical expenses exceed fifteen percent (15%) of the annual family/household gross income for those with FPG of equal to or lower than five hundred percent (500%).

K. Self-Pay Uninsured Account: an account for which no third-party payor or insurance is responsible and is the responsibility of the Patient/Guarantor.

L. Self-Pay After Insurance Account: an account in which a third-party payor has submitted payment and remaining amounts are the responsibility of the Patient/Guarantor. This can include, but is not limited to, co-insurance, co-pays, and/or deductibles.

BAPTIST HEALTH™

| | | | |
|---|---|---|---|
| Type of Policy: | **PUBLIC** | Category: | **REVENUE MANAGEMENT** |
| Title: | ***FINANCIAL ASSISTANCE POLICY (FAP)*** | Policy #: | **1001** |
| | | Replaces #: | N/A |
| Page: | 2 of 9 | Developed By: | Revenue Management<br>Michele T. Napier, Chief Revenue Officer |
| Issue Date: | **04/01/2026** | Approved By: | Signature On File<br>Erick Hawkins, Chief Financial Officer |
| Revision Dates: | N/A | | |

## III. PROCEDURE:

A. Requirements

1. Baptist Health complies with Section 501(r) of the Internal Revenue Code which requires hospital organizations to establish a written financial assistance policy. A hospital organization is an organization recognized (or seeking to be recognized) as described in section 501(c)(3) that operates one or more hospital facilities.
2. This policy must be approved by the Board of Directors or an authorized body of the tax-exempt hospital.
3. All Baptist Health employed physicians must follow Baptist Health's FAP. Contracted, community/private providers are not required to participate in Baptist Health's financial assistance program. A list of employed Baptist Health physician groups or providers is made available on the Baptist Health website. In addition, a list of all contracted, community/private physician groups or providers, who deliver emergency or other medically necessary care in the hospital facilities, can be found on our website, and will be provided free of charge upon request. Reference the supporting documentation link at the end of this policy.
4. Baptist Health's FAP, Plain Language Summary, and Guarantor Financial Statement Application ("GFSA") are readily available to patients, visitors, and members of the community free of charge on the Baptist Health website. Paper copies are available upon request via mail, and at admitting and emergency business office locations. The Plain Language Summary is available in public areas of the hospitals, and paper copies are provided to patients upon registration/intake at the hospital. Reference the supporting documentation link at the end of this policy to obtain copies of documents online.
5. The FAP, Plain Language Summary, and GFSA are made available in English and in the primary language of residents who represent the lesser of five percent (5%) of the community served or 1,000 individuals by our hospitals. Baptist Health will perform a yearly analysis of languages reflected in our community. Translations can be found in the supporting documentation link at the end of this policy.
6. Amounts Generally Billed ("AGB"): Baptist Health determines the AGB for care by using the billing and coding process it would use if the individual were a Medicare fee-for-service beneficiary and setting AGB for the care at the amount it determines Medicare and the Medicare beneficiary together would be expected to pay for the care.
   a. Baptist Health has determined AGB by using the prospective Medicare method.
   b. Baptist Health reviews the AGB annually.
   c. Whenever Baptist Health provides emergency or other medically necessary care to a FAP-eligible individual, these guidelines apply.
7. Baptist Health provides comprehensive health care. Services are provided to all regardless of race, color, national origin, sex, age, disability, gender identity, or sexual orientation.
8. In accordance with the Emergency Medical Treatment and Labor Act (EMTALA), individuals will not be refused treatment when suffering a true medical emergency, regardless of their ability to pay. Baptist Health will not engage in actions that discourage individuals from seeking emergency medical care, such as by demanding that emergency department patients pay before receiving treatment for emergency medical conditions or by permitting debt collection activities that interfere with the

provision of emergency medical care. The emergency condition of a patient will be determined by the treating physician relying on his/her experience, training, and ethics.

9. Medically necessary care is determined by the treating physician relying on his/her experience, training, and ethics.
10. For all elective and scheduled procedures, Baptist Health may exercise the right to defer services for Patients/Agents unwilling to pay all their financial responsibility or commit to a reasonable payment plan.

B. Federal Poverty Guidelines

1. The set minimum amount of gross income that a family/household needs for food, clothing, transportation, shelter, and other necessities. In the United States, this level is determined by the Department of Health and Human Services.
2. Annually, the federal government establishes the poverty income guidelines for the year and publishes them on the Federal Register. The Baptist Health financial assistance program uses these guidelines when determining eligibility for free care, and the most current guidelines will be used during the screening process. Reference the supporting documentation link at the end of this policy.
3. Uninsured individuals or family/households who meet three hundred percent (300%) or below of FPG will qualify for financial assistance for their financial responsibility for services that are eligible in this policy.
4. Individuals or family/households with insurance/third party coverage who meet two hundred twenty five percent (225%) or below of FPG will qualify for financial assistance for their self-pay after insurance financial responsibility for services that are eligible in this policy.
5. Under the provisions of Section 501(r), Baptist Health is required to limit charges for those patients that are determined eligible for financial assistance.

C. Eligibility

1. Patient/Guarantor seeking financial assistance consideration will be required to complete the application process and provide the following information as needed:
   a. Full legal name.
   b. Household income for the previous 12-month period.
   c. Number of household members.
   d. Income tax returns or other form of income attestation, including W2 forms, IRS 1099 documents, pay stubs, and bank statements.
   e. Disclosure of assets that are convertible to cash and unnecessary for daily living.
   f. Signature certification on completed Guarantor Financial Statement Application (GFSA).
   g. An electronic link to the application can be found in the supporting documentation at the end of this policy.
2. Patients/Guarantors, who meet eligibility requirements and reside where Baptist Health operates acute care facilities, will be offered financial assistance.
3. Individuals who comply with the requirements outlined in this FAP will be considered for free care. Those who are not compliant with the requirements of this FAP may be deemed ineligible. In addition to meeting the other requirements outlined within this policy, Patients/Guarantors are expected to cooperate with the following:

a. Patients/Guarantors shall cooperate in supplying all third-party information including motor vehicle or other accident information, requests for Coordination of Benefits ("COB"), or other information necessary to adjudicate claims, etc.
b. Patients/Guarantors will exhaust all funding resources including Marketplace Healthcare Exchange plans, HSA, employer group medical plans, self-insured plans, crowdfunding accounts including GoFundMe and similar initiatives, and healthcare cost sharing ministries and/or groups, prior to being considered for financial assistance.
c. Patients/Guarantors that have been identified as having Medicaid qualifiers shall cooperate with the pending Medicaid process. In order to receive healthcare financial assistance, the patient must apply for Medicaid assistance and be denied for any reason other than the following:
    1) Did not apply.
    2) Did not follow through with the application process.
    3) Did not provide requested verifications.

4. Financial assistance may be denied if there is reasonable suspicion of the accuracy of the application. If the Patient/Guarantor supplies the needed documentation and information requested to clarify information the application may be reconsidered.
5. Individuals who are uninsured or underinsured and meet one or more of the following are presumed to be eligible for financial assistance:
    a. discharged to a skilled nursing facility.
    b. documented homelessness.
    c. deceased with no probate/estate.
    d. receipt of an Order of Discharge as part of personal bankruptcy proceedings.
6. Individuals are deemed eligible for presumptive financial assistance via Independent Eligibility Assessments that determine which patients have a payment capability score of low or unknown. The Independent Eligibility Assessment consists of algorithms that incorporate data from credit bureaus, demographic databases, and hospital specific data. The third-party credit report data and other publicly available data sources utilize healthcare industry-recognized predictive model that is based on the public record databases to calculate a socio-economic and financial capability score. Information gleaned from this Independent Eligibility Assessment will constitute adequate documentation of financial need under this policy to infer and classify individuals into respective economic means categories irrespective of whether complete documentation has been voluntarily provided.
7. Baptist Health will work with approved community not-for-profit agencies and county and state funded programs, including but not limited to the Alabama Health Care Responsibility Act. These programs serve the underinsured and uninsured with financial criteria screening policies similar to this FAP, and will be accepted under this program.
8. Baptist Health reserves the right to clarify information obtained during the screening process, including assets found or available lines of credit.
9. Patients/Guarantors deemed medically indigent or who meet catastrophic guidelines of balances exceeding fifteen percent (15%) of their family/household income, but no greater than five hundred percent (500%) FPG, will be considered for free care.

10. Patients with Alabama Medicaid health coverage will be considered eligible for free care if Alabama Medicaid denies payment for emergency and/or non-covered medically necessary services.
11. Patients with out-of-state Medicaid coverage will be considered uninsured for the purposes of financial assistance determination as outlined in this policy.

D. Application Process
1. Patients can receive assistance with the application process through the following methods:
   a. Financial Counselors are available at Baptist Health hospital facilities and will assist patients with the completion of the application before, during, and after their hospital stay.
   b. Financial Assistance representatives are available Monday – Friday, 8:00 a.m. – 4:30 p.m. (CST). At Brookwood Hospital, they can be reached by phone at (888) 233-7868. To reach Financial Assistance representatives at Citizens Hospital, Princeton Hospital, Shelby Hospital, or Walker Hospital, please call (205) 592-1216 or (800) 443-1039.
2. Patients can apply for financial assistance as follows:
   a. Complete and submit a GFSA to Baptist Health for evaluation.
   b. During the patient's hospital stay, representatives are available to help with GFSA completion.
   c. Request the GFSA in writing or access it on the Baptist Health website or present in person at a Baptist Health facility.
   d. Patients/Guarantors may be asked to provide copies of previous income tax returns if necessary.
   e. Reference the supporting documentation link at the end of this policy.

E. Determination
1. Reference the Baptist Health Patient Billing and Collections Policy (Self Pay) available in the References section at the end of this policy for additional details.
2. Baptist Health will review the financial assistance applications for completion and accuracy during the "Application Period". This is the period during which Baptist Health must accept and process financial assistance applications submitted by the Patient/Guarantor. This period ends after the 240th day after the first post patient discharge statement. Baptist Health representatives will review for the following:
   a. Validate household income and expense information.
      1) Family income includes but is not limited to wages, salaries, social security benefits, strike benefits, unemployment benefits, child support, inheritance, alimony, spouse's income, Workers Compensation, pension disability benefits, investment dividends, and interest. The Patient/Guarantor must also include the total gross income for all working family household members including those who are under the age of 18.
      2) Family household members include patient, spouse, and natural or adopted children under the age of 18. If a dependent is handicapped and over the age of 18, he or she is included in the family size.

b. If application is incomplete:
   1) Baptist Health will provide a written notice to the Patient/Guarantor that describes the additional information and/or documentation necessary to fully complete the financial assistance application.
   2) Baptist Health will provide at least one written notice to the Patient/Guarantor that communicates the collection processes to be initiated if claim(s) are not satisfied.

c. If the application is approved, an approval letter with specific details will be sent to the Patient/Guarantor. Approved financial assistance will extend twelve (12) months prior or twelve (12) months after original application approval date.

d. If application is denied, a denial letter with specific details will be sent to the Patient/Guarantor, making reasonable contact efforts. Baptist Health will continue with the normal collection process.

3. ECAs are actions that Baptist Health may take in the event of non-payment and can be found in detail in the Patient Billing & Collections Policy (Self Pay).
   a. Baptist Health reserves the right to sell a debt to an external agency in pursuit of payment resolution.

4. Exception Authority and Documentation: In limited circumstances, Baptist Health may grant financial assistance to patients who do not meet the standard eligibility criteria set forth in this FAP when unique, patient-specific, or financial circumstances exist, including, but not limited to, extraordinary medical expenses, temporary financial hardship, or other compelling factors. Exceptions must be approved by authorized Baptist Health leadership in accordance with established internal procedures. All exception approvals will be documented and include the basis for the determination. Baptist Health applies exceptions in a fair and consistent manner and periodically reviews exception activity to ensure alignment with this FAP and compliance with applicable requirements. Exceptions do not establish precedent and do not modify the eligibility criteria described in this FAP.

F. Exclusions: Financial assistance does not apply to:
1. Elective care.
2. Special package-priced programs such as cosmetics, bariatric, etc.
3. Other non-medically necessary services as determined by the policy.
4. Transplant and transplant related services.
5. Patients/Guarantors who have not exhausted all healthcare related funding sources.
6. Patients covered by a plan that uses reference-based pricing for payment of hospital services, and under which, the patient may be indemnified by a third-party for payment of the services if legal action is pursued.

G. Public Awareness
1. Baptist Health will notify and inform members of the community served by Baptist Health of the FAP in a manner reasonably calculated to reach those members who are most likely to require financial assistance from the facility.
2. Baptist Health will make information available:
   a. At appropriate community outreach events.
   b. Through digital signage and paper brochures available and public to facility visitors.

H. Coverage: the FAP applies to all acute care hospitals and hospital-based off-campus emergency departments owned and operated by Baptist Health. Attachment A contains a list of applicable facilities.

I. Contact information, including the financial assistance team, the hospital billing team, and the physician billing team can be found in Attachment A, on Baptist Health's website, and may be requested in person at any Baptist Health facilities.

## IV. DOCUMENTATION:

None.

## V. REFERENCES:

A. Baptist Health Patient Billing and Collections Policy (Self Pay), 1002: https://www.baptisthealthal.com/patient-financial-resources/billing-insurance-questions

B. Baptist Health Provider Listing: https://www.baptisthealthal.com/patient-financial-resources/billing-insurance-questions

C. Baptist Health Financial Assistance Application: https://www.baptisthealthal.com/patient-financial-resources/billing-insurance-questions

D. Baptist Health Financial Assistance Policy Plain Language Summaries: https://www.baptisthealthal.com/patient-financial-resources/billing-insurance-questions

E. Language Translations of Baptist Health FAP, Plain Language Summary, and GFSA: https://www.baptisthealthal.com/patient-financial-resources/billing-insurance-questions

F. Federal Register Vol. 79 No. 250: https://www.gpo.gov/fdsys/pkg/FR-2014-12-31/pdf/2014-30525.pdf

G. Code of Alabama, *Alabama Health Care Responsibility Act.* Title 22, 1, Chapter 21, Article 10, Section 22-21-290 to Section 22-21-297 https://alison.legislature.state.al.us/code-of-alabama?section=22-21-290 (last accessed August 4, 2025)

H. U.S. Department of Health and Human Services Poverty Guidelines: https://aspe.hhs.gov/poverty-guidelines

I. United States Internal Revenue Service (2019), "Requirements for 501(c)(3) Hospitals Under the Affordable Care Act – Section 501(r)" https://www.irs.gov/charities-non-profits/charitable-organizations/requirements-for-501c3-hospitals-under-the-affordable-care-act-section-501r

## VI. ATTACHMENTS:

List of acute care hospitals and hospital-based off-campus emergency departments owned and operated by Baptist Health, 2 pages

| Title: | ***FINANCIAL ASSISTANCE POLICY (FAP)*** | Policy #: | **1001** |
|---|---|---|---|
| | ***Attachment A – List of Applicable Facilities*** | | |

Baptist Health Brookwood Hospital

Financial Assistance Team Contact Information

In Person: at any hospital facility
Telephone: (888) 233-7868
Website: https://www.baptisthealthal.com/patient-financial-resources/billing-insurance-questions

Mailing Address:
Baptist Health Brookwood Hospital
Centralized Financial Assistance Center
PO Box 223849
Dallas TX 75222-3849

Hospital and Physician Billing Team Contact Information

In person: at any hospital facility or physician's office
Telephone: (205) 877-1926 or (888) 602-1823
Website: https://www.baptisthealthal.com/patient-financial-resources

Hospital Billing Mailing Address:
Baptist Health Brookwood Hospital
Attn: Central Business Office
PO Box 741255
Atlanta GA 30374-1255

Physician Billing Mailing Address:
Baptist Health
Attn: Physician Billing Central Business Office
Dept 8007 PO Box 11407
Birmingham AL 35246-8007

Baptist Health Brookwood Hospital
2010 Brookwood Medical Center Dr
Birmingham Alabama 35209
Phone: (205) 877-1000

Baptist Medical Center Freestanding
Emergency Department
7131 Cahaba Valley Road
Birmingham, Alabama 35242

| Title: | ***FINANCIAL ASSISTANCE POLICY (FAP)*** | Policy #: | **1001** |
|---|---|---|---|
| | ***Attachment A – List of Applicable Facilities*** | | |

Baptist Health Citizens Hospital
Baptist Health Princeton Hospital
Baptist Health Shelby Hospital
Baptist Health Walker Hospital

Financial Assistance Team Contact Information

In Person: at any hospital facility
Telephone: (205) 592-1216 or (800) 443-1039
Website: https://www.baptisthealthal.com/patient-financial-resources/billing-insurance-questions

Mailing Address:
Baptist Health
Consolidated Business Office
833 Princeton Ave SW, Suite 300
Birmingham AL 35211

Hospital and Physician Billing Team Contact Information

In person: at any hospital facility or physician's office
Telephone: (205) 592-1216 or (800) 443-1039
Website: https://www.baptisthealthal.com/patient-financial-resources

Hospital Billing Mailing Address:
Baptist Health
Attn: Consolidated Business Office
PO Box 748896
Atlanta GA 30374-8896

Physician Billing Mailing Address:
Baptist Health
Attn: Physician Billing Central Business Office
Dept 8007 PO Box 11407
Birmingham AL 35246-8007

Baptist Health Citizens Hospital
604 Stone Avenue
Talladega, Alabama 35160
Phone: (256) 362-8111

Baptist Health Princeton Hospital
701 Princeton Avenue SW
Birmingham, Alabama 35211
Phone: (205) 783-3000

Baptist Health Shelby Hospital
1000 1st Street North
Alabaster, Alabama 35007
Phone: (205) 620-8100

Baptist Health Walker Hospital
3400 Highway 78 East
Jasper, Alabama 5501
Phone: (205) 387-4000