UAB Health System Financial Assistance Policy
June 2026

POLICY/PRINCIPLES

It is the policy of UAB Health System to ensure a socially just practice for providing emergency and other medically necessary care at UAB Health System's facilities. This policy is specifically designed to address financial assistance eligibility for patients who need financial assistance and receive care from UAB Health System.

It is the policy of UAB Health System to provide without discrimination:

- Charity Care financial assistance for emergency and/or other medically necessary care to residents of the State of Alabama who qualify for such assistance under this Policy;
- Catastrophic care financial assistance for emergency and/or other medically necessary care to individuals, who may incur a catastrophic medical event; and
- Payment plans upon request; and
- An adjustment for certain underinsured patients; and
- An adjustment for certain uninsured individuals who self-pay for items and services provided.

Eligibility for financial assistance may be determined based on the patient's income as compared to the U.S. Federal Poverty Guidelines (which are updated annually) and, in certain circumstances, on the ratio of UAB Health System charges to income, as further specified in this Policy. In addition, to qualify for charity care, a patient must cooperate in applying for Medicaid or third-party payment programs, and a patient must first utilize any available health coverage benefits, such as in-network services.

A patient qualifying for financial assistance will not be charged more for emergency and/or other medically necessary care than the Amounts Generally Billed (AGB), as defined below, to individuals who have insurance covering such care.

As further described below, this Policy:

- •Includes the eligibility criteria for financial assistance and sets forth the circumstances in which a patient will qualify for free or discounted care.
- Describes the method by which patients may be presumptively determined to qualify for charity care and the method by which patients who are not presumptively determined to qualify for charity care adjustment may apply for financial assistance.
- Describes the basis for calculating amounts charged to patients eligible for financial assistance under this Policy, as well as the amounts to which adjustments will be applied.

- Limits the amounts that UAB Health System will charge for emergency and/or other medically necessary care provided to patients eligible for financial assistance to no more than the Amounts Generally Billed to individuals who have insurance covering such care. States that UAB Health System maintains in a separate document the method by which UAB Health System determines the Amounts Generally Billed to individuals who have insurance and explains how an individual may readily obtain a free copy of that document.
- States that UAB Health System maintains a list specifying which locations (other than UAB Health System itself) delivering emergency and/or other medically necessary care in the hospitals are covered by this Policy and which are not. See Addendum A for excluded locations.

DEFINITIONS

For the purposes of this Policy, the following definitions apply:

- **"501(r)"** means Section 501(r) of the Internal Revenue Code and the regulations promulgated thereunder.
- **"Amount Generally Billed"** or "AGB" means, with respect to emergency and other medically necessary care, the amount generally billed to individuals who have insurance covering such care. UAB Health System uses the "look-back method" for determining AGB, as defined under the Department of Treasury Regulations for section 501(r) of the Internal Revenue Code of 1986 as amended.
- **"AGB Percentage"** means the percentage calculated annually by dividing (a) the sum of the amount of all claims that have been allowed for emergency and/or other medically necessary care by Medicare fee-for-service and all private health insurers together during the twelve (12) month period ending July 31 by (b) the sum of the associated gross charges for those claims. The AGB percentage utilized by UAB Health System at any particular time is available upon request and without charge by contacting the UAB Health System Financial Assistance department at 205-801-9910 or in Admissions and Registration areas.
- **"Catastrophic/Episodic Care"** means care that is appropriate and consistent with and essential for the treatment of short-term, acute medical conditions including sudden medical events, immediate illnesses, or chronic illness flare-ups.
- **"Emergency Care"** means a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that the absence of immediate medical attention could reasonably be expected to result in either: placing the health of the individual (or, with respect to a pregnant women, the health of the woman or her unborn child) in serious jeopardy, serious impairment/dysfunction to body functions or organs, with respect to a pregnant woman who is having contractions that there is inadequate time to effect a safe transfer to another Hospital before deliver or that the transfer may pose a threat to the health or safety of the pregnant woman or the unborn child.

- **"Medically Necessary Care"** means care that is (1) appropriate and consistent with and essential for the prevention, diagnosis, or treatment of a patient's condition; (2) the most appropriate supply or level of service for the patient's condition that can be provided safely; (3) not provided primarily for the convenience of the patient, the patient's family, physician or caretaker; and (4) more likely to result in a benefit to the patient rather than harm. For future scheduled care to be "medically necessary care," the care and the timing of care must be approved by UAB Health System's Chief Medical Officer (or designee). The determination of medically necessary care must be made by a licensed provider that is providing medical care to the patient and, at UAB Health System's discretion, by the admitting physician, referring physician, and/or Chief Medical Officer or other reviewing physician (depending on the type of care being recommended). If care requested by a patient covered by this policy is determined not to be medically necessary by a reviewing physician, that determination also must be confirmed by the admitting or referring physician. See Addendum B for excluded services.
- **"Out of State"** means patients permanently residing in or holding primary residential addresses outside of the state of Alabama.
- **"Patient"** means those persons who receive emergency and other medically necessary care at UAB Health System and the person who is financially responsible for the care of the patient.
- **"Underinsured Patient"** means persons covered by an active healthcare policy containing specific policy components that expose the patient to financial risk.
- **"Uninsured Patient"** means persons not covered by an active healthcare insurance policy.

FINANCIAL ASSISTANCE PROVIDED

UAB Medicine provides various forms of financial assistance for patients seen at UAB Medicine facilities and providers. The different types of financial assistance are outlined below:

1. Subject to the other provisions of this Financial Assistance Policy, patients with income less than 200% of the Federal Poverty Level income ("FPL"), may be eligible for 100% charity assistance on that portion of the charges for services for which the patient is responsible following payment by an insurer, if any, if such patient determined to be eligible pursuant to presumptive scoring (described in Paragraph 6 below) or submits a financial assistance application.
2. Charity assistance is limited to patients who live in the state of Alabama; out of state patients are not eligible for charity assistance. Patients must present proof that they are lawfully present in the US by means of a valid Social Security card or permanent resident/visa card and have established legal residency in Alabama.

3. Uninsured patients with income greater than 200% FPG will be provided with a self-pay adjustment based on AGB.
4. Underinsured patients where insurance paid $0 on a charge and with income less than 200% FPG may be provided with a charity adjustment on the remaining statement balance.
5. Underinsured patients where insurance paid $0 on a charge who are not eligible for financial assistance and with income greater than 200% FPG will be provided with a self-pay adjustment based on AGB.
6. Catastrophic and/or episodic care is eligible on a case-by-case basis upon UAB Health System's review of the patient's financial condition. Catastrophic and/or episodic care adjustments may require additional documentation from the patient. If it is determined that the patient is eligible for an adjustment, the patient's account balance following the adjustment will not exceed 20% of their annual income. If there are balances pending third-party payment, when financial assistance is approved, the adjustment of the balances will be postponed until all third-party coverage has been paid.
   Example: Patient has a balance of $200,000 and has an annual income of $50,000. If approved for assistance, the patient would only be responsible for $10,000 (20% of $50,000) and the remaining $190,000 would be written off as catastrophic care financial assistance.
7. Patients found eligible for financial assistance will remain eligible for a 12-month period unless they become eligible with insurance during that period.
8. Approved charity care adjustment will be applied retroactively to any past due balances held with UAB Health System.
9. Financial assistance is not applicable to an insurance company's or benefit plan's payment responsibility under a health benefits plan, regardless of whether the insurance company or health plan has made payment to the patient or to UAB Health System.
10. UAB Health System requires patients to work with a financial counselor to apply for Medicaid or other public assistance programs (ex: Cooper Green eligibility) for which the patient is deemed to be potentially eligible to qualify for financial assistance.
11. A patient may be denied financial assistance if the patient provides false information on a financial assistance application or in connection with the presumptive scoring eligibility process, if the patient refuses to assign insurance proceeds or the right to be paid directly by an insurance company that may be obligated to pay for the care provided, or if the patient refuses to work with a financial counselor to apply for Medicaid or other public assistance programs for which the patient is deemed to be potentially eligible in order to qualify for financial assistance.

12. Patients may appeal any denial of eligibility for financial assistance by calling the Financial Assistance department at 205-801-9910 or message the Financial Assistance department through MyChart. All appeals will be reviewed by UAB Health System for a final determination. If the final determination affirms the previous denial of financial assistance, written notification will be sent to the patient.

APPLYING FOR FINANCIAL ASSISTANCE AND DETERMINATION OF ELIGIBILITY

Eligibility for financial assistance may be determined at any point in the revenue cycle and will include the use of presumptive scoring for all patients or a financial assistance application when necessary. UAB Health System automatically screens patients through a third-party vendor to estimate the patient's eligibility. The third-party vendor verifies the patient's credit records electronically and evaluates the information relating to income and propensity to pay. This information is in turn used to assess whether the patient is presumptively eligible for charity care.

Patients who are not determined to be presumptively eligible for 100% charity care may apply for financial assistance at any time by submitting a completed Financial Assistance Application. The Financial Assistance Application and Financial Assistance Application Instructions are available through MyChart or by contacting the UAB Health System's Financial Assistance department at 205-801-9910. In addition, UAB Health System makes paper copies of this Financial Assistance Policy, the Financial Assistance Application, the AGB document and a plain language summary of this Financial Assistance Policy available, upon request and without charge, in Admissions and Registration areas.

An individual with extraordinary circumstances, such as a homeless patient, deceased patient, inmate, international patient, or referral from an approved entity may be considered for charity care. Any extraordinary circumstances will be reviewed independently and approved by UAB Health System.

UAB Health System will post notices as required by law regarding the availability of financial assistance. Patients requiring financial assistance or thought to require such assistance will be referred to a financial counselor.

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BILLING AND COLLECTIONS

UAB Health System has developed policies and procedures for internal and external collection practices that consider the extent to which a patient qualifies for financial assistance, a patient's good faith effort to apply for a governmental program, and a patient's good faith effort to comply with any payment agreements with UAB Health System. For patients who qualify for financial assistance and who are cooperating in good faith to resolve their outstanding bills, UAB Health System may offer extended payment plans. UAB Health System will not impose Extraordinary Collection Actions (ECAs). UAB Health System may take actions that do not constitute ECAs, including referring debt to a collections agency, provided such collections agency does not engage in any ECAs prior to notifying UAB Health System to determine whether the patient is eligible under this Policy.

Patients are screened for presumptive eligibility for financial assistance. All billing statements include information on how to obtain a copy of this Financial Assistance Policy and a plain language summary of this Policy, as well as contact information for the office that can provide information about this Policy and assistance with the financial assistance application process.

Patients with a balance due will have 120 days from the date of the first billing statement to respond. Patients will be allowed to apply for financial assistance for up to 240 days from the date of the first billing statement.

INTERPRETATION

This policy, together with all applicable procedures, is intended to comply with and shall be interpreted and applied in accordance with 501(r) except where specifically indicated.

UAB Health System Financial Assistance Policy
ADDENDUM A – July 2026

INCLUDED LOCATIONS

University Hospital

UAB Medical West Hospital

UAB St. Vincents Hospital Birmingham

UAB St. Vincents Hospital East

UAB St. Vincents Hospital Blount

UAB St. Vincents Hospital St. Clair

UAB St. Vincents Hospital Chilton

Physician services supplied by employed providers of UAB Medicine, UAB St. Vincents, UAB Medical Center West, OSF or UAB Huntsville

UAB Health System Financial Assistance Policy
ADDENDUM B – July 2026

EXCLUDED MEDICAL SERVICES FOR CHARITY CARE

The following list includes services that are not covered by the UAB Health System Financial Assistance Policy:

A. Solid Organ transplants (Kidney, Heart, Lung, Liver, Intestine, Pancreas, and the like) as the cost of the initial transplant procedure and the cost of the lifetime of post-transplant care exceeds the financial resources of UAB Health System;

   a. Exception: Solid organ transplants may be eligible for Charity Care if related to corneal transplant services ordered by a physician.

B. Genetic Testing; Exception: Genetic testing is eligible for Charity Care when it is ordered by a physician to determine which drug to prescribe to effectively treat or accomplish a patient's treatment plan.

C. Cosmetic or Reconstructive Surgery, unless deemed medically necessary by the treating physician;

D. Breast Implants;

E. Breast Reductions;

F. Bariatric Services, unless deemed medically necessary by the treating physician;

G. Teeth Extractions, excluding radiation, transplant patients, or when deemed medically necessary by the treating physician;

H. Dentures;

I. Infertility Treatment, including but not limited to artificial insemination;

J. Durable Medical Equipment;

K. Other Routine Physical Exams (charity care patients are referred to a Federally Qualified Health Center (FQHC) nearest the patient's home address;

L. Outpatient Psychiatric Evaluations administered via Community Psychiatric Program for which financial obligation is the responsibility of the patient;

M. Addiction Recovery Services;

N. Toric or specialty intraocular lenses;

O. Other services not routinely covered by health insurance, as determined by UAB Health System, in its sole discretion; and

P. UAB Health System, in its sole discretion, reserves the right to excluded health care services or treatment plans if the rendering of such services may compromise the fiscal integrity of UAB Health System and/or its related organizations, and/or a more fiscally reasonable treatment plan that is medically appropriate is available to the treating physician.

EXCLUDED MEDICATIONS

Medications administered to patients as part of their hospital inpatient and/or hospital or clinic outpatient medical treatments are eligible for Charity Care.

UAB Health System, in its sole discretion, reserves the right to exclude specific pharmaceuticals or pharmaceutical regimens if the provision of such medications or regimens may compromise the fiscal integrity of UAB Health System and/or its related organizations, and/or a more fiscally reasonable treatment plan, which is medically appropriate, is available to the treating physician.

Medications prescribed for patients to self-administer upon discharge are not covered by the Charity Care Financial Assistance Policy. UAB Health System has other programs that may be available to assist with self-administered prescription drugs available through social services.

Exception: Certain self-administered immunosuppressant medications for patients receiving covered services are covered by the Charity Care Financial Assistance Policy, as determined by UAB Health System in its sole capacity from time to time.