



## Administrative Policy & Procedure

**Subject: Billing and Collection Policy/Financial Assistance for Low-Income, Uninsured and Underinsured Patients**

**Effective Date: 04/29/2026**

**Primary Responsibility: Director – Patient Financial Services**

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### Executive Summary:

It is the policy of Atlantic Health System (AHS) to ensure that all patients receive essential emergency and other medically necessary health care services provided by its hospital facilities, regardless of their ability to pay. This policy applies to all Atlantic Health System hospitals, including Morristown Medical Center, Overlook Medical Center, Chilton Medical Center, Newton Medical Center, Hackettstown Medical Center, CentraState Medical Center, and to any Atlantic Health System facility designated as provider-based pursuant to 42 C.F.R. 413.65.

Financial assistance is available through a variety of established programs to low-income, uninsured, and underinsured patients who lack the ability to pay all or part of their hospital bill. Financial assistance- and discounts apply only to emergency or other medically necessary health care services. Certain services, such as physician fees, anesthesiology fees, radiology interpretation, and outpatient prescriptions, are separate from hospital charges and may not be eligible for financial assistance through Atlantic Health System.

A list of all providers (other than the hospital facility itself) who deliver emergency or medically necessary care within each AHS hospital facility, indicating which providers are covered by this Financial Assistance Policy (FAP) and which are not, appears in **Appendix A**. Provider listings are reviewed quarterly and updated as necessary.

### Procedure:

#### I. General:

- A. Atlantic Health System renders health care services, inpatient and outpatient, to all New Jersey residents who are in need of emergency or medically necessary care, regardless of the ability of the patient to pay for such services and regardless of whether and to what extent such patients may qualify for financial assistance pursuant to this FAP.

- B. Atlantic Health System renders health care services, inpatient and outpatient, to all New Jersey residents who are in need of emergency or medically necessary care, regardless of the ability of the patient to pay for such services and regardless of whether and to what extent such patients may qualify for financial assistance pursuant to this FAP.
- C. Atlantic Health System does not engage in any actions that discourage individuals from seeking emergency medical care, such as by demanding that emergency department patients pay before receiving treatment or by permitting debt collection activities in the emergency department or other areas where such activities could interfere with the provision of emergency care on a non- discriminatory basis.
- D. Atlantic Health System’s FAP, application for financial assistance, and Plain Language Summary (“PLS”) are all available online at the following website: <http://www.atlantichealth.org/financialassistance>
- E. Atlantic Health System’s FAP, application for financial assistance, and PLS are available in English and in the primary language of populations with limited proficiency in English that constitute the lesser of 1,000 individuals or 5% of the community served by each hospital facility’s primary service area. Translations of the FAP, application for financial assistance, and PLS are available in the languages set forth in Appendix B to this FAP. Every effort is made to ensure that the FAP, application for financial assistance, and PLS are clearly communicated to patients whose primary languages are not included among the available translations.
- F. Paper copies of the FAP, application for financial assistance, and PLS are available upon request by mail, without charge, and are provided in various areas throughout the hospital facilities, including admissions departments, emergency departments, and financial counseling offices listed below. Applications for financial assistance can be submitted in person, by mail, by fax, or by e-mail.

Financial Counseling Offices and Call Center Phone # 1-844-487-3627

Morristown Medical Center: 100 Madison Avenue, Morristown, NJ 07960

Overlook Medical Center: 99 Beauvoir Avenue, Summit, NJ 07901

Chilton Medical Center: 97 West Parkway, Pompton Plains, NJ 07444

Newton Medical Center: 175 High Street, Newton, NJ 07860

Hackettstown Medical Center: 651 Willow Grove Street, Hackettstown, NJ 07840

CentraState Medical Center: 901 West Main St., Freehold, NJ 07728

- G. If patients need assistance obtaining paper copies of the FAP, application for financial assistance, or PLS, or if they need other assistance, they can reach the Customer Service Department at 1-800-619-4024 or visit or contact the Financial Counseling Offices listed above.
- H. Signs or displays are conspicuously posted in public hospital locations, including admissions areas, emergency departments, and Financial Counseling Offices, that notify and inform patients about the availability of financial assistance.
- I. The PLS is offered to all patients as part of the intake process.
- J. Atlantic Health System is committed to offering financial assistance to eligible patients who do not have the ability to pay for emergency and other medically necessary healthcare services in whole or in part. In order to accomplish this charitable goal, Atlantic Health System widely publicizes this FAP, the application for financial assistance, and the PLS in the communities it serves through collaborations with local social service and non-profit agencies.
- K. Patients or their representatives may request financial assistance. Patients or their representatives may be referred to financial counselors by Atlantic Health System employees, referring physicians, or others. Financial counselors explain the requirements for the available financial assistance programs and determine whether a patient is eligible for an available financial assistance program. Those patients requesting financial assistance are required to complete the Atlantic Health System application for financial assistance (including the certification pages) and to provide the supporting documentation set forth in the application in order to be considered for financial assistance. Translated materials and interpreters are utilized, as required, to allow for meaningful communication with individuals who have limited English proficiency.
- L. An uninsured patient has up to 365 days after the first post-discharge billing statement to submit a completed application for financial assistance. An insured or underinsured patient has up to 365 days from the first post-discharge billing statement reflecting processing by an insurer to submit a completed application for financial assistance.

## **II. Financial Assistance Programs:**

Patients of Atlantic Health System may qualify for free or discounted care under the various programs described below. In each case, Atlantic Health System is deemed to have provided financial assistance in an amount equal to the gross charges for services provided, net of amounts paid by the patient or the patient's insurer (if any), and any governmental reimbursement or payment for such services. Atlantic Health System reports such net amounts (subject to application of a cost-to-charge ratio, in cases where financial assistance is appropriately reported based on costs rather than charges) as financial assistance provided by the organization.

## **A. New Jersey State Programs:**

### **1. Charity Care:**

This program covers only acute care hospital charges for medically necessary services that would be covered under the State's Medicaid program if the patient were eligible for Medicaid. The Financial Counseling Office makes a determination of whether the applicant is eligible no later than ten (10) working days from the day the completed initial application was received. If the application is incomplete (e.g., a request for income/asset proof is not provided or is inadequate), a written denial is issued, which provides details of the additional documentation needed to obtain approval. An uninsured applicant has up to 365 days from the date of the first post-discharge billing statement to reapply for Charity Care with the required documentation. An insured or underinsured applicant has up to 365 days from the date of the first post-discharge billing statement reflecting processing by an insurer to reapply for Charity Care with the required documentation. A patient eligible for Charity Care receives free care or a discount off of gross charges, in accordance with the guidelines set forth at **Appendix C**.

Applicants who are ineligible may reapply at a future date when they present for services, and their financial circumstances have changed.

Charity Care is a state program available to New Jersey residents who:

- a. Have no health insurance coverage or have coverage that pays only for part of the bill,
- b. Are ineligible for any private or government-sponsored coverage (such as Social Security (retired and disability); Supplemental Social Security Income (SSI) accompanied by Medicaid; or Medicaid), and
- c. Meet both the income and assets eligibility criteria established by the State.

Additional criteria required to be eligible for Charity Care:

- a. Patients are screened for the Charity Care program which covers (i) 100% of charges for patients with family gross income less than or equal to 200% of the federal poverty level; and (ii) a portion of charges for patients with family gross income greater than 200% but less than or equal to 300% of the federal poverty level in accordance with the guidelines set forth at **Appendix C**.
- b. The Charity Care eligibility limits are an individual asset limit of \$7,500 and a family asset limit of \$15,000. For purposes of this Section, family members whose assets must be considered are defined in N.J.A.C. 10:52-11.8(a) as follows. Family size for an adult applicant includes the

applicant, spouse, any minor children whom he or she supports, and adults for whom the applicant is legally responsible. The family size for a minor applicant includes both parents, the spouse of a parent, minor siblings, and any adults in the family for whom the applicant's parent(s) are legally responsible. If an applicant documents that he or she has been abandoned by a spouse or parent, that spouse or parent shall not be included as a family member. A pregnant female counts as two family members.

Documentation required per the Charity Care Section of the Hospital Services Manual, N.J.A.C. 10:52 et seq., includes:

- a. Proper patient and family identification documents. This can include any of the following: driver's license, social security card, alien registry card, birth certificate, paycheck stub, passport, visa, etc.
- b. Proof of New Jersey residence as of the date of service (note: under certain circumstances, emergency care is an exception to the residency requirement). This can include any of the following: driver's license, voter registration card, union membership card, insurance or welfare plan identification card, student identification card, utility bill, federal income tax return, state income tax return, or an unemployment benefits statement.
- c. Proof of gross income. This should include the details required by the hospital to determine the patient's gross income (one of the following):
  - i. Actual gross income for the 12 months preceding services.
  - ii. Actual gross income for the 3 months preceding services.
  - iii. Actual gross income for the month immediately preceding services
- d. Proof of assets as of the date of service. These are items which are readily convertible into cash, such as stocks, bonds, IRAs, CDs, checking and savings accounts, or equity in a non-primary residence.

2. **Eligibility for Discounted Care Under N.J.S.A. 26:2H-12.52:**

Uninsured patients who are New Jersey residents with family gross income below 500% of the federal poverty level will be eligible to receive discounted care in accordance with Section IV.C. of the FAP. Documentation requirements applicable to Charity Care and set forth in Section A.1. above apply to eligibility determinations under this Section, except that the individual and family asset thresholds shall not apply to eligibility for discounted care under this Section.

3. **Catastrophic Illness in Children Relief Fund Program:**

The State of New Jersey's Catastrophic Illness in Children Relief Fund Program provides financial assistance to families of children with a catastrophic illness. Information about eligibility, eligible expenses, and applying for assistance can be found at <http://www.state.nj.us/humanservices/cicrf/home/>.

4. **New Jersey Victims of Crime Compensation Office:**

The State of New Jersey has established the New Jersey Victims of Crime Compensation Office to compensate victims of crime for losses and expenses, including certain medical expenses, resulting from certain criminal acts. Information about eligibility, eligible expenses, and applying for assistance can be found a <https://www.njoag.gov/vcco>

**B. Self-Pay:**

**1. New Jersey Residents**

Uninsured patients who do not qualify for Charity Care or any other type of Federal or State-funded financial assistance programs are charged as follows:

- a. Inpatients: Patients receiving medically necessary inpatient treatment are charged the appropriate Medicare DRG rate plus 15% for the service received.
- b. Outpatients: Patients receiving outpatient services at Atlantic Health System are charged 115% of the appropriate Medicare rate.

**2. Out-of-State and Foreign Patients**

- a. Inpatients: Patients receiving medically necessary inpatient treatment are charged the appropriate Medicare DRG plus 25% for the services received.
- b. Outpatients: Patients receiving outpatient services at Atlantic Health System are charged 115% of the appropriate Medicare rate.

**C. Amounts Generally Billed (AGB)**

Uninsured patients who are New Jersey residents with family gross income below 500% of the federal poverty level, who do not qualify for Federal or State-funded financial assistance programs (with the exception of Charity Care) have a discount applied to their account in accordance with Section IV. Upon submission of an application for financial assistance and a determination that a patient is eligible for financial assistance under this Section, they are charged the lesser of AGB or the appropriate Medicare rate plus 15%.

Atlantic Health System has chosen to use the Look-Back method for each respective hospital facility. The AGB percentages (by hospital facility) are:

Morristown Medical Center: 23.97%  
Overlook Medical Center: 26.50%  
Chilton Medical Center: 19.32%  
Newton Medical Center: 12.60%  
Hackettstown Medical Center: 19.07%  
CentraState Healthcare System: 26.70%

In accordance with Internal Revenue Code Section 501(r), each hospital facility utilized

the Look-Back Method to calculate its respective AGB percentage. The AGB percentages were calculated based on all claims allowed over a 12-month period divided by the gross charges associated with these claims. The following payer mix was selected for all of the hospital facilities: Medicare fee-for-service + All Private Health Insurers.

The AGB percentages are updated annually within one hundred and twenty (120) days of the calendar year-end. If the calculated AGB percentage results in an amount **less than** the amount the patient owes, the patient is only responsible for the amount calculated under AGB.

If the calculated AGB percentage results in an amount **more than** the amount the patient owes, the patient is responsible for the amount calculated under the financial assistance programs described above.

### **III. Billing and Collection Policy**

This Section sets forth the billing and collection policies and procedures of Atlantic Health System and explains the actions that may be taken if a bill for medical care, including a bill for a remaining balance after financial assistance discounts are applied, is not paid. Collection agencies and attorneys acting on behalf of Atlantic Health System are provided with a copy of this FAP.

Each billing statement includes a conspicuous notice regarding the availability of financial assistance, along with a telephone number for the specific hospital facility's Financial Counseling Office, where a patient can receive information about the FAP and assistance with the application for financial assistance. The billing statement also includes the website address where copies of the FAP, application for financial assistance, and PLS can be obtained.

- A. Notification period: Atlantic Health System bills patients for any outstanding balance as soon as the patient's balance is confirmed. For uninsured patients, the first post-discharge billing statement marks the beginning of the 120-day notification period in which no extraordinary collection actions ("ECA") (defined below) may be initiated against the patient. For insured or underinsured patients, the first post-discharge billing statement reflecting processing by an insurer marks the beginning of the 120-day notification period in which no ECAs may be initiated against the patient (the "120-day notification period").
- B. When a patient is delinquent in payment, a notice is sent to the patient offering to discuss the billing statement to determine if financial assistance or a new or revised payment plan is needed. Atlantic Health System may accommodate patients who request and establish payment plans.
- C. When no payment has been received at the end of the 120-day notification period, and a patient has not applied for financial assistance or arranged with the hospital facility's Financial Counseling Office or the hospital facility's Customer Service Office for an alternate payment plan, the patient's account is turned over to a collection agency. Atlantic Health System informs the patient in writing that the patient's account is turned over to a collection agency if no payment is

received within 10 days (the “Final Notice”). The Final Notice informs the patient that financial assistance is available for eligible patients and includes a telephone number for the specific hospital facility’s Financial Counseling Office, where a patient can receive information about the FAP and assistance with the financial assistance application process. The billing statement also includes the website address where copies of the FAP, application for financial assistance, and PLS can be obtained.

D. Atlantic Health System may authorize collection agencies and attorneys working on Atlantic Health System’s behalf (a “Third Party”) to initiate ECAs on delinquent patient accounts after the 120-day notification period. Once an account has been referred to a Third Party, the Third Party confirms that reasonable efforts have been taken to determine whether a patient is eligible for financial assistance under the FAP and that the following actions have been taken prior to initiating an ECA:

1. The patient has been provided with written notice (the “30-Day Letter”) which: (a) indicates that financial assistance is available for eligible patients; (b) identifies the ECA(s) that the Third Party intends to initiate to obtain payment for the care; and (c) states a deadline after which such ECAs may be initiated (which deadline is no earlier than 30 days after date that notice is provided);
2. The 30-Day Letter includes a copy of a plain-language summary of the FAP; and
3. Atlantic Health System and/or the Third Party have taken reasonable efforts to orally notify the patient about the FAP and how the patient may obtain assistance with the financial assistance application process.

E. Once it has been confirmed that reasonable efforts have been taken to determine whether a patient is eligible for financial assistance under the FAP, Third Parties may initiate the following ECAs against a patient to obtain payment for care:

1. Actions that require a legal or judicial process, including but not limited to:
  - a. Placing a lien on a patient’s property, except as otherwise provided in I.R.C. Section 501(r).
  - b. Commencing a civil action against a patient.

Actions may be initiated only if the balance owed is \$800 or more in the Aggregate.

2. ECAs do not include liens on proceeds of personal injury judgments, settlements, or compromises, nor claims filed in bankruptcy.

F. If an incomplete application for financial assistance is received, Atlantic Health System provides the patient with written notice that describes the additional information or documentation required to make a FAP-eligibility determination.

Atlantic Health System will inform Third Parties that an incomplete application for financial assistance was submitted and Third Parties suspends any ECAs to obtain payment for care for a 30-day period.

- G. If a completed application for financial assistance is received, Atlantic Health System ensures that the following will take place:
  - 1. ECAs against the patient are suspended.
  - 2. An eligibility determination will be made and documented in a timely manner.
  - 3. Atlantic Health System notifies the patient in writing of the determination and the basis for the determination.
  - 4. An updated billing statement is provided, which indicates the amount owed by the FAP-eligible patient (if applicable), how that amount was determined, and the applicable AGB percentage.
  - 5. Any amount paid in excess of the amount owed by the FAP-eligible patient is refunded accordingly (if applicable); and
  - 6. Third Parties take all reasonable available measures to reverse any ECAs taken against the patients to collect the debt, such as vacating a judgment or lifting a levy or lien.
  
- H. If any of the hospital facilities make presumptive eligibility determinations, the following is required:
  - 1. If a patient is presumptively determined to be eligible for less than the most generous assistance available under the FAP, then Atlantic Health System will:
    - a. Notify the patient regarding the basis for the presumptive FAP-eligibility determination and explain how to apply for more generous assistance.
    - b. Give the patient a reasonable period of time to apply for more generous assistance before authorizing the initiation of ECAs to obtain the discounted amount calculated.
    - c. Re-determine the patient’s FAP-eligibility status if a completed application for financial assistance is received.

**References:**

Internal Revenue Service, 26 CFR Parts 1, 53, and 602, Additional Requirements for Charitable Hospitals; Community Health Needs Assessments for Charitable Hospitals; Requirement of a Section 4959 Excise Tax Return and Time for Filing the Return; Final Rule; N.J.S.A. 26:2H-12.52; N.J.A.C. 10:52

Review/Approval Summary: Atlantic Policy Oversight Committee (APOC) and Atlantic Board of Directors	
Origination Date: 11/08/2004	APOC Approval Date: 04/01/2026
Last Revision Date: 02/25/2026	Atlantic Board Approval Date: 04/28/2026

## APPENDIX A

### PROVIDER LIST

The Atlantic Health System, Inc. (“Atlantic Health System”) Financial Assistance Policy (“FAP”) shall apply to emergency or other medically necessary care provided at an Atlantic Health System hospital or provider-based outpatient facility that is billed by AHS Hospital Corp., a subsidiary of Atlantic Health System.

The FAP shall also apply to emergency or other medically necessary inpatient care provided at an Atlantic Health System hospital by Practice Associates Medical Group, P.A. d/b/a Atlantic Medical Group (“AMG”) physicians. The FAP shall not apply to the professional fees billed by AMG physicians for care provided outside of an Atlantic Health System hospital.

OTHER PROVIDERS MAY PARTICIPATE IN YOUR CARE AT ATLANTIC HEALTH SYSTEM HOSPITALS AND OUTPATIENT FACILITIES. IF THOSE PROVIDERS ARE NOT SPECIFICALLY LISTED ABOVE, THEY DO NOT FOLLOW THE ATLANTIC HEALTH SYSTEM FINANCIAL ASSISTANCE POLICY. YOU WILL BE BILLED SEPARATELY BY THOSE PROVIDERS AND WILL NEED TO MAKE PAYMENT ARRANGEMENTS ACCORDINGLY.

This Provider List will be reviewed and updated quarterly, if necessary. For assistance with questions regarding the FAP or this Provider List, please call the Customer Service Department at 1-800-619- 4024.

## APPENDIX B

Translations of the FAP, application for financial assistance and PLS are available in English and the following languages:

Arabic  
Armenian  
Chinese  
French Creole  
Greek  
Gujarati  
Hindi  
Italian  
Japanese  
Korean  
Polish  
Portuguese  
Russian  
Serbo-Croatian  
Spanish  
Tagalog

**INCOME CRITERIA**  
**CHARITY CARE AND REDUCED CHARITY CARE ELIGIBILITY CRITERIA**  
**Effective: March 15, 2026**

Patient Must Meet Both the Income and Assets Criteria

**INCOME CRITERIA**

Percentage of Charges Paid by Patient When Gross Annual Income is Within the Following Ranges

	Patient Pays <b>0%</b> of Charges	Patient Pays <b>20%</b> of Charges	Patient Pays <b>40%</b> of Charges	Patient Pays <b>60%</b> of Charges	Patient Pays <b>80%</b> of Charges	Patient Pays <b>100%</b> of Charges
<b>Family Size</b>	<b>&lt;=200%</b>	<b>&gt;200&lt;=225%</b>	<b>&gt;225&lt;=250%</b>	<b>&gt;250&lt;=275%</b>	<b>&gt;275&lt;=300%</b>	<b>&gt;300%</b>
1	\$31,920 or less	\$31,921 to \$35,910	\$35,911 to \$39,900	\$39,901 to \$43,890	\$43,891 to \$47,880	\$47,881 or more
2	\$43,280 or less	\$43,281 to \$48,690	\$48,691 to \$54,100	\$54,101 to \$59,510	\$59,511 to \$64,920	\$64,921 or more
3	\$54,640 or less	\$54,641 to \$61,470	\$61,471 to \$68,300	\$68,301 to \$75,130	\$75,131 to \$81,960	\$81,961 or more
4	\$66,000 or less	\$66,001 to \$74,250	\$74,251 to \$82,500	\$82,501 to \$90,750	\$90,751 to \$99,000	\$99,001 or more
5	\$77,360 or less	\$77,361 to \$87,030	\$87,031 to \$96,700	\$96,701 to \$106,370	\$106,371 to \$116,040	\$116,041 or more
6	\$88,720 or less	\$88,721 to \$99,810	\$99,811 to \$110,900	\$110,901 to \$121,990	\$121,991 to \$133,080	\$133,081 or more
7	\$100,080 or less	\$100,081 to \$112,590	\$112,591 to \$125,100	\$125,101 to \$137,610	\$137,611 to \$150,120	\$150,121 or more
8	\$111,440 or less	\$111,441 to \$125,370	\$125,371 to \$139,300	\$139,301 to \$153,230	\$153,231 to \$167,160	\$167,161 or more

For families with more than 8 members, add the following amounts to the highest amount in each column for each additional family member.

	\$11,360	\$12,780	\$14,200	\$15,620	\$17,040
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\* A pregnant woman is counted as 2 family members.

If patients on the 20% to 80% sliding fee scale are responsible for qualified out-of-pocket paid medical expenses in excess of 30% of their gross annual income (i.e. bills unpaid by other parties), then the amount in excess of 30% is considered hospital payment assistance (charity care).

## **ASSETS CRITERIA**

Individual assets cannot exceed \$7,500 and family assets cannot exceed \$15,000.

March 2026