

NEW YORK

Community Benefit Requirement

New York requires for-profit and nonprofit hospitals to provide discounted care as a condition of reimbursement from a state Pool.

As a condition of participation in New York's General Hospital Indigent Care Pool, nonprofit and for-profit general hospitals must provide discounted care to qualifying patients with low income. The Pool provides reimbursement for a portion of hospital losses associated with unreimbursed care, including both charity care and bad debt expenses. To be eligible for disbursements from the Pool, a hospital must provide discounted care to eligible low-income patients in accordance with a proportional sliding fee schedule. [N.Y. Pub. Health Law §§ 2807-k\(9-a\)](#).

Minimum Community Benefit Requirement

New York does not require nonprofit hospitals to provide a specified minimum level of charity care or other community benefits.

Community Benefit Reporting Requirement

New York requires hospitals to report their costs of providing unreimbursed care and requires nonprofit hospitals to demonstrate their commitment to meeting community health needs.

New York law requires that nonprofit and for-profit hospitals file financial reports detailing, among other things, their costs of providing free or reduced cost services. [N.Y. Pub. Health Law §§2805-A \(a\)\(2\)\(a\); 2803-L \(2\)\(iv\)](#). In addition, at least every three years the governing body of a nonprofit hospital must demonstrate the hospital's commitment to meeting community health care needs, providing charity care, and improving underserved individuals' access to health care services. The governing body must also make available to the public a summary statement of the hospital's financial resources and allocation to hospital purposes, including its provision of free and discounted care. At least annually, the governing body must make available to the public an implementation report as to the hospital's efforts to meet community health care needs, provide charity care, and improve access to care. At least every three years, a nonprofit hospital must file with the Commissioner of Health a report detailing changes to its mission statement and its operational and financial commitment to meeting community health care needs, to its provision of charity care, and to improving underserved individuals' access to care. [N.Y. Pub. Health Law §2803-L \(2\)](#).



Community Health Needs Assessment

New York requires nonprofit hospitals to conduct community needs assessments in connection with developing a community service plan.

Every three years, as part of each nonprofit general hospital's community service plan, its governing body must 1) solicit the views of the communities served by the hospital on such issues as the hospital's performance and service priorities and 2) demonstrate the hospital's commitment to meeting community health care needs, to providing charity care services, and to improving health care accessibility for the underserved. [N.Y. Pub. Health Law §2803-L](#).

Community Benefit Plan/Implementation Strategy

New York requires nonprofit hospitals to develop community benefit plans or implementation strategies.

These publicly available annual reports describe each hospital's performance in meeting the health care needs of the community, providing charity care services, and improving access to health care services by the underserved. [N.Y. Pub. Health Law §2803-L\(3\)](#).

New York also incentivizes and promotes hospital community benefit initiatives that target community health improvement by expressly linking its State Health Improvement Plan (SHIP), titled [Prevention Agenda 2013-2017](#), to required hospital community benefit plans (termed "community service plans").

Each tax-exempt hospital's community service plan must include two state *Prevention Agenda* priorities (selected jointly with the local health department) and describe strategies to address the priorities in a three-year action plan.

Financial Assistance Policy

New York requires hospitals that participate in the state's General Hospital Indigent Care Pool to adopt financial assistance policies.

New York require hospitals to adopt and implement financial assistance policies as a condition of participating in the state's General Hospital Indigent Care Pool, which provides reimbursement for a portion of hospital losses associated with unreimbursed care, including both charity care and bad debt expenses. To be eligible for disbursements from the Pool, a hospital must provide discounted care to eligible low-income patients based on a sliding fee schedule. [N.Y. Pub. Health Law §2807-K \(9-a\)\(a\)](#).

Financial Assistance Policy Dissemination

New York requires dissemination of hospitals' financial assistance policies as a condition of participating in the state's General Hospital Indigent Care Pool.



In order to participate in the state's General Hospital Indigent Care Pool, hospitals must develop a clear and understandable written financial assistance policy and make patients aware of the policy. Summaries of these policies must be available to patients and to the public. Hospitals that operate 24-hour emergency rooms must also conspicuously post notice of their financial assistance policies in appropriate languages and notify patients of the policies during the intake and registration process. In addition, notice that financial assistance may be available and instructions on how to obtain additional information must be included in bills and statements sent to patients. [N.Y. Pub. Health Law § 2807-K\(9-a\)\(c\)](#).

Limitations on Charges, Billing, and Collections

New York limits hospital charges and collections as a condition of participating in the state's General Hospital Indigent Care Pool.

New York requires nonprofit and for-profit hospitals participating in the Pool to reduce charges to uninsured patients with family income below 300 percent of the federal poverty level. [N.Y. Pub. Health Law §2807-K\(9-a\)\(a\),\(f\)](#). Hospitals must provide the option of monthly installment plans for payment of outstanding balances, and payments under such plans may not exceed 10 percent of a patient's gross monthly income. [N.Y. Pub. Health Law §2807-K\(9-a\)\(d\)](#). In addition, hospitals' policies may not permit the forced sale or foreclosure of a patient's primary residence in order to collect an outstanding medical bill. [N.Y. Pub. Health Law §2807-K\(9-a\)\(h\)](#).

Income Tax Exemption

New York law exempts nonprofit hospitals from state income tax.

New York exempts from taxation the net income of a non-stock corporation that is organized and operated on a nonprofit basis if no part of its net earnings inure to the benefit of any officer, director, or member. A nonprofit corporation that is exempt from federal income tax pursuant to Internal Revenue Code §501(a) is presumed to be exempt from state income tax. [20 N.Y. Comp. Codes R. & Regs. §1-3.4\(b\)\(6\)](#).

Property Tax Exemption

New York law exempts from taxation the property of nonprofit hospitals.

New York exempts from taxation real property owned by nonprofit corporations organized or conducted exclusively for charitable or hospital purposes and used for carrying out that charitable or hospital purpose. [N.Y. Real Property Tax Law §§420-a\(1\)\(a\)-\(b\)](#).



Sales Tax Exemption

New York law exempts nonprofit hospitals from sales and use taxes.

New York law exempts from sales and use tax sales to or by nonprofit corporations operated exclusively for charitable purposes. [N.Y. Sales Tax Law § 1116\(a\)\(4\)](#).

