

**HEALTHWELL FOUNDATION
ASSERTION OVER COMPLIANCE
YEAR ENDED DECEMBER 31, 2021**



CPAs | CONSULTANTS | WEALTH ADVISORS

CLAconnect.com

**HEALTHWELL FOUNDATION
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2021**

INDEPENDENT ACCOUNTANTS' REPORT	1
MANAGEMENT'S ASSERTION OVER COMPLIANCE	2



INDEPENDENT ACCOUNTANTS' REPORT

HealthWell Foundation and Donors
Germantown, Maryland

We have examined management of HealthWell Foundation's assertion that HealthWell Foundation complied with the requirements listed in the attached management's assertion over compliance (specified requirements) during the year ended December 31, 2021. HealthWell Foundation's management is responsible for its assertion. Our responsibility is to express an opinion on management's assertion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertion about compliance is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about whether management's assertion is fairly stated, in all material respects. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on HealthWell Foundation's compliance with specified requirements.

In our opinion, management's assertion that HealthWell Foundation complied with the requirements listed in the attached management assertion over compliance, is fairly stated, in all material respects.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Greenbelt, Maryland
September 21, 2022

**HEALTHWELL FOUNDATION
MANAGEMENT'S ASSERTION OVER COMPLIANCE
DECEMBER 31, 2021**



July 7, 2022

CliftonLarsonAllen LLP
6406 Ivy Lane, Suite 200
Greenbelt, MD 20770

In connection with your audit of HealthWell Foundation's (HealthWell) compliance with the requirements specified in management's assertion for the year ended December 31, 2021, for the purpose of expressing an opinion about whether management's assertion about the entity's compliance with the requirements detailed below is fairly stated, in all material respects, we provide the following assertion that HealthWell is in compliance with the following:

Stephen M. Weiner
BOARD CHAIR

Jerri Scarzella, BSN
VICE CHAIR & TREASURER

David L. Knowlton
VICE CHAIR, SECRETARY &
CHIEF COMPLIANCE OFFICER

Cathleen D. Bennett, Esq.,
BOARD MEMBER

Nancy Carteron, MD, FACP
BOARD MEMBER

David F. Ertel
BOARD MEMBER

Don Liss, MD
BOARD MEMBER

Suzanne M. Miller, PhD
BOARD MEMBER

Jeffrey Peppercorn, MD, MPH
SCIENTIFIC & ETHICS ADVISOR

Krista Zedet
PRESIDENT

Compliance Requirements

1. HealthWell is a charitable organization described in Code Section 501(c)(3) and is a public charity described in Code Section 509(a). This includes compliance with the public support percentage within the meaning of Code Section 509(a);
2. The terms and conditions set forth in its Advisory Opinion, including the specific requirements ((a)-(t)) outlined in the Program Requirements below; and
3. HealthWell's standard donor agreements.

Program Requirements

- (a) HealthWell is a charitable organization described in Code Section 501(c)(3) and is a public charity described in Code Section 509(a). This includes compliance with the public support percentage within the meaning of Code Section 509(a).
- (b) HealthWell is a public charity described in Code Section 509(a).
- (c) HealthWell is independent of any donor to the Program (collectively, the "Program Donors"), or any other entity with which HealthWell has a transaction or arrangement. For purposes of determining independence, the majority of members of HealthWell's governing body may not have any direct or indirect impermissible "financial relationship" as defined below. For the purposes of this Agreement, "financial relationship" shall mean one of the following relationships, whether through business investment or family: (i) an ownership or investment interest in any entity with which HealthWell has a transaction or arrangement; (ii) a compensation arrangement with HealthWell or with any entity or individual with which HealthWell has a transaction or arrangement; or (iii) a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which HealthWell is negotiating a transaction or arrangement. For these purposes, compensation includes direct and indirect remuneration as well as gifts, contributions or favors that are substantial in nature.

**HEALTHWELL FOUNDATION
MANAGEMENT'S ASSERTION OVER COMPLIANCE
DECEMBER 31, 2021**



- (d) The Program receives referrals from multiple sources, including physicians, suppliers, patient advocacy groups, other relevant third-party organizations and Program Donors (e.g., through Program Donors' patient assistance programs).
- (e) HealthWell's determination of whether to provide assistance does not consider the source that referred the patient to the Program.
- (f) HealthWell bases all eligibility determinations on its own established criteria and does not take into account the identity of a provider, supplier or treatment that the patient may use or the identity of a Program Donor whose services or products are used by the applicant.
- (g) HealthWell routinely monitors and evaluates the processes and formulae under which financial assistance is allocated to patients in the Program as a reserve based on a patient's expected and actual financial assistance needs.
- (h) Assistance is available to beneficiaries with demonstrable financial need and who meet HealthWell's income and/or asset criteria, for a period of up to one (1) year, after which each beneficiary's eligibility is reevaluated.
- (i) Patient requests for assistance under the Program are reviewed on a first-come, first-served basis to the extent funding is available.
- (j) HealthWell informs patients that they are free to change providers, suppliers or treatments at any time and will not lose their assistance as a result (unless they become ineligible for other reasons).
- (k) HealthWell does not refer patients to, or recommend, a particular provider, supplier or product.
- (l) HealthWell does not inform patients, providers, other donors, or any other third parties of the identity of Program Donors.
- (m) Donors receive reports containing only aggregate data related to activity in the fund(s) they support. No individual patient's information is conveyed to donors. Donor reports do not contain any information that would enable any donor to correlate the amount or frequency of its donations with the number or medical condition of patients that use its products or services, or the volume of those products or services.
- (n) Donors may earmark their contributions for the support of patients covered by one of the HealthWell's disease funds. Donations are restricted for their intended purpose, i.e., support patients enrolled under the earmarked disease fund. However, donations are unrestricted within the disease fund, i.e., may be used for any product covered under the disease fund.

**HEALTHWELL FOUNDATION
MANAGEMENT'S ASSERTION OVER COMPLIANCE
DECEMBER 31, 2021**



- (o) To the extent feasible, HealthWell furnishes assistance under the Program to the provider, supplier or insurer on behalf of the patient, and where assistance is furnished directly to the patient, HealthWell obtains proof from the patient that the assistance is to satisfy qualifying expenses.
- (p) HealthWell has a process to solicit donations for the Program from a multitude of sources.
- (q) HealthWell uses commercially reasonable efforts to publicize the availability of the Program to patient advocacy organizations, other relevant third parties and patients.
- (r) HealthWell defines its funds using widely recognized disease states. Specifically, HealthWell does not define its funds by reference to specific symptoms, severity of symptoms, method of administration of drugs, stages of a particular disease, type of drug treatment, or any other way of artificially or inappropriately narrowing the definitions.
- (s) Assistance is not limited only to high cost or specialty drugs. HealthWell covers all products, both branded and generic used to treat (based on FDA-approval and compendia-listing) its defined disease states regardless of price.
- (t) HealthWell provides financial assistance under the Program for products from more than one manufacturer, including any available generic drugs. If HealthWell establishes a fund for a disease for which the FDA has approved only one drug, or only the drugs made or marketed by one manufacturer or its affiliates, HealthWell will provide support for other medical needs of patients with the disease, in addition to copayment support for the FDA-approved treatment of the disease.

Signature: *Kate Zoclet* Title: *PRESIDENT*

Signature: *[Signature]* Title: *Chief Development Officer*