Advocate Health Loan Support Program

Advocate Health offers student loan support designed to help attract and retain teammates by providing loan repayment assistance to teammates in eligible roles who have already completed an undergraduate or graduate degree.

This program applies to Advocate Health, Inc. and any entity or facility owned and controlled by Advocate Health. Advocate Health reserves the right to terminate or amend this Loan Support program at its sole discretion.

Program definitions can be found in the Appendix of this policy beginning on page 4.

The Advocate Health Loan Support Program is intended to be a qualified educational assistance program under section 127 of the Internal Revenue Code (the "Code"). The purpose of this program is to provide Educational Assistance to Eligible Employees of Advocate Health, Inc. and its Affiliates (collectively, "Advocate").

Section 127 of the Code provides that the gross income of an employee does not include amounts paid or expenses incurred by the employer for educational assistance to the employee, up to the annual limit described in section II, if the assistance is furnished pursuant to an educational assistance program under section 127 of the Code.

The Internal Revenue Code contains provisions that impact the taxability of student loan payments made on behalf of a teammate through the organization's participation in Student Loan Support. The CARES Act of 2020 allows for student loan payments, along with educational assistance payments, to be treated as tax-free up to a combined annual calendar-year limit of $5,250. Any payments received from either student loan or educational assistance benefit programs will be taxable to the participating teammates after reaching the $5,250 tax-free amount in a calendar year. The §127 exclusion for employer student-loan payments is permanent and remains available beyond 2025; the annual $5,250 cap applies (indexed for inflation beginning 2026). Amounts above the applicable annual cap are taxable.

I. Loan Support

Advocate Health will make payments directly to the loan servicer as identified by the teammate in the amounts noted in section II. Advocate Health will be making contributions that are in excess of the teammate's required monthly payment.

Participating teammates are required to make regular monthly payments toward their loan(s) as required by the terms of loan(s) and will be responsible for providing documentation as part of the application process, showing evidence of monthly payments.

- If a teammate is enrolled in an income-driven repayment plan with a $0 required monthly payment, the teammate remains eligible for student loan repayment contributions as long as they provide documentation confirming the $0 payment amount each month.
- If a teammate has requested and/or is granted a forbearance for their loan(s) as a result of the CARES Act and is not required to make a payment, the teammate is eligible for student loan repayment contributions without making a payment until expiration of the CARES Act forbearance provision.
- If a teammate has requested and/or is granted a deferment for their loan(s) as a result of an In-School, Military Service, and Post-Active Duty Student Deferment and is not required to make a payment, the teammate is eligible for student loan repayment contributions without making a payment until they are no longer eligible for an In-School, Military Service, and Post-Active Duty Student Deferment

Quarterly "In Good Standing" checks will be conducted to confirm teammates are meeting these requirements.

- When an "In Good Standing" check is executed, the teammate will have one full month to upload supporting documentation. The documentation must demonstrate that there is still an outstanding balance and that the loan is not in default.
- If a loan is determined not to be in good standing, the teammate becomes ineligible for further payments. Eligibility will be restored when the teammate provides documentation showing good standing has been restored.

Any late fees or penalties incurred due to teammates' missed or late payments are the sole responsibility of the teammate.

Teammates may participate in both Student Loan Support and Education Assistance programs at the same time. Up to $5,250 per year of combined payments is tax-free under IRC §127. Any amounts over that limit are taxable. The $5,250 exclusion is now permanent and will be adjusted for inflation starting 2026.

II. Teammate Eligibility

Eligibility for this program is based on role. To participate, a teammate must be an active, full-time (FT) or part-time (PT) teammate in one of the following eligible populations:

- Med-Surg Nurses
- Respiratory Therapists / Technicians
- Radiologic Technologists / Technicians (Imaging)
- Legacy Teammates[1]

The following teammates are **not eligible** to participate:

- Temporary and PRN teammates
- Managers, Supervisors, Directors and above, except Legacy Teammates as defined below

Teammates must remain in an eligible position to continue receiving the benefit. Teammates who move out of an eligible position will no longer be eligible and benefit payments will stop.

Eligible teammates may receive the following benefit:

Status	Maximum Annual Benefit	Lifetime Maximum
Full-Time	$5,250	$21,000
Part-Time	$2,625	$10,500

Eligibility ends when the teammate reaches the lifetime maximum or the qualifying student loan balance is paid in full, provided the remaining balance does not exceed the lifetime maximum.

[1]*Legacy Teammates are non-Med-Surg nursing and leadership teammates in Illinois and Wisconsin who were enrolled in the program as of Oct. 31, 2025. They retain eligibility, regardless of position changes, until they reach the lifetime maximum or their qualifying loan balance is paid in full. This group is closed to new enrollment.*

III. Application Procedure

Payments are applied to accounts as identified by the participating teammate according to loan servicer policies. Payments will begin from the date of participation in the program; retroactive payments will not be made.

After each loan contribution by the organization, any applicable taxed amounts will be deducted from the paycheck of the teammate. The organization will report all associated payments on participating teammates' associated W-2 for the prior plan year. All associated taxes are the responsibility of the participating teammate.

Student loan details and payment requests need to be submitted online via the InStride teammate platform. Visit the website for details of required loan documentation.

Once approved, payments are made directly to the loan servicer identified by a participating teammate at the time of application.

IV. Work Commitment

As a condition for the payment by Advocate Health of Covered Expenses under this Educational Assistance plan benefit, the teammate must agree to remain, and must remain, employed by Advocate Health, for a minimum of one (1) year (12 continuous months) after any reimbursement is paid.

If teammate voluntarily terminates employment, or is terminated for cause by the organization within 1 year of receiving loan contributions, the teammate must:

- Repay to Advocate Health 100% of the loan contribution payments received under this policy within the 1-year period preceding the employee's termination, or
- A maximum of $5,250 if the teammate received multiple years of loan contribution and met their loan balance in the 1-year period preceding termination.

Teammates are exempt from the work commitment if their employment is involuntarily terminated for reasons other than cause or performance.

Appendix

V. Definitions

1. "**Code**" means the Internal Revenue Code of 1986, as amended.
2. **Full-time** – Teammates who work 30 or more hours per week
3. **Part-time** – Teammates who work 20-29 hours per week
4. **Legacy Teammates** - Non-Med-Surg nursing and leadership teammates in Illinois and Wisconsin who participated in the legacy loan program and were actively enrolled as of October 31, 2025. Legacy eligibility is closed to new enrollment.
5. **Eligible Education Loans** - qualified, U.S.-based education loans incurred by the teammate for the teammate, used to pay for the cost of qualified higher education expenses while the teammate was an actively enrolled student. It must have been attributable to education furnished during a period when the recipient was an eligible student.
6. **Good Standing** - does NOT include Default
7. **Ineligible or non-applicable student loan repayment expenses**:
    - Late fees
    - Installment plan/deferred payment fees
    - Direct Parent PLUS loans
    - Private Parent loans
    - Loans not in teammate's name
    - Other methods of finance, e.g., home equity lines used to repay education
    - Other methods of repayment, e.g., funds from 403(b)/401(k) or other retirement account
8. **Qualified Higher Education Expenses** - the cost of attendance (as defined in section 472 of the Higher Education Act of 1965, 20 U.S.C. 1087II) at an eligible educational institution.
9. **U.S.-based education loans eligible for repayment include**:
    - Federal Perkins Loans
    - Private Student Loans
    - Subsidized Stafford Loans (FFELP/Direct)
    - Unsubsidized Stafford Loans (FFELP/Direct)
    - Health Professional Loans
    - Grad PLUS Loans (FFELP/Direct)
    - Student Consolidation Loans
    - Student Refinance Loans
    - State Loans