

Calvert Memorial Hospital  
 FY2011 Community Benefit Reporting

I. GENERAL HOSPITAL DEMOGRAPHICS AND CHARACTERISTICS:

1.

Table I

Bed Designation:	Inpatient Admissions:	Primary Service Area Zip Codes:	All other Maryland Hospitals Sharing Primary Service Area:	Percentage of Uninsured Patients, by County:	Percentage of Patients who are Medicaid Recipients, by County:
98 acute care	Acute – 7,555  Newborn - 896	20657 20678 20639 20732 20685 20736 20688	None	4.9% - Calvert	12.3% - Calvert

2. Describe the community your organization serves.

Calvert Memorial Hospital (CMH) is the sole hospital provider in Calvert County, Maryland. Calvert County is located in Southern Maryland and is essentially a peninsula bordered on the east by the Chesapeake Bay and on the west by the Patuxent River. With a long and skinny topography, the county’s “spine” is Maryland Routes 2/4 running from Dunkirk in the north to Solomons Island in the south for approximately 45 miles. This topography presents challenges to both transportation and service delivery that are unique to Calvert County. In response to this unique topography, CMH’s strategic goal is to ensure access to primary care services within a 15 minute drive from any county location and specialty care within 30 minutes. In addition, CMH’s secondary market area includes the surrounding areas of southern Prince Georges and Anne Arundel Counties, St Mary’s County on its southern border and Charles County on its western border.

Table II

Community Benefit Service Area(CBSA) Target Population (target population, by sex, race, and average age)	Of the total population below poverty level (3,369) <b>Gender:</b> Male -1,587 (3.7%) Female – 1,782 (4.0%) <b>Race:</b> White – 2,364 (3.3%) Black/African Amer. – 925 (7.1%) <b>Age:</b> Under 18 – 1,208 (5.4%) 18-64 yrs – 1,656 (2.9%) 65 yrs + - 505 (5.7%) American Community Survey (ACS) 2009
Median Household Income within the CBSA	\$89,289 ACS, 2009
Percentage of households with incomes below the federal poverty guidelines within the CBSA	Families – 1.6% Individuals – 3.9% ACS 2009
Please estimate the percentage of uninsured people by County within the CBSA	8.0%
Percentage of Medicaid recipients by County within the CBSA.	13% MD Dept of Health and Mental Hygiene
Life Expectancy by County within the CBSA.	79 years MD Vital Statistics Administration
Mortality Rates by County within the CBSA.	656.9 (2009) MD Vital Statistics Administration
Access to healthy food, quality of housing, and transportation by County within the CBSA. (to the extent information is available from local or county jurisdictions such as the local health officer, local county officials, or other resources)	Prepared public food quality is monitored by the Calvert County health department. Included within these areas are food provided to the target population via the school system and organizations such as Meals on Wheels. Local food pantries also provide perishable and non-perishable foods to their guests. Initiatives are

	<p>underway to increase the amount of nutritional and healthy foods distributed via food pantries. United Way of Calvert County Impact grants are assisting local organizations to develop an effective model for accomplishing this.</p> <p>The 2009 median house price in 2009 was \$388,274.</p> <p><a href="http://www.city-data.com/county/Calvert_County-MD.html">http://www.city-data.com/county/Calvert_County-MD.html</a></p> <p>According to Realtor.com, the current median house price is \$299,900</p> <p>The Calvert County Housing Authority administers 346 federal Housing Choice Vouchers to supplement 70% of rent cost in privately-owned residences. Household income averages \$15,990 per year. The CCHA also owns 72 scattered site detached homes and charges 30% of household income (\$15,028 average) for rent. As of August 2011, the waiting lists for these programs were closed until further notice. The CCHA also oversees 3 senior living complexes with a total of 225 units.</p> <p><a href="http://www.co.cal.md.us/government/departments/resources/housing.asp">http://www.co.cal.md.us/government/departments/resources/housing.asp</a></p> <p>Public transportation is available via many vehicle routes throughout Calvert County. Since the main arterial road forms a spine through the center of the county, timely transportation is difficult especially within the further locations outside of the town centers. Public systems provide medical transportation for eligible patients. Private cab and transportation companies also provide point of sale services both in and outside of the region.</p>
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## II. COMMUNITY HEALTH NEEDS ASSESSMENT

### 1. Identification of Community Health Needs:

Between July 2007 and November 2007, CMH in collaboration with the Calvert County Community Health Improvement Roundtable completed a comprehensive community health assessment. This is done by the Roundtable approximately every five years and takes about one year to complete. On a quarterly basis, Roundtable partners provide an action plan update.

The purpose of the assessment was to determine the current status of community health in the county, to project future needs and to identify areas where their gaps in services. The assessment consisted of two components: the first being the collection of data on the health status of the county as available through local, state and national data sources. It also consisted of personal interviews with key leaders in the community in order to gather information on their perception of the health of this community. These leaders included a county commissioner, the Superintendent of Schools, the County Health Officer, a leading clergy representative from a minority church, the Director of Aging Services at the Office on Aging and the CEO of CMH. The second phase was the development of a public community survey designed to determine resident's views about their health and the local health care system. It utilized face-to face methods, online availability and a paper system. The survey was distributed by community agencies such as the United Way, the local Interagency Council, local churches and employers as well as at a community health forum at the College of Southern Maryland. A total of 1,418 surveys were returned to CMH.

Data for a community health assessment interim report was obtained for FY11 and is currently in being compiled.

### 2. In seeking information about community health needs, what organizations or individuals outside the hospital were consulted?

The Roundtable membership is representative of the major community partners for health and human services and includes the leadership from the Calvert County Health Department, Calvert County Public Schools, Calvert County Office on Aging, Calvert County of Community Resources, the Calvert County Department of Social Services, Calvert Hospice, Calvert Alliance Against Drug Abuse, the Calvert County Traffic Safety Council and the ARC of Southern MD with CMH as the primary facilitator of the Roundtable.

### 3. When was the most recent needs identification process or community health needs assessment completed?

Provide date here. 11/01/07(mm/dd/yy)

### 4. Although not required by federal law until 2013, has your hospital conducted a community health needs assessment that conforms to the definition on the previous page within the past three fiscal years?

Yes  
 No

If you answered yes to this question, please provide a link to the document or attach a PDF of the document with your electronic submission.

### III. COMMUNITY BENEFIT ADMINISTRATION

1. Please answer the following questions below regarding the decision making process of determining which needs in the community would be addressed through community benefits activities of your hospital?

a. Does your hospital have a CB strategic plan?

Yes  
 No

b. What stakeholders in the hospital are involved in your hospital community benefit process/structure to implement and deliver community benefit activities? (Please place a check next to any individual/group involved in the structure of the CB process and provide additional information if necessary):

i. Senior Leadership

1.  CEO
2.  CFO
3.  Other (please specify)

ii. Clinical Leadership

1.  Physician
2.  Nurse
3.  Social Worker
4.  Other (please specify)

iii. Community Benefit Department/Team

1.  Individual - 0.2 FTE
2.  Committee (please list members)
3.  Other (please describe)

- c. Is there an internal audit (i.e., an internal review conducted at the hospital) of the Community Benefit report?

Spreadsheet	<input checked="" type="checkbox"/> _yes	<input type="checkbox"/> _no
Narrative	<input type="checkbox"/> _yes	<input checked="" type="checkbox"/> _no

- d. Does the hospital's Board review and approve the completed FY Community Benefit report that is submitted to the HSCRC?

Spreadsheet	<input type="checkbox"/> _yes	<input checked="" type="checkbox"/> _no
Narrative	<input type="checkbox"/> _yes	<input checked="" type="checkbox"/> _no

#### IV. HOSPITAL COMMUNITY BENEFIT PROGRAM AND INITIATIVES

- 1. Please see the attached Table III for program/initiative details.

#### V. PHYSICIANS

- 1. Description of gaps in the availability of specialist providers, including outpatient specialty care, to serve the uninsured cared for by the hospital.

Lack of access to specialty care continues to be a challenge as the patient population is not sufficient to support many specialty services. The Maryland Physician Workforce study indicated that Southern Maryland has a shortage in all specialties except for allergy and neurology. In order to provide these services, CMH has entered into a variety agreements to procure specialty services for the uninsured and Medical Assistance population. These partnerships provide for diagnostic evaluations at CMH and referrals to tertiary care facilities as needed. Follow-up with associated specialists can then be provided at CMH as needed. Services include gyn-oncology through Mercy Hospital and a spine clinic for the Medicaid and uninsured population through CMH. Calvert Health System, through Calvert Physician Associates and Calvert Medical Management, supports 3 primary care practices as well as practices specializing in gynecology, ENT, general surgery, and gastroenterology. CPA physicians are expected to treat the uninsured population. These practices all provide needed services regardless of ability to pay.

2. Physician Subsidies.

Hospital Based Physicians		
Emergency Psychiatric Services (Includes CMH and Civista Hospital)	\$729,722	Mental Health
Psychiatric Call Coverage	\$382,297	Mental Health
Intensive Care Unit Call Coverage	\$ 37,400	Specialist
Hospital Endoscopy Call Coverage	\$ 23,978	Specialist
Hospital Infectious Disease Call Coverage	\$ 1,918	Specialist
Pediatric Orthopedic Practice Subsidy	\$ 7,573	Specialist
Vascular Care Center Subsidy	\$ 39,725	Specialist
Gyn-Oncology Practice Subsidy	\$ 18,246	Specialist
Breast Care Center Subsidy	\$123,293	Specialist
Neurosurgery Center Subsidy	\$153,461	Specialist
EKG Professional Reads Subsidy	\$ 53,914	Specialist
Hospitalists		
Hospitalist Program	\$613,630	Primary
Pediatric Hospitalist Program	\$848,856	Specialist
Emergency Department Call Coverage	\$210,490	Specialist
Physician Financial Assistance		
Spine Clinic for Med. Asst. and Uninsured	<u>\$181,253</u>	Specialist
	<b>Total</b>	<b>\$3,425,756</b>

These services are provided on a contract basis because either the current population does not warrant full time services or difficulty in recruitment of specialists in Southern Maryland necessitates contracting with various providers either directly or through partnerships. Were it not for these contracts, area residents would have to undergo a hardship to obtain needed services.

VI. APPENDICES

1. Please see the attached Appendix 1 Description of Charity Care Policy for FY 2011. Appendix 2 Financial Assistance Policy is also attached.
2. Please see attached Appendix 3 Mission, Vision and Value Statement.

Table III

Initiative 1.

Identified Need	Hospital Initiative	Primary Objective of the Initiative	Single or Multi-Year Initiative Time Period	Key Partners and/or Hospitals in initiative development and/or implementation	Evaluation dates	Outcome	Continuation of Initiative
Lack of Pediatric Dental Care for the Pediatric Population	Provide direct care dental services targeting Medical Assistance and uninsured populations ..	To increase pediatric dental care for an estimated 43% of the pediatric Medical Assistance enrollees. This initiative will also provide a “dental home” for adult Medical Assistance, Primary Adult Care (PAC), Calvert Healthcare Solutions clients, and sliding scale-eligible patients. Access is also provided to an oral surgeon as needed for complicated or emergent extractions.	January 2009 – December 2012	Maryland Department of Oral Health; Oral Health Task Force which includes CMH, Board of Education, Judy Center, Head Start, College of Southern Maryland; local dental providers – volunteers and contracted.	June 30, 2010 and June 30, 2011	<p>In FY 2011, this initiative:</p> <ul style="list-style-type: none"> <li>• Provided basic dental care to over 459 adults and children</li> <li>• Partnered with Head Start and the Judy Center to provide dental screenings for 108 children.</li> <li>• Acquired a permanent clinic site versus contracted dental office space beginning in January, 2011</li> <li>• Received continued grant funding of \$113,124 for services through December 2011. Medicaid reimbursement provides for daily dental operations but does not cover needed a case management component</li> </ul> <p>Initial results of the program demonstrated a 15% reduction in dental-related cases receiving care in CMH’s Emergency Department. This reduced uncompensated care by approximately \$20,000.</p>	Status of program beyond FY 2012 to be considered during the current planning cycle



Initiative 2.

Identified Need	Hospital Initiative	Primary Objective of the Initiative	Single or Multi-Year Initiative Time Period	Key Partners and/or Hospitals in initiative development and/or implementation	Evaluation dates	Outcome	Continuation of Initiative
Care for the Uninsured	Provide primary and specialty care access for uninsured residents	Provide access to “medical homes” and needed primary and specialty care including basic lab and x-ray services for the uninsured population. A secondary objective is to decrease inappropriate emergency department utilization by this portion of the population. Through Calvert Physician Associates and Calvert Medical Management, CMH provides primary and specialty care access for Medical Assistance enrollees, Calvert Healthcare Solutions clients (low-income, uninsured adult Calvert County residents) and those residents otherwise eligible for sliding scale discounted care. Care coordination is also provided to help manage chronic disease as well as to access other needed medical and community resources.	February 2007 – August 2010	Calvert Healthcare Solutions, Inc, Calvert Physician Associates, Calvert Medical Management, other participating local physician offices	August 2010, June 2011	<p>The results reported in the FY 2010 Community Benefit Report are representative of the outcomes from this grant funded initiative. CMH continues to provide Calvert Healthcare Solutions clients access to no cost basic lab and x-ray services through the hospital as well as discounted physician services through its primary care and specialty care practices. Following are outpatient services that CMH directly provided to CHS clients in FY 2011:</p> <ul style="list-style-type: none"> <li>• 127 clients received 927 lab and x-ray services valued at \$69,601</li> <li>• 119 clients received 343 primary office visits valued at \$52,842 for discounted organizational cost of \$5,495</li> <li>• 56 clients obtained 108 specialty office visits valued at \$15,646 for discounted organizational cost of \$2,197</li> <li>• Through its participation in providing labs, x-rays and access to other specialty care, CMH enabled 246 total CHS clients to gain access to 952 office visits and 909 other services valued at \$241,097</li> </ul>	CMH has partnered with and provided board-level representation with CHS since 2001 and intends to continue proactively assisting Calvert County’s adult low-income, uninsured population through this vehicle.

Initiative 3.

Identified Need	Hospital Initiative	Primary Objective of the Initiative	Single or Multi-Year Initiative Time Period	Key Partners and/or Hospitals in initiative development and/or implementation	Evaluation dates	Outcome	Continuation of Initiative
Shortage of Primary and Specialty care providers	Recruit sufficient primary and specialty care provider for service area	The Maryland Physician Workforce Study indicated that in Southern Maryland there are shortages in 24 specialties excepting allergy and neurology. This account for 83% of all specialties reviewed. The primary objective is to increase the number of primary and specialty care providers available to treat the underinsured/uninsured population as well as those covered by insurance. The current objective is to recruit needed medical staff as indicated by a bimonthly physician needs survey. For FY 11, these included 1 family practice physician, 1 internal medicine specialist, 1 endocrinologist, 1 cardiologist, 1 psychiatrist, 1 vascular surgeon, 2 orthopedic physicians, and 1 urologist. CMH continues to support a fulltime hospitalist and fulltime pediatric hospitalist program so that any patient seeking inpatient care at this facility is ensured quality medical services.	Ongoing	Calvert Medical Management, Calvert Physician Associates, local physician practices, Washington Hospital Center, Mercy Hospital, Children’s Hospital, Child Cardiology Associates, Georgetown University Hospital, Johns Hopkins Hospital and Avon Center	June 30, 2011	In FY 10, Calvert Health System developed and implemented the non-profit entity Calvert Physician Associates (CPA) as a vehicle to employ physicians and Calvert Medical Management was created to manage the CPA office practices. These CPA-employed physicians are expected to provide medical care to the uninsured. Currently, CMH has successfully recruited 1 gastroenterologist, 1 OB-Gyn physician, and 1 ENT physician. Additional vascular surgery services have been procured in partnership with Washington Hospital Center. Also, an additional cardiologist has been recruited to the area via a private practice. Effective July 2012, a family practitioner and pulmonologist are scheduled to join CMH as well. Other partnerships continue that provide for oncology-gynecology (Mercy Hospital), pediatric cardiology (Children’s Hospital and Child Cardiology Associates), neurospine services (Georgetown University Hospital), high-risk OB services (Johns Hopkins), and breast center services(Johns Hopkins Avon Center).	This initiative will continue as needed

## Calvert Memorial Hospital

### FY 2011 Community Benefit Narrative Report

#### Appendix 1:

##### **Description of Calvert Memorial Hospital's Charity Care Policy and How Its Communicated**

Calvert Memorial Hospital informs patients about the Hospital's Financial Assistance Program through a variety of methods:

- 1) The Hospital posts a summary of our financial assistance program at all registration points within our hospital.
- 2) Effective April 2011, the financial assistance policy was updated to reflect the implementation of presumptive charity care eligibility. Using this methodology, Calvert Memorial Hospital can now presume that a patient will qualify for financial assistance without stepping through the charity care qualification process. In this manner, write-offs that were previously considered bad debt can now be considered charity care after going through this process. Community need-based programs whose financial threshold (up to 200% of Federal Poverty Level) matches the facility's can also be used to provide proof of income and thereby expedite the process for those eligible residents.
- 3) All registration areas and waiting rooms have Patient Financial Services brochures that describe the Hospital's Financial Assistance Program and provides a phone number for our Patient Financial Advocate for the patient to call to seek additional information or an application.
- 4) As part of the registration process, all self pay patients receive three items: 1) a "Notice of Financial Assistance", 2) a Patient Financial Services brochure which has a summary of the Hospital's Financial Assistance Program, and 3) the Uniform State of Maryland Application for Financial Assistance.
- 5) The Hospital's website has a section devoted to Patient Financial Services and has an entire page on the Hospital's Financial Assistance Program and allows the user to download the Uniform State of Maryland Application for Financial Assistance from our website.
- 6) At least annually, the Hospital publishes in the local newspapers a Notice of Financial Assistance and also highlights other programs the Hospital offers for patients without insurance or for patients in financial need.
- 7) The Hospital also provides financial counseling to patients and discusses with patients or their families the availability of various government benefits, such as the Medical Assistance program and we also assist patients in understanding how to complete the appropriate forms and what documentation they need in order to prove they qualify for such programs.
- 8) Effective June 2009, the Hospital provides a notice of its Financial Assistance program at least twice in the revenue cycle. The first point is at the time of admission and the second point is when patients receive their bill/statement.

**CALVERT MEMORIAL HOSPITAL  
PRINCE FREDERICK, MARYLAND 20678**

**POLICY AND PROCEDURE: BD 9 EFFECTIVE: 6/27/88**

**FINANCIAL ASSISTANCE**

**I. PURPOSE**

The purpose of this policy is to determine when financial assistance will be offered to a patient based upon the patient's ability to obtain assistance through state and local agencies and the patient's ability to pay. This policy will assist Calvert Memorial Hospital in managing its resources responsibly and ensure that it provides the appropriate level of financial assistance to the greatest number of persons in need.

**II. SCOPE**

This policy applies to all patients of Calvert Memorial Hospital for all medically necessary services ordered by a physician.

**III. POLICY**

Calvert Memorial Hospital is committed to providing financial assistance to persons who have healthcare needs and are uninsured, underinsured, ineligible for a government program, or otherwise unable to pay, for medically necessary care based on their individual financial situation. Consistent with its mission to deliver compassionate, high quality, affordable healthcare services and to advocate for those who are poor and disenfranchised, Calvert Memorial Hospital strives to ensure that the financial capacity of people who need health care services does not prevent them from seeking or receiving care.

Financial Assistance is not considered to be a substitute for personal responsibility. Patients are expected to cooperate with Calvert Memorial Hospital's procedures for obtaining financial assistance or other forms of payment or assistance, and to contribute to the cost of their care based upon their individual ability to pay. Individuals with the financial capacity to purchase health insurance shall be encouraged to do so, as a means of assuring access to health care services, for their overall personal health, and for the protection of their individual assets.

In order to manage its resources responsibly and to allow Calvert Memorial Hospital to provide the appropriate level of assistance to the greatest number of persons in need, the Board of Directors establishes the following guidelines for the provision of financial assistance.

## VI. DEFINITIONS:

For the purpose of this policy, the terms below are defined as follows:

**Charity Care:** Healthcare services that have or will be provided but are never expected to result in cash inflows. Charity care results from the Hospital's Financial Assistance Policy to provide healthcare services free or at a discount to individuals who meet the established criteria.

**Family:** Using the United States Census Bureau's definition, a group of two or more people who reside together and who are related by birth, marriage, or adoption. According to the Internal Revenue Service rules, if the patient claims someone as a dependent on their individual income tax return, they may be considered a dependent for purposes of the provision of financial assistance.

**Family Income:** Family Income is determined using the Census Bureau definition, which uses the following income when computing federal poverty guidelines:

- Includes earnings, unemployment compensation, workers' compensation, Social Security, Supplemental Security Income, public assistance, veterans' payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates, trusts, educational assistance, alimony, child support, assistance from outside the household, and other miscellaneous sources;
- Noncash benefits (such as food stamps and housing subsidies) do not count;
- Determined on a before-tax basis;
- Excludes capital gains or losses; and
- If a person lives with a family, includes the income of all family members (Non-relatives, such as housemates, do not count).

**Uninsured:** The patient has no level of insurance or third party assistance to assist with meeting his/her payment obligations.

**Underinsured:** The patient has some level of insurance or third party assistance but still has out-of-pocket expenses that exceed his/her financial abilities.

## V. PROCEDURES

**A. Services Eligible Under this Policy:** For purposes of this policy, financial assistance or "charity" refers to healthcare services provided without charge or at a discount to qualifying patients. The following healthcare services are eligible for financial assistance:

1. Emergency medical service provided in an emergency room setting;

2. Services for a condition which, if not promptly treated, would lead to an adverse change in the health status of an individual;
3. Non-elective services provided in response to life-threatening circumstances in a non-emergency room setting; and
4. Medically necessary services, evaluated on a case-by-case basis, at Calvert Memorial Hospital's discretion.

**B. Eligibility for Financial Assistance ("Charity Care"):** Eligibility for financial assistance will be considered for those individuals who are uninsured, underinsured, ineligible for any government health care benefit program, and who are unable to pay for their care, based upon a determination of financial need in accordance with this Policy. The granting of financial assistance shall be based on an individualized determination of financial need, and shall not take into account age, gender, race, social or immigrant status, sexual orientation or religious affiliation. Patients with insurance are eligible to receive financial assistance for deductibles, co-insurance, or co-payment responsibilities as long as they demonstrate financial need that meet the policy requirements as outlined in this Policy.

**C. Determination of Financial Need:**

1. Financial need will be determined in accordance with procedures that involve an individual assessment of financial need; and may
  - a. Include an application process, in which the patient or the patient's guarantor are required to cooperate and supply personal, financial and other information and documentation relevant to making a determination of financial need. The application form is the Maryland State Uniform Financial Assistance Application.
  - b. Include the use of external publically available data sources that provide information on a patient's or a patient's guarantor's ability to pay (such as credit scoring);
  - c. Include reasonable efforts by Calvert Memorial Hospital to explore appropriate alternative sources of payment and coverage from public and private payment programs;
  - d. Take into account the patient's available assets, and all other financial resources available to the patient; and
  - e. Include a review of the patient's outstanding accounts receivable for prior services rendered and the patient's payment history.
2. It is preferred but not required that a request for financial assistance and a determination of financial need occur prior to

rendering of services. However, the determination may be done at any point in the collection cycle. The need for payment assistance shall be re-evaluated at each subsequent time of services if the last financial evaluation was completed more than six months prior, or at any time additional information relevant to the eligibility of the patient for financial assistance becomes known.

3. The Financial Advocate or designee shall attempt to interview all identified self-pay inpatients. The Financial Advocate shall make an initial assessment of eligibility for public/private assistance, or if it is determined that the patient would not meet the criteria for public assistance and the patient has a financial need, then financial assistance may be considered.
4. If a patient may potentially meet criteria to obtain assistance with their medical bills through appropriate agencies, the patient has the following responsibilities:
  - 1) Apply for assistance.
  - 2) Keep all necessary appointments.
  - 3) Provide the appropriate agency with all required documentation.

A patient who may qualify for Medical Assistance from the State of Maryland may apply simultaneously for Medical Assistance and for Financial Assistance from the Hospital.

5. Patients must provide all required documentation to support their Financial Assistance Application in order to prove financial need. Exhibit A displays the list of documentation to support the determination of need for financial assistance. Patients requesting financial assistance may be required to consent to release of the patient's credit report to validate financial need. The Financial Advocate should review the completed financial assistance application and complete a checklist of required information and forward this documentation request to the patient. The hospital encourages the financial assistance applicant to provide all requested supporting documentation to prove financial need within ten business days of completing the Financial Assistance Application; otherwise, normal collection processes will be followed. In general, Calvert Memorial Hospital will use the patient's three most current months of income to determine annual income.
6. Patients are not eligible for the financial assistance program if: a) they refuse to provide the required documentation or provide incomplete information, b) the patient fails to pay the sliding scale

co-payments as required by the financial assistance program, c) the patient refuses to be screened for other assistance programs even though it is likely that they would be covered by other assistance programs, and d) the patient falsifies the financial assistance application.

7. Upon receipt of the financial assistance application, along with all required documentation, the Financial Advocate will review the completed application against the following financial assistance guidelines:
  - a. If the patient is over the income scale, the patient is not eligible for financial assistance and the account should be referred to the Supervisor of Financial Services, although the account should be reviewed to determine if it would potentially qualify under the catastrophic illness or medical indigence exception to this Policy's income levels. A letter will be sent to all patients who fail to meet the financial assistance guidelines explaining why they failed to meet the guidelines along with an invitation to establish a payment plan for the medical bill.
  - b. If the patient is under scale but has net assets of \$14,000 (\$10,000) or greater, then the request for charity will be reviewed on an individual basis by the Manager of Financial Services to determine if financial assistance will be provided. The patient may be required to spend down to \$14,000 (\$10,000) of net assets in order to qualify for financial assistance. Certain retirement benefits that the IRS has provided preferential treatment will not be included in the asset test.
  - c. Once the patient has provided the required documentation to prove financial need, the Financial Advocate should review and evaluate the financial assistance application against the above guidelines and make a determination whether to request approval or to deny the application. If the Financial Advocate or designee believes the application meets the above guidelines, the Financial Advocate should sign the application on the line: "Request for Approval of the Financial Assistance Application" and forward the completed application and all supporting documentation to the following individuals as appropriate:
    - i. Manager of Financial Services (up to \$2,000)
    - ii. Director of Patient Accounting (\$2,001 to \$4,000)
    - iii. Vice President of Finance (\$4,001 to \$9,999)
    - iv. Vice President of Finance & President & CEO (\$10,000 and over)



Once administrative approval of the charity adjustment is obtained, the approved application and all supporting documentation are forwarded to the Patient Advocacy Team of Financial Services who makes the actual adjustment. Patients will receive written notification when the application is approved, denied, or pended for additional documentation.

8. Calvert Memorial Hospital's values of human dignity and stewardship shall be reflected in the application process, financial need determination and granting of financial assistance. Requests for financial assistance shall be processed promptly and Calvert Memorial Hospital shall notify the patient or applicant in writing once a determination has been made on a financial assistance application.
9. Decisions against the patient's eligibility to participate in Calvert Memorial Hospital's Financial Assistance Program may be appealed by the patient. The patient will have 30 days from the date of the notification letter to appeal. Calvert Memorial Hospital will designate a team of Patient Financial Services staff to review all appeals during monthly meetings. Original documentation and any new information needed to make the most informed decision will be reviewed during the appeal process.

**D. Presumptive Financial Assistance Eligibility:** There are instances when a patient may appear eligible for financial assistance discounts, but there is no financial assistance form on file due to a lack of supporting documentation. Often there is adequate information provided by the patient or through other sources, which could provide sufficient evidence to provide the patient with financial assistance. In the event there is no evidence to support a patient's eligibility for financial assistance, Calvert Memorial Hospital could use outside agencies in determining estimate income amounts for the basis of determining financial assistance eligibility and potential discount amounts. Once determined, due to the inherent nature of the presumed circumstances, the only discount that can be granted is a 100% write-off of the account balance. Presumptive eligibility may be determined on the basis of individual life circumstances that may include:

1. State-funded prescription programs;
2. Homeless or received care from a homeless shelter;
3. Participation in Women, Infants and Children programs (WIC);
4. Food stamp eligibility;
5. Subsidized school lunch program eligibility;
6. Eligibility for other state or local assistance programs that are unfunded (e.g. Medicaid spend-down);

7. Low income/subsidized housing is provided as a valid address;
8. Patient is deceased with no known estate; and
9. Patient is an active patient with Calvert Healthcare Solutions or Anne Arundel's REACH program or any documented need based programs where the financial requirements regarding the federal poverty level match or exceed Calvert Memorial Hospital's Financial Policy financial thresholds.

**E. Patient Financial Assistance Guidelines:** Services eligible under this Policy will be made available to the patient on a sliding fee scale, in accordance with financial need, as determined in reference to Federal Poverty Levels (FPL) in effect at the time of determination, as follows:

1. Patients whose family income is at or below 200% of the FPL are eligible to receive free care;
2. Patients whose family income is above 200% but not more than 300% of the FPL are eligible to receive services on a sliding fee scale (i.e. percentage of charges discount);
3. Patients whose family income exceeds 300% of the FPL may be eligible to receive discounted rates on a case-by-case basis based on their specific circumstances, such as catastrophic illness or medical indigence, at the discretion of Calvert Memorial Hospital. The Hospital will review a 12 month period of medical expense history to determine if the patient and the household members have medical debt expenses that exceed 25% of the household income. Cases that exceed the 25% threshold will be eligible for free or discounted care under medical hardship. Typically, in these cases the outstanding medical bill is subtracted from the estimated annual income to determine a spend down amount that meets a corresponding financial assistance discount level. Each member of the household will be eligible for this benefit for 12 months following the date of service of the original account. The patient or family member is responsible for requesting a review of their circumstances for potential qualification of medical hardship assistance.


**F. Communication of the Financial Assistance Program to Patients and the Public:** Notification about the availability of financial assistance from Calvert Memorial Hospital, which shall include a contact number, shall be disseminated by Calvert Memorial Hospital by various means, which may include, but are not limited to, the publication of notices in patient bills and by posting notices in the Emergency Department, Urgent Care Centers, admitting and registration departments, and patient financial services offices. Information shall also be included on the hospital's website and in the Patient Handbook. In addition, notification of the Hospital's financial assistance program is also provided to each

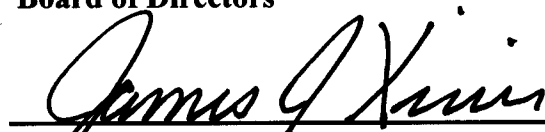
patient through an information sheet provided each patient at the time of registration. Such information shall be provided in the primary languages spoken by the population serviced by Calvert Memorial Hospital. Referral of patients for financial assistance may be made by any member of the Calvert Memorial Hospital staff or medical staff, including physicians, nurses, financial counselors, social workers, case managers, and chaplains. A request for financial assistance may be made by the patient or a family member, close friend, or associate of the patient, subject to applicable privacy laws.

**G. Relationship to Collection Policies:** Calvert Memorial Hospital's management shall develop policies and procedures for internal and external collection practices that take into account the extent to which the patient qualifies for financial assistance, a patient's good faith effort to apply for a governmental program or for financial assistance from Calvert Memorial Hospital, and a patient's good faith effort to comply with his or her payment agreements with Calvert Memorial Hospital. For patients who are cooperating with applying and qualifying for either Medical Assistance or financial assistance, Calvert Memorial Hospital will not send unpaid bills to outside collection agencies and will cease all collection activities.

**H. Regulatory Requirements:** In implementing this Policy, Calvert Memorial Hospital shall comply with all federal, state, and local laws, rules, and regulations that may apply to activities conducted pursuant to this Policy.

**APPROVED:**

  
\_\_\_\_\_  
Sally Showalter, Chair  
Board of Directors

  
\_\_\_\_\_  
James J. Xinis, President & CEO

  
\_\_\_\_\_  
Robert Kertis, Vice President of Finance

**Original: 6/27/88**  
**Reviewed/Revised**

7/93; 6/96, 4/99, 8/02; 8/03; 10/04; 1/08; 8/09; 4/11

## **Exhibit A**

### **Documentation Requirements**

#### **Verification of Income:**

- Copy of last year's Federal Tax Return
- Copies of last three (3) pay stubs
- Copy of latest W (2) form
- Written verification of wages from employer
- Copy of Social Security award letter
- Copy of Unemployment Compensation payments
- Pension income
- Alimony/Child Support payments
- Dividend, Interest, and Rental Income
- Business income or self employment income
- Written verification from a governmental agency attesting to the patient's income status
- Copy of last year's Federal Tax Return
- Copy of last two bank statements

#### **Size of family unit:**

- Copy of last year's Federal Tax Return
- Letter from school

#### **Patient should list on the financial assistance application all assets including:**

- Real property (house, land, etc.)
- Personal property (automobile, motorcycle, boat, etc.)
- Financial assets (checking, savings, money market, CDs, etc.)

#### **Patient should list on the financial assistance application all significant liabilities:**

- Mortgage
- Car loan
- Credit card debt
- Personal loan

## **Calvert Memorial Hospital**

### **FY 2011 Community Benefit Narrative Report**

#### **Appendix 4**

#### **Hospital's Mission, Vision and Value Statement**

**OUR MISSION** is to provide quality inpatient and ambulatory health care to the people of Southern Maryland that is accessible, cost-effective and compassionate. We work in partnership with our community to improve the health status of its members.

**OUR VISION** is to be recognized as Southern Maryland's premier healthcare provider, bringing innovative services to the people throughout our community and to the healthcare professionals who serve them.

Five "**Pillars of Excellence**" guide our decision-making and shape the culture of our organization.

#### **QUALITY**

Calvert Memorial Hospital provides responsible, safe, reliable and effective care and services. We take seriously our responsibility to help our patients feel better. All our team members are committed to continuously improving the quality of the service we offer to our community. We take pride in what we do.

#### **SERVICE**

At Calvert Memorial, we understand that health care is not just about medicine, it's about people. Our job is to exceed our customer's expectations at every turn. We want every guest at CMH to have a 5-star experience.

#### **PEOPLE**

We recognize that being the healthcare provider and employer of choice means hiring and retaining only the best. Every team member at CMH is selected for their leadership, professionalism, expertise, compassion and commitment to the values that set CMH apart.

#### **INNOVATION**

Health care is a dynamic, ever-changing field where new technology and clinical research drive the delivery of top-notch care. Calvert Memorial is committed to the continual pursuit of new and better ways of caring for our patients. We stay abreast of the latest technological advances, provide continuing education and training for all our team members, and serve as a training resource for individuals pursuing health careers.

## **FINANCE**

As a not-for-profit, community hospital, it is our responsibility to provide cost-effective, compassionate care and services. We are leaders in helping improve access to care for all members of our community.

**Approved CMH Board of Directors**

**Approved: 11/28/95**

**Revisions: 2001, 2002, 2005, 2008**