

# **Maryland Hospital Community Benefit Report: FY 2019**

June 23, 2020

Health Services Cost Review Commission  
4160 Patterson Avenue  
Baltimore, Maryland 21215  
(410) 764-2605  
FAX: (410) 358-6217

## Table of Contents

|  |    |
|--|----|
| List of Abbreviations .....  | 1  |
| Introduction.....  | 2  |
| Background.....  | 3  |
| Federal Requirements .....   | 3  |
| Maryland Requirements.....   | 3  |
| Narrative Reports .....  | 4  |
| Hospitals Submitting Reports .....   | 4  |
| Section I. General Hospital Demographics and Characteristics .....   | 5  |
| Section II. Community Health Needs Assessment .....  | 13 |
| Section III. Community Benefit Administration .....  | 13 |
| Section IV. Hospital Community Benefit Program and Initiatives .....   | 15 |
| Section V. Physician Gaps in Availability.....   | 17 |
| Section VI. Financial Assistance Policies.....   | 19 |
| Financial Reports .....  | 20 |
| FY 2019 Financial Reporting Highlights.....  | 20 |
| Mission-Driven Services and Offsetting Revenue.....  | 24 |
| FY 2004 – FY 2019 16-Year Summary.....   | 28 |
| Conclusion .....   | 30 |
| Appendix A. Community Health Measures Reported by Hospitals.....   | 32 |
| Appendix B. CHNA Schedules.....  | 33 |
| Appendix C. CHNA Internal and External Participants and Their Roles.....                                     | 35 |
| Appendix D. Community Benefit Internal and External Participants and Their Roles.....                        | 38 |
| Appendix E. FY 2019 Funding for Nurse Support Program I, Direct Medical Education, and<br>Charity Care ..... | 40 |
| Appendix F. Charity Care Methodology .....   | 42 |
| Appendix G. FY 2018 Community Benefit Analysis.....  | 44 |
| Appendix H. FY 2018 Hospital Community Benefit Aggregate Data .....  | 47 |

## LIST OF ABBREVIATIONS

|       |  |
|-------|--|
| ACA   | Affordable Care Act                    |
| CBR   | Community Benefit Report               |
| CBSA  | Community Benefit Service Area         |
| CHNA  | Community Health Needs Assessment      |
| DME   | Direct Medical Education               |
| ED    | Emergency Department                   |
| FPL   | Federal Poverty Level                  |
| FY    | Fiscal Year                            |
| GBR   | Global Budget Revenue                  |
| HSCRC | Health Services Cost Review Commission |
| IRS   | Internal Revenue Service               |
| MHA   | Maryland Hospital Association          |
| NSPI  | Nurse Support Program I                |
| PSA   | Primary Service Area                   |
| SHIP  | State Health Improvement Process       |
| UCC   | Uncompensated Care                     |

## INTRODUCTION

The term community benefit refers to initiatives, activities, and investments undertaken by tax-exempt hospitals to improve the health of the communities they serve. Maryland law defines community benefit as an activity that intends to address community needs and priorities primarily through disease prevention and improvement of health status.<sup>1</sup> Examples of community benefit activities can include the following:

- Health services provided to vulnerable or underserved populations such as Medicaid, Medicare, or Maryland Children’s Health Program participants
- Financial or in-kind support of public health programs
- Donations of funds, property, or other resources that contribute to a community priority
- Health care cost containment activities
- Health education, screening, and prevention services
- Financial or in-kind support of the Maryland Behavioral Health Crisis Response System

In 2001, the Maryland General Assembly passed House Bill 15,<sup>2</sup> which required the Maryland Health Services Cost Review Commission (HSCRC) to collect community benefit information from individual hospitals and compile it into a statewide, publicly available Community Benefit Report (CBR). In response to this legislative mandate, the HSCRC initiated a community benefit reporting system for Maryland’s nonprofit hospitals that included two components. The first component, the *Community Benefit Collection Tool*, is a spreadsheet that inventories community benefit expenses in specific categories defined by the HSCRC’s *Community Benefit Reporting Guidelines and Standard Definitions*. These categories are similar—but not identical—to the federal community benefit reporting categories found in Part I of the Internal Revenue Service (IRS) Form 990, Schedule H.<sup>3</sup> The second component of Maryland’s reporting system is the CBR narrative report. The HSCRC developed the *Community Benefit Narrative Reporting Instructions* to guide hospitals’ preparation of these reports, which strengthen and supplement the quantitative community benefit data that hospitals report in their inventory spreadsheets.

This summary report provides background information on hospital community benefits and the history of CBRs in Maryland, and summarizes the community benefit narrative and financial reports for fiscal year (FY) 2019. It concludes with a summary of data reports from the past 10 years.

---

<sup>1</sup> MD. CODE. ANN., Health-Gen. § 19-303(a)(3).

<sup>2</sup> H.D. 15, 2001 Gen. Assem., 415<sup>th</sup> Sess. (Md. 2001).

<sup>3</sup> <https://www.irs.gov/pub/irs-pdf/f990sh.pdf>

## BACKGROUND

### Federal Requirements

The Internal Revenue Code defines tax-exempt organizations as those that are organized and operated exclusively for specific religious, charitable, scientific, and educational purposes.<sup>4</sup> Nonprofit hospitals are generally exempt from federal income and unemployment taxes, as well as state and local income, property, and sales taxes. In addition, nonprofit hospitals may raise funds through tax-deductible donations and tax-exempt bond financing.

Originally, the IRS considered hospitals to be “charitable” if they provided charity care to the extent that they were financially able to do so.<sup>5</sup> However, in 1969, the IRS issued Revenue Ruling 69-545, which modified the “charitable” standard to focus on “community benefits” rather than “charity care.”<sup>6</sup> Under this IRS ruling, nonprofit hospitals must provide benefits to the community in order to be considered charitable. This ruling created the “community benefit standard,” which is necessary for hospitals to satisfy in order to qualify for tax-exemption.

The Affordable Care Act (ACA) created additional requirements for hospitals in order to maintain tax-exempt status. Every §501(c)(3) hospital—whether independent or part of a hospital system— must conduct a community health needs assessment (CHNA) at least once every three years to maintain its tax-exempt status and avoid an annual penalty of up to \$50,000.<sup>7</sup> A CHNA is a written document developed for a hospital facility that includes a description of the community served, the process used to conduct the assessment, identification of any persons with whom the hospital collaborated on the assessment, and the health needs identified through the assessment process. CHNAs must incorporate input from individuals who represent the broad interests of the communities served, and hospitals must make them widely available to the public.<sup>8</sup> CHNAs must include an implementation strategy that describes how the hospital plans to meet the community’s health needs, as well as a description of what the hospital has historically done to address its community’s needs.<sup>9</sup> Further, the hospital must identify any needs that have not been met and explain why they were not addressed. Tax-exempt hospitals must report this information on Schedule H of IRS Form 990.

### Maryland Requirements

The Maryland General Assembly adopted the Maryland CBR process in 2001,<sup>10</sup> and the first data collection period was FY 2004. Maryland law requires hospitals to include the following information in their CBRs:

- The hospital’s mission statement

---

<sup>4</sup> 26 U.S.C. § 501(c)(3).

<sup>5</sup> Rev. Ruling 56-185, 1956-1 C.B. 202.

<sup>6</sup> Rev. Ruling 69-545, 1969-2 C.B. 117.

<sup>7</sup> 26 U.S.C. § 501(r)(3); 26 U.S.C. § 4959.

<sup>8</sup> 26 U.S.C. § 501(r)(3)(B).

<sup>9</sup> 26 U.S.C. § 501(r)(3)(A).

<sup>10</sup> MD. CODE. ANN., Health-Gen. § 19-303.

- A list of the hospital's initiatives
- The costs and objectives of each initiative
- A description of efforts taken to evaluate the effectiveness of initiatives
- A description of gaps in the availability of specialist providers
- A description of the hospital's efforts to track and reduce health disparities in the community<sup>11</sup>

The HSCRC worked with the Maryland Hospital Association (MHA), hospitals, local health departments, and health policy organizations and associations to establish the initial details and format of the CBR. In developing the format for data collection, the group relied heavily on the experience of the Voluntary Hospitals of America community benefit process. Maryland hospitals used the resulting data reporting spreadsheet and instructions to submit their FY 2004 data to the HSCRC in January 2005, and the HSCRC published the first CBR in July 2005. The HSCRC continues to work with stakeholders to further improve the reporting process and refine the definitions and periodically convenes a Community Benefit Work Group. The data collection process offers an opportunity for each Maryland nonprofit hospital to critically review and report the activities it has designed to benefit the community. This FY 2019 report represents the HSCRC's 16<sup>th</sup> year of reporting on Maryland hospital community benefit data.

In March 2020, the Maryland General Assembly passed Senate Bill 774, which amends the statutory requirements for hospital community benefit reporting.<sup>12</sup> This bill requires the HSCRC to establish a Community Benefit Reporting Workgroup and adopt regulations recommended by the Workgroup regarding community benefit reporting. The bill also modifies the definition of community benefit and expands the list of items that hospitals must include in their CBR.

## **NARRATIVE REPORTS**

This section of the document summarizes the findings of the narrative reports by major report section.

### **Hospitals Submitting Reports**

The HSCRC received 47 CBR narratives from 50 hospitals in FY 2019. Please note that the University of Maryland Medical System submits a single CBR for three of its hospitals on the Eastern Shore and another CBR for two of its hospitals in Harford County. These reports sometimes break out individual metrics for each hospital and sometimes combine responses. Therefore, the denominator for hospital response rates varies between 47 and 50 throughout the remainder of this document. Table 1 summarizes the hospitals submitting CBRs by hospital system.

---

<sup>11</sup> MD. CODE. ANN., Health-Gen. § 19-303(c)(2).

<sup>12</sup> S. 774, 2020 Leg., 441<sup>st</sup> Sess. (Md. 2020).

**Table 1. Maryland Hospitals that Submitted CBRs in FY 2019, by System**

| <b>Independent Hospitals</b>                        | <b>Johns Hopkins Medicine:</b>  |
|---|---|
| 1. Anne Arundel Medical Center                      | 24. Howard County General Hospital                                    |
| 2. Atlantic General Hospital                        | 25. Johns Hopkins Bayview Medical Center                              |
| 3. Bon Secours Baltimore Health System*             | 26. Johns Hopkins Hospital  |
| 4. CalvertHealth Medical Center                     | 27. Suburban Hospital   |
| 5. Doctors Community Hospital                       | <b>Lifebridge Health:</b>   |
| 6. Fort Washington Medical Center**                 | 28. Carroll Hospital Center   |
| 7. Frederick Memorial Hospital                      | 29. Levindale Hebrew Geriatric Center and Hospital of Baltimore, Inc. |
| 8. Garrett Regional Medical Center                  | 30. Northwest Hospital Center, Inc.                                   |
| 9. Greater Baltimore Medical Center                 | 31. Sinai Hospital of Baltimore, Inc.                                 |
| 10. McCready Health Foundation, Inc.                | <b>MedStar Health:</b>  |
| 11. Mercy Medical Center                            | 32. MedStar Franklin Square Medical Center                            |
| 12. Meritus Medical Center                          | 33. MedStar Good Samaritan Hospital                                   |
| 13. Peninsula Regional Medical Center               | 34. MedStar Harbor Hospital   |
| 14. Saint Agnes Hospital                            | 35. MedStar Montgomery Medical Center                                 |
| 15. Sheppard Pratt Health System                    | 36. MedStar Southern Maryland Hospital Center                         |
| 16. Union Hospital of Cecil County                  | 37. MedStar St. Mary's Hospital                                       |
| 17. Western Maryland Health System                  | 38. MedStar Union Memorial Hospital                                   |
| <b>Jointly Owned Hospitals:</b>                     | <b>University of Maryland:</b>  |
| 18. Mt. Washington Pediatric Hospital***            | 39. UM Baltimore Washington Medical Center                            |
| <b>Adventist HealthCare:</b>                        | 40. UM Charles Regional Medical Center                                |
| 19. Adventist Healthcare Rehabilitation             | 41. University of Maryland Medical Center                             |
| 20. Adventist HealthCare Shady Grove Medical Center | 42. UMMC Midtown Campus   |
| 21. Washington Adventist Hospital                   | 43. UM Capital Region Health****                                      |
| <b>Holy Cross Health</b>                            | 44. UM Rehabilitation & Orthopaedic Institute                         |
| 22. Holy Cross Germantown Hospital                  | 45. UM Shore Regional Health*****                                     |
| 23. Holy Cross Hospital                             | 46. UM St. Joseph Medical Center                                      |
|   | 47. UM Upper Chesapeake Health*****                                   |

\*Became part of Lifebridge system in December 2019

\*\*Became part of Adventist system in October 2019

\*\*\*Mt. Washington Pediatric is jointly owned by the University of Maryland Medical System and Johns Hopkins Medicine

\*\*\*\*Prince George's and Laurel Regional hospitals combined this year.

\*\*\*\*\*One narrative report includes three hospitals: Easton, Chester River, and Dorchester

\*\*\*\*\*One narrative report includes two hospitals: Upper Chesapeake Medical Center and Harford Memorial Hospital

## Section I. General Hospital Demographics and Characteristics

Section I of the report collects demographic and other characteristics of the hospital and its service area.

**Hospital-Specific Demographics**

The first section of the CBR narrative collects information on hospital demographic and utilization statistics, as summarized in Table 2 below. Overall, there were 10,052 beds and 596,410 inpatient admissions. The percentage of admissions by insurance status ranged from 0.0 to 6.1 percent for charity care/self-pay, 1.9 to 80.6 percent for Medicaid, and 14.1 to 91.1 percent for Medicare-among hospitals accepting Medicare clients. These percentages were largely similar to those for FY 2018.

**Table 2. Hospital Bed Designation, Inpatient Admissions, and Patient Insurance Status, FY 2019**

| Hospital Name                            | Bed Designation | Inpatient Admissions | Percentage of Admissions Charity Care/Self-Pay | Percentage of Admissions Medicaid | Percentage of Admissions Medicare |
|--|-----------------|----------------------|--|-----------------------------------|-----------------------------------|
| <b>Independent Hospitals</b>             |                 |                      |  |                                   |                                   |
| Anne Arundel Medical Center              | 349             | 30,503               | 1.2  | 14.3                              | 36.2                              |
| Atlantic General Hospital                | 40              | 3,084                | 1.7  | 12.0                              | 67.0                              |
| Bon Secours Baltimore Health System      | 71              | 3,030                | 0.5  | 64.8                              | 29.6                              |
| CalvertHealth Medical Center             | 73              | 5,942                | 0.9  | 20.3                              | 46.4                              |
| Doctors Community Hospital               | 206             | 10,257               | 2.6  | 17.0                              | 48.6                              |
| Fort Washington Medical Center           | 28              | 2,042                | 3.3  | 15.3                              | 58.2                              |
| Frederick Memorial Hospital              | 269             | 18,136               | 2.7  | 8.2                               | 39.3                              |
| Garrett Regional Medical Center          | 26              | 1,995                | 2.5  | 19.2                              | 51.1                              |
| Greater Baltimore Medical Center         | 257             | 21,752               | 0.6  | 15.5                              | 33.6                              |
| McCready Health                          | 3               | 171                  | 2.9  | 14.0                              | 78.4                              |
| Mercy Medical Center                     | 182             | 16,094               | 6.0  | 30.9                              | 30.7                              |
| Meritus Medical Center                   | 237             | 17,319               | 2.1  | 22.4                              | 45.2                              |
| Peninsula Regional Medical Center        | 266             | 17,475               | 0.9  | 24.5                              | 46.9                              |
| Saint Agnes Hospital                     | 247             | 15,674               | 2.0  | 29.6                              | 40.5                              |
| Sheppard Pratt Health System             | 414             | 7,941                | 2.5  | 42.8                              | 14.1                              |
| Union Hospital of Cecil County           | 75              | 5,476                | 1.5  | 31.4                              | 45.0                              |
| Western Maryland Regional Medical Center | 191             | 11,928               | 1.5  | 19.0                              | 54.5                              |
| <b>Jointly Owned Hospitals</b>           |                 |                      |  |                                   |                                   |
| Mt. Washington Pediatric Hospital        | 16              | 577                  | -  | 80.6                              | -                                 |
| <b>Adventist HealthCare</b>              |                 |                      |  |                                   |                                   |
| Adventist Rehabilitation                 | 87              | 1,884                | 0.4  | 7.3                               | 61.0                              |
| Adventist Shady Grove Medical Ctr.       | 329             | 22,991               | 2.9  | 22.7                              | 26.3                              |
| Washington Adventist Hospital            | 178             | 11,978               | 2.4  | 50.8                              | 31.0                              |
| <b>Holy Cross Health</b>                 |                 |                      |  |                                   |                                   |
| Holy Cross Germantown Hospital           | 70              | 6,212                | 3.3  | 24.1                              | 35.1                              |



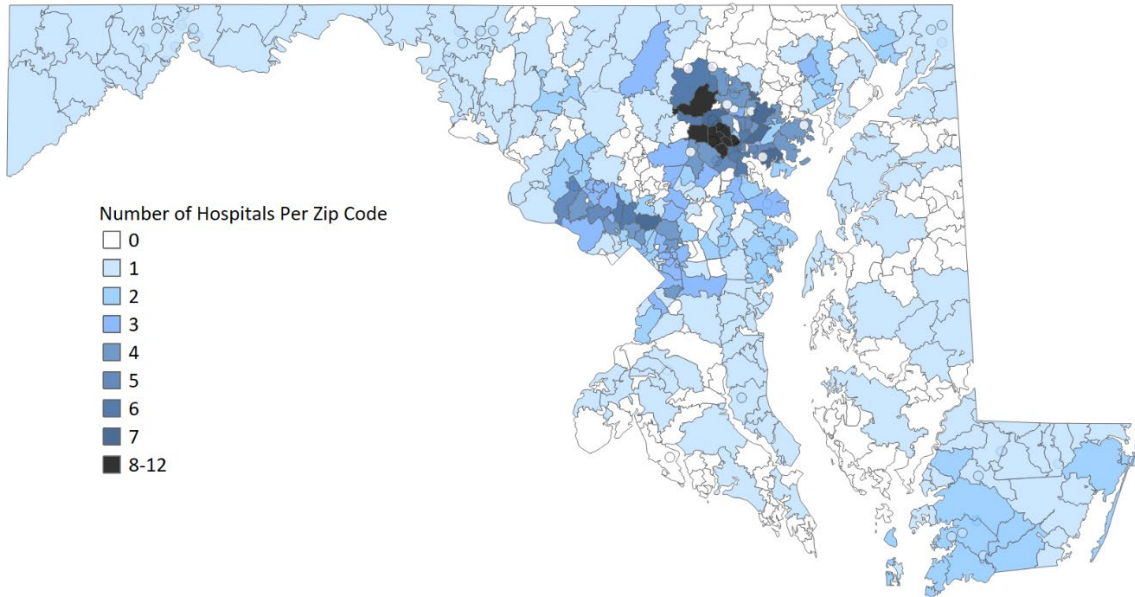
Maryland Hospital Community Benefit Report: FY 2019

| Hospital Name   | Bed Designation | Inpatient Admissions | Percentage of Admissions Charity Care/Self-Pay | Percentage of Admissions Medicaid | Percentage of Admissions Medicare |
|---|-----------------|----------------------|--|-----------------------------------|-----------------------------------|
| Holy Cross Hospital   | 377             | 34,722               | 3.4  | 29.4                              | 22.2                              |
| <b>Johns Hopkins Medicine</b>                                     |                 |                      |  |                                   |                                   |
| Howard County General Hospital                                    | 225             | 17,559               | 0.6  | 14.7                              | 37.7                              |
| Johns Hopkins Bayview Medical Center                              | 349             | 20,413               | 2.4  | 34.1                              | 39.5                              |
| Suburban Hospital   | 228             | 13,454               | 2.0  | 9.8                               | 57.5                              |
| The Johns Hopkins Hospital  | 1,095           | 44,617               | 0.5  | 28.6                              | 28.0                              |
| <b>Lifebridge Health</b>  |                 |                      |  |                                   |                                   |
| Carroll Hospital  | 161             | 11,643               | 0.6  | 17.0                              | 51.2                              |
| Levindale Hebrew Geriatric Center and Hospital of Baltimore, Inc. | 100             | 1,287                | 0.9  | 1.9                               | 91.1                              |
| Northwest Hospital  | 190             | 9,482                | 0.6  | 23.9                              | 56.0                              |
| Sinai Hospital  | 347             | 18,006               | 0.4  | 29.9                              | 41.7                              |
| <b>MedStar Health</b>   |                 |                      |  |                                   |                                   |
| Franklin Square Medical Center                                    | 338             | 22,527               | 1.0  | 31.6                              | 43.3                              |
| Good Samaritan Hospital   | 143             | 8,470                | 1.2  | 21.7                              | 62.3                              |
| Harbor Hospital   | 131             | 8,818                | 1.2  | 44.6                              | 32.4                              |
| Montgomery Medical Center   | 104             | 6,668                | 0.8  | 17.9                              | 52.1                              |
| Southern Maryland Hospital Ctr.                                   | 182             | 11,564               | 1.5  | 27.9                              | 40.6                              |
| St. Mary's Hospital   | 93              | 7,485                | 1.5  | 22.6                              | 37.8                              |
| Union Memorial Hospital   | 185             | 10,769               | 0.9  | 19.3                              | 58.8                              |
| <b>University of Maryland</b>                                     |                 |                      |  |                                   |                                   |
| Baltimore Washington Medical Center                               | 285             | 18,582               | 0.6  | 23.5                              | 46.6                              |
| Charles Regional Medical Center                                   | 98              | 6,715                | 0.3  | 20.8                              | 48.3                              |
| Laurel Regional Medical Center                                    | 43              | 1,681                | 6.1  | 27.1                              | 44.9                              |
| University of Maryland Medical Center                             | 806             | 27,790               | 0.4  | 37.2                              | 32.7                              |
| UMMC Midtown Campus   | 100             | 4,376                | 0.7  | 49.2                              | 39.4                              |
| Prince George's Hospital Center                                   | 254             | 12,488               | 5.3  | 41.2                              | 33.1                              |
| UM Rehabilitation & Orthopaedic Institute                         | 2               | 2,238                | 0.1  | 19.9                              | 48.6                              |
| Shore Regional Health – Easton                                    | 97              | 7,549                | 0.7  | 27.6                              | 49.1                              |
| Shore Regional Health – Dorchester                                | 34              | 1,565                | 0.6  | 34.6                              | 50.2                              |
| Shore Regional Health – Chester River                             | 12              | 706                  | 0.3  | 13.5                              | 76.8                              |
| St. Joseph Medical Center   | 219             | 16,360               | 1.5  | 15.8                              | 42.4                              |
| Upper Chesapeake Medical Center                                   | 159             | 12,223               | 0.3  | 15.2                              | 46.1                              |
| Upper Chesapeake Harford Memorial                                 | 81              | 4,192                | 0.3  | 21.4                              | 48.4                              |
| <b>Total</b>  | <b>10,052</b>   | <b>596,410</b>       |  |                                   |                                   |

**Primary Service Area**

Each hospital has a primary service area (PSA), as defined in its global budget revenue (GBR) agreement.<sup>13</sup> Figure 1 displays a map of Maryland’s ZIP codes. Each ZIP code has a color indicating how many hospitals claim that area in their PSAs.

**Figure 1. Number of Hospitals Claiming the ZIP Code in Their PSAs, FY 2019**



**Community Benefit Service Area**

The CBR also collects the ZIP codes included in each hospital’s community benefit service area (CBSA). Each hospital defines its own CBSA and must disclose the methodology behind this definition in both their CBRs and federally mandated CHNAs.<sup>14</sup> Table 3 summarizes the methods reported by Maryland hospitals. The most common method was based on patterns of service utilization, such as percentages of hospital discharges and emergency department (ED) visits. In general, the other methods that hospitals reported were based on proximity to the facility, social determinants of health indicators, and the proportion of residents who were medically underserved or uninsured/underinsured. Eleven hospitals based their CBSAs on the PSAs described above. These definitions remained largely the same as those reported for FY 2018.

<sup>13</sup> The exception is the specialty hospitals that do not have GBRs. For these hospitals, the ZIP codes that account for 60 percent of discharges are reported.

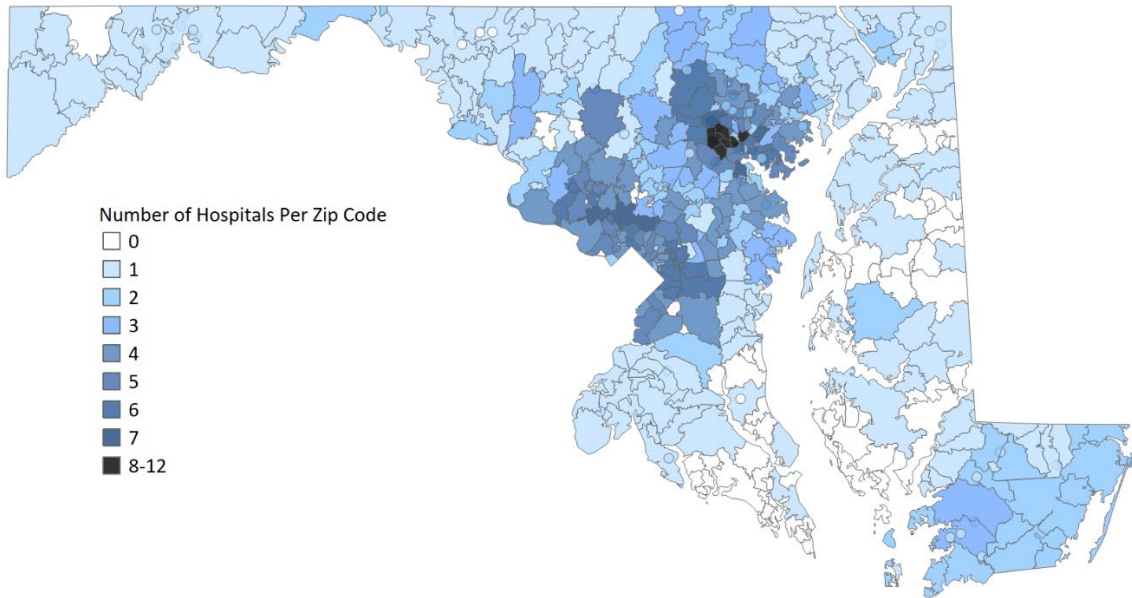
<sup>14</sup> 26 CFR § 1.501(r)-3(b).

**Table 3. Methods Used by Hospitals to Identify Their CBSAs, FY 2019**

| CBSA Identification Method                        | Number of Hospitals |
|---|---------------------|
| Based on ZIP Codes in Financial Assistance Policy | 7                   |
| Based on ZIP Codes in their PSA                   | 11                  |
| Based on Patterns of Utilization                  | 24                  |
| Other Method                                      | 27                  |

Figure 2 displays the number of hospitals claiming each ZIP code in their CBSAs. A total of 89 ZIP codes—those that appear white on the map—are not a part of any hospital’s CBSA. This is a slight increase over FY 2018, which identified 79 ZIP codes that were not covered. Six ZIP codes in Baltimore City/County—those that appear black on the map—are part of eight or more hospitals’ CBSAs. Although hospital CBSAs and PSAs overlap to some degree, there are differences in the footprint of the CBSAs and PSAs. Please note that there is no requirement for CBSAs and PSAs to overlap. Please also note that hospitals may include out-of-state ZIP codes in their CBSA, but these are not displayed below.

**Figure 2. Number of Hospitals Claiming the ZIP Code in Their CBSAs, FY 2019**



### ***Other Demographic Characteristics of Service Areas***

Hospitals report details about the communities located in their CBSAs. Because most of the required measures in this section of the report are not available at the ZIP code level, they are reported at the county level. Table 4 displays examples of the county-level demographic measures required in the CBR. Because hospitals vary in their approaches to describing their service areas, the data in Table 4 were retrieved independently. See Appendix A for other community health data sources reported by hospitals.

The following measures were derived from the five-year (2014-2018) average estimates of the U.S. Census Bureau's American Community Survey: median household income, percentage of families below the federal poverty level (FPL), percentage uninsured, percentage with public health insurance, mean travel time to work, percentage that speak a language other than English at home, percentage by racial categories, and percentage by ethnicity categories. The life expectancy three-year average (2016-2018) and the crude death rate (2018) measures were derived from the Maryland Department of Health's Vital Statistics Administration.

**Table 4. Community Statistics by County**

| County          | # of Hospitals w/ CBSAs in that County | Median Household Income | % Below FPL | % Uninsured | % Public Health Insurance | % Medicaid  | Mean Travel Time to Work (mins) | % Speak Language Other than English at Home | Race: % White | Race: % Black | Ethnicity: % Hispanic or Latino | Life Expectancy | Crude Death Rate (per 100,000) |
|-----------------|--|-------------------------|-------------|-------------|---------------------------|-------------|---------------------------------|---|---------------|---------------|---------------------------------|-----------------|--------------------------------|
| <b>Maryland</b> |  | <b>81,868</b>           | <b>6.4</b>  | <b>6.5</b>  | <b>31.7</b>               | <b>23.2</b> | <b>32.9</b>                     | <b>18.4</b>                                 | <b>58.9</b>   | <b>31.6</b>   | <b>9.8</b>                      | <b>79.2</b>     | <b>838.5</b>                   |
| Allegany        | 1                                      | 44,065                  | 10.7        | 4.8         | 45.9                      | 31.0        | 21.3                            | 4.0   | 90.0          | 9.6           | 1.8                             | 76.3            | 1223.0                         |
| Anne Arundel    | 7                                      | 97,810                  | 4.0         | 4.7         | 27.9                      | 16.7        | 30.7                            | 11.1  | 76.7          | 18.5          | 7.5                             | 79.2            | 805.0                          |
| Baltimore       | 12                                     | 74,127                  | 6.0         | 5.6         | 32.5                      | 24.2        | 29.6                            | 14.4  | 63.7          | 29.9          | 5.3                             | 78.1            | 1032.2                         |
| Baltimore City  | 17                                     | 48,840                  | 16.6        | 7.2         | 45.5                      | 43.0        | 31.0                            | 9.6   | 32.3          | 64.1          | 5.1                             | 72.8            | 1120.8                         |
| Calvert         | 1                                      | 104,301                 | 3.0         | 4.2         | 27.6                      | 15.7        | 41.7                            | 4.5   | 85.0          | 14.2          | 3.8                             | 79.3            | 734.8                          |
| Caroline        | 1                                      | 54,956                  | 10.4        | 6.4         | 44.2                      | 36.2        | 32.9                            | 7.7   | 82.6          | 15.5          | 7.0                             | 76.1            | 1074.9                         |
| Carroll         | 3                                      | 93,363                  | 3.4         | 3.0         | 26.9                      | 13.9        | 35.9                            | 4.9   | 93.5          | 4.5           | 3.4                             | 78.6            | 996.9                          |
| Cecil           | 2                                      | 72,845                  | 6.5         | 4.5         | 35.5                      | 25.8        | 29.6                            | 5.3   | 90.5          | 8.2           | 4.3                             | 76.3            | 980.3                          |
| Charles         | 1                                      | 95,924                  | 4.7         | 3.6         | 27.6                      | 20.0        | 44.4                            | 7.5   | 49.6          | 48.6          | 5.6                             | 78.5            | 712.1                          |
| Dorchester      | 1                                      | 52,145                  | 11.9        | 5.5         | 50.4                      | 40.6        | 27.0                            | 5.9   | 68.7          | 30.0          | 5.3                             | 75.9            | 1275.1                         |
| Frederick       | 4                                      | 91,999                  | 4.4         | 4.8         | 26.2                      | 16.2        | 35.2                            | 13.7  | 84.0          | 11.1          | 9.2                             | 80.1            | 734.2                          |
| Garrett         | 1                                      | 49,619                  | 6.2         | 7.3         | 43.1                      | 29.6        | 24.5                            | 2.7   | 98.4          | 1.5           | 1.1                             | 78.6            | 1196.7                         |
| Harford         | 2                                      | 85,942                  | 5.3         | 3.7         | 29.4                      | 17.9        | 31.8                            | 7.3   | 81.5          | 15.2          | 4.4                             | 78.8            | 887.9                          |
| Howard          | 4                                      | 117,730                 | 3.9         | 4.0         | 22.6                      | 14.3        | 31.3                            | 25.5  | 61.3          | 20.7          | 6.7                             | 83.3            | 549.5                          |
| Kent            | 1                                      | 56,009                  | 7.7         | 5.4         | 45.1                      | 25.8        | 26.4                            | 6.0   | 83.3          | 16.0          | 4.3                             | 78.9            | 1449.7                         |
| Montgomery      | 8                                      | 106,287                 | 4.6         | 7.4         | 26.0                      | 17.9        | 34.6                            | 40.6  | 57.2          | 20.1          | 19.3                            | 85.1            | 585.9                          |
| Prince George's | 9                                      | 81,969                  | 6.2         | 10.8        | 31.1                      | 25.1        | 37.0                            | 25.6  | 19.9          | 64.9          | 17.9                            | 79.0            | 703.2                          |
| Queen Anne's    | 2                                      | 92,167                  | 3.1         | 4.4         | 31.0                      | 16.8        | 37.0                            | 5.3   | 90.9          | 7.8           | 3.8                             | 79.5            | 905.5                          |
| Saint Mary's    | 1                                      | 90,438                  | 6.0         | 5.8         | 26.3                      | 20.3        | 30.9                            | 7.3   | 81.8          | 16.2          | 5.0                             | 78.7            | 780.2                          |
| Somerset        | 3                                      | 42,165                  | 15.9        | 6.8         | 46.5                      | 34.6        | 24.8                            | 9.0   | 54.6          | 43.6          | 3.5                             | 75.2            | 1090.6                         |
| Talbot          | 2                                      | 67,204                  | 6.7         | 4.8         | 43.6                      | 23.1        | 28.1                            | 7.4   | 85.7          | 13.6          | 6.5                             | 81.4            | 1257.8                         |

Maryland Hospital Community Benefit Report: FY 2019

| County     | # of Hospitals w/ CBSAs in that County | Median Household Income | % Below FPL   | % Uninsured   | % Public Health Insurance | % Medicaid    | Mean Travel Time to Work (mins) | % Speak Language Other than English at Home | Race: % White | Race: % Black | Ethnicity: % Hispanic or Latino | Life Expectancy | Crude Death Rate (per 100,000) |
|------------|--|-------------------------|---------------|---------------|---------------------------|---------------|---------------------------------|---|---------------|---------------|---------------------------------|-----------------|--------------------------------|
| Washington | 1                                      | 59,719                  | 9.5           | 6.2           | 40.6                      | 29.5          | 29.7                            | 7.2   | 85.9          | 13.1          | 4.8                             | 77.1            | 1132.3                         |
| Wicomico   | 2                                      | 56,608                  | 9.3           | 6.9           | 42.1                      | 33.7          | 22.0                            | 11.3  | 69.4          | 27.8          | 5.1                             | 76.2            | 1011.7                         |
| Worcester  | 2                                      | 61,145                  | 6.4           | 5.9           | 45.7                      | 25.9          | 25.1                            | 4.8   | 84.7          | 14.4          | 3.4                             | 78.5            | 1252.3                         |
| Source     | <sup>15</sup>                          | <sup>16</sup>           | <sup>17</sup> | <sup>18</sup> | <sup>19</sup>             | <sup>20</sup> | <sup>21</sup>                   | <sup>22</sup>                               | <sup>23</sup> | <sup>24</sup> | <sup>25</sup>                   | <sup>26</sup>   | <sup>27</sup>                  |

<sup>15</sup> As reported by hospitals in their FY 2019 Community Benefit Narrative Reports.

<sup>16</sup> American Community Survey 5-Year Estimates 2014 – 2018, Selected Economic Characteristics, Median Household Income (Dollars), <https://data.census.gov/cedsci/>.

<sup>17</sup> American Community Survey 5-Year Estimates 2014 – 2018, Selected Economic Characteristics, Percentage of Families and People Whose Income in the Past 12 Months is Below the Federal Poverty Level – All Families.

<sup>18</sup> American Community Survey 5-Year Estimates 2014 – 2018, Selected Economic Characteristics, Health Insurance Coverage (Civilian Noninstitutionalized Population) – No Health Insurance Coverage.

<sup>19</sup> American Community Survey 5-Year Estimates 2014 – 2018, Selected Economic Characteristics, Health Insurance Coverage (Civilian Noninstitutionalized Population) – With Public Coverage.

<sup>20</sup> American Community Survey 1-Year Estimate, 2018 (denominator) and The Hilltop Institute (numerator).

<sup>21</sup> American Community Survey 5-Year Estimates 2014 – 2018, Selected Economic Characteristics, Commuting to Work – Mean Travel Time to Work (Minutes).

<sup>22</sup> American Community Survey 5-Year Estimates 2014 – 2018, Language Spoken at Home, Population 5 Years and Over, Speak a Language Other Than English.

<sup>23</sup> American Community Survey 5-Year Estimates 2014 – 2018, ACS Demographic and Housing Estimates, Race - Race alone or in combination with one or more other races - Total Population – White.

<sup>24</sup> American Community Survey 5-Year Estimates 2014 – 2018, ACS Demographic and Housing Estimates, Race - Race alone or in combination with one or more other races - Total Population – Black or African American.

<sup>25</sup> American Community Survey 5-Year Estimates 2014 – 2018, ACS Demographic and Housing Estimates, Hispanic or Latino and race - Total Population - Hispanic or Latino (of any race).

<sup>26</sup> Maryland Department of Health and Mental Hygiene Vital Statistics Report: 2018, Table 7. Life Expectancy at Birth by Race, Region, and Political Subdivision, Maryland, 2016 – 2018.

<sup>27</sup> Maryland Department of Health and Mental Hygiene Vital Statistics Report: 2018, Table 39A. Crude Death Rates by Race, Hispanic Origin of Mother, Region, and Political Subdivision, Maryland, 2018.

## Section II. Community Health Needs Assessment

Section II of the CBR narrative asks hospitals whether they conducted a CHNA, when they last conducted it, and whether they adopted an implementation strategy. All hospitals reported conducting CHNAs that conform to the IRS definition within the past three fiscal years, and all but one hospital reported adopting an implementation strategy.<sup>28</sup> See Appendix B for the dates in which hospitals conducted their last CHNAs. These dates ranged from October 2016 to October 2019.

This section also asks the hospitals to report on the internal and external participants involved in the CHNA process, including their corresponding roles. Just over half of all hospitals reported collaborating with other hospitals or community/neighborhood organizations to identify community health needs. More than half partnered with local health improvement collaboratives in data collection, prioritization, and resource linking. These distributions were similar to what was reported in FY 2018. Additionally, 41 hospitals worked with local health departments to identify community health needs, which is an increase over 38 hospitals in FY 2018. See Appendix C for more detail on the internal and external participants in development of the hospitals' CHNAs.

## Section III. Community Benefit Administration

This section of the narrative CBR requires hospitals to report on the process of determining which needs in the community would be addressed through community benefit activities. Hospitals also must report on the internal and external participants involved in community benefit activities and their corresponding roles. Tables 5 and 6 present some highlights, and Appendix D provides full detail. Of note, nearly 90 percent of hospitals employed population health staff and staff dedicated to community benefit. Additionally, the majority of hospitals collaborated with local health departments to administer community benefit activities. Just over half of all hospitals worked with other hospitals and behavioral health organizations. These figures are very similar to what was reported in FY 2018.

**Table 5. Number of Hospital Reporting Staff in the Following Categories**

| Staff Category          | Number of Hospitals | % of Hospitals |
|-------------------------|---------------------|----------------|
| Population Health Staff | 42                  | 89%            |
| Community Benefit Staff | 41                  | 87%            |
| CB/Pop Health Director  | 43                  | 91%            |

**Table 6. Number of Hospitals that Collaborated with Selected Types of External Organizations**

| Collaborator Type               | Number of Hospitals | % of Hospitals |
|---------------------------------|---------------------|----------------|
| Post-Acute Care Organizations   | 13                  | 28%            |
| Local Health Departments        | 38                  | 81%            |
| Other Hospitals                 | 27                  | 57%            |
| Behavioral Health Organizations | 25                  | 53%            |

<sup>28</sup> This hospital reported a delay due to change in ownership, but expected it to be complete prior to the publication of this report.

**Internal Audit and Board Review**

This part of the report addresses whether the hospital conducted an internal audit of the CBR financial spreadsheet and narrative. Table 7 shows that 45 out of 47 hospitals conducted an internal audit of the financial spreadsheet. Audits were most frequently performed by hospital or system staff. These figures were very similar to what was reported in FY 2018.

**Table 7. Hospital Audits of CBR Financial Spreadsheet**

| Audit Type                | Number of Hospitals |    |
|---------------------------|---------------------|----|
|                           | Yes                 | No |
| Hospital Staff            | 37                  | 10 |
| System Staff              | 28                  | 19 |
| Third-Party               | 9                   | 38 |
| No Audit                  | 2                   | 45 |
| Two or More Audit Types   | 27                  | 20 |
| Three or More Audit Types | 2                   | 45 |

This section also addresses whether the hospital board reviews and approves the CBR spreadsheet and narrative. Table 8 shows that most hospital boards review and approve the CBR. Of the hospitals that reported that they did not submit their reports for board review, their rationale was largely related to timing issues or because the board had delegated this authority to executive staff. For example, several hospitals reported that their board meets only twice per year and did not have the opportunity to review before the report deadline. These responses were very similar to what was reported in FY 2018.

**Table 8. Hospital Board Review of the CBR**

| Board Review | Number of Hospitals |    |
|--------------|---------------------|----|
|              | Yes                 | No |
| Spreadsheet  | 40                  | 7  |
| Narrative    | 39                  | 8  |

This section also asks if community benefit investments were incorporated into the major strategies of the Hospital Strategic Transformation Plan. Table 9 shows that nearly all hospitals indicated that community benefit investments were a part of their Strategic Transformation Plan.



**Table 9. Community Benefit Investments in Hospital Strategic Transformation Plan**

| Community Benefit Investments in Strategic Transformation Plan | Number of Hospitals |
|--|---------------------|
| Yes  | 46                  |
| No   | 1                   |

#### Section IV. Hospital Community Benefit Program and Initiatives

The CBR asks hospitals to describe three, ongoing community benefit initiatives undertaken to address needs in the community. Additionally, hospitals must indicate whether the reported initiatives address a CHNA identified need. Table 10 summarizes the types of initiatives reported. Hospital community benefit initiatives are more likely to target chronic conditions than acute conditions. Of 141 total initiatives reported across all hospitals, 81 addressed the prevention of chronic conditions. Hospitals could report more than one category of intervention for each initiative. This distribution was similar to what was reported in FY 2018.

**Table 10. Types of Community Benefit Initiatives**

| Category  | Number of Hospitals with Intervention | Number of Interventions in Each Category | Percentage of Interventions that Fall within Category |
|---|---------------------------------------|--|---|
| Chronic condition-based intervention: treatment intervention  | 33                                    | 58                                       | 41%   |
| Chronic condition-based intervention: prevention intervention | 43                                    | 81                                       | 57%   |
| Acute condition-based intervention: treatment intervention    | 28                                    | 43                                       | 30%   |
| Acute condition-based intervention: prevention intervention   | 28                                    | 45                                       | 32%   |
| Condition-agnostic treatment intervention                     | 8                                     | 8  | 6%  |
| Social determinants of health intervention                    | 38                                    | 73                                       | 52%   |
| Community engagement intervention                             | 37                                    | 73                                       | 52%   |
| Other   | 10                                    | 12                                       | 9%  |

Table 11 presents the types of evidence that hospitals used to evaluate the effectiveness of their community benefit initiatives. By far, the most common category of evidence used for this purpose was the count of participants, followed by surveys of participants. Hospitals could report more than one type of evaluative criteria for each initiative.

**Table 11. Types of Evidence Used to Evaluate Effectiveness of Initiatives**

| Evaluation Criteria                       | Number of Interventions Using each Type of Evaluation Criteria | Percentage of Interventions that Use each Type of Evaluation Criteria |
|---|--|---|
| Count of Participants                     | 130  | 92%   |
| Other Process Measures                    | 49   | 35%   |
| Surveys of Participants                   | 55   | 39%   |
| Biophysical Health Indicators             | 42   | 30%   |
| Assessment of Environmental Change        | 6  | 4%  |
| Impact on Policy Change                   | 4  | 3%  |
| Effects on Healthcare Utilization or Cost | 29   | 21%   |
| Assessment of Workforce Development       | 4  | 3%  |
| Other                                     | 21   | 15%   |

Table 12 summarizes the top ten community health needs addressed by these initiatives, as identified in the hospitals’ CHNAs. Diabetes and educational/community-based programs were the top two community health needs. Hospitals could select multiple community health needs per initiative. In FY 2018, diabetes and heart disease were the top two community health needs.

**Table 12. Community Health Needs Addressed by Selected Hospital Community Benefit Initiatives, FY 2019**

| Community Health Needs  | Number of Hospitals | Number of Initiatives | Percentage of Initiatives |
|---|---------------------|-----------------------|---------------------------|
| Educational and Community-Based Programs                          | 32                  | 62                    | 44%                       |
| Diabetes  | 33                  | 48                    | 34%                       |
| Oral Health   | 33                  | 46                    | 33%                       |
| Health-Related Quality of Life & Well-Being                       | 23                  | 45                    | 32%                       |
| Behavioral Health, including Mental Health and/or Substance Abuse | 32                  | 44                    | 31%                       |
| Other Social Determinants of Health                               | 26                  | 42                    | 30%                       |
| Nutrition and Weight Status                                       | 29                  | 39                    | 28%                       |
| Heart Disease and Stroke  | 30                  | 37                    | 26%                       |
| Physical Activity   | 21                  | 26                    | 18%                       |
| Older Adults  | 16                  | 23                    | 16%                       |

The CBR also asks about community health needs identified through the CHNA process that were not addressed by the hospitals. Overall, 24 hospitals reported that one or more primary community health needs were not addressed, and 23 responded that all needs were addressed. At least one hospital identified environmental health and global health as community health needs,

but no hospital reported initiatives to address them. Some hospitals listed the following reasons for not addressing all of the needs identified in their CHNAs: lack of resources, lack of expertise, and the fact that other local organizations, hospitals, or partnerships were addressing the needs.

**Community Benefit Operations/Activities Related to State Initiatives**

Hospitals were asked how their community benefit operations/activities worked toward the state’s initiatives for improvement in population health, as identified by the State Health Improvement Process (SHIP). The SHIP provides a framework for accountability, local action, and public engagement to advance the health of Maryland residents. In the context of the state’s Total Cost of Care Model, hospitals are tasked with improving quality, including decreasing readmissions and hospital-acquired conditions. Of the 47 hospitals, 39 reported that their community benefit activities addressed at least one SHIP goal. Table 13 presents the number of hospitals that addressed at least one goal under each SHIP category. Because hospitals targeted their community benefit initiatives to address community health needs identified in their CHNAs, the SHIP goals selected tended to be those that were in alignment with hospital CHNAs.

**Table 13. Number of Hospitals with CB Activities Addressing SHIP Goals, by Category, FY 2019**

|                         | <b>Number of Hospitals in Alignment</b> |
|-------------------------|---|
| Healthy Beginnings      | 24                                      |
| Healthy Living          | 37                                      |
| Healthy Communities     | 32                                      |
| Access to Health Care   | 35                                      |
| Quality Preventive Care | 36                                      |

**Section V. Physician Gaps in Availability**

Maryland law requires hospitals to provide a written description of gaps in the availability of specialist providers to serve their uninsured populations.<sup>29</sup> Each hospital uses its own criteria to determine what constitutes a physician gap. Table 14 shows the gaps in availability that were identified by the hospitals and the number of hospitals that reported each gap. The most frequently reported gap was mental health (reported by 33 hospitals), followed by substance abuse and detoxification. Four hospitals reported no gaps this year, compared with three hospitals in FY 2018. See the mission-driven services section of the financial report summary for a related discussion.

<sup>29</sup> MD. CODE. ANN., Health-Gen. § 19-303(c)(2)(vi).

**Table 14. Gaps in Availability**

| <b>Physician Specialty Gap</b> | <b>Number of Hospitals</b> |
|--------------------------------|----------------------------|
| No Gaps                        | 4                          |
| Mental Health                  | 33                         |
| Substance Abuse/Detoxification | 24                         |
| Obstetrics                     | 18                         |
| Primary Care                   | 17                         |
| Dental                         | 17                         |
| Neurosurgery                   | 17                         |
| General surgery                | 15                         |
| Internal medicine              | 14                         |
| Dermatology                    | 11                         |
| Orthopedic Specialties         | 11                         |
| Otolaryngology (ENT)           | 10                         |
| Infectious Diseases            | 4                          |
| Oncology                       | 4                          |
| Pulmonology                    | 3                          |
| Vascular                       | 3                          |
| Cardiology                     | 3                          |
| Hematology                     | 3                          |
| Laboratory                     | 3                          |
| Urology                        | 3                          |
| Rheumatology                   | 2                          |
| Emergency Department           | 2                          |
| Medical Imaging                | 3                          |
| Allergy/Immunology             | 2                          |
| Gastroenterology               | 2                          |
| Outpatient Specialty Care      | 2                          |
| Anesthesiology                 | 1                          |
| Physiatry                      | 1                          |
| Critical Care                  | 1                          |
| Nephrology                     | 1                          |
| Ophthalmology                  | 1                          |
| Other                          | 3                          |

## Section VI. Financial Assistance Policies

Finally, the narrative section of the CBR requires hospitals to submit information about their financial assistance policies. Maryland law established the requirements for hospitals to provide free or reduced cost care as part of their financial assistance policies as follows:<sup>30</sup>

- State statute sets the family income threshold for free, medically necessary care at or below 150 percent of the FPL; however, the statute allows the HSCRC to create higher income thresholds through regulation.<sup>31</sup> HSCRC regulations require hospitals to provide free, medically necessary care to patients with family income at or below 200 percent of the FPL.<sup>32</sup> Sixteen hospitals reported a more generous threshold.
- Hospitals must provide reduced-cost, medically necessary care to patients with family income between 200 and 300 percent of the FPL.<sup>33</sup> Thirty-seven hospitals reported a more generous threshold.
- Hospitals must provide reduced-cost, medically necessary care to patients with family income below 500 percent of the FPL who have a financial hardship, which is referred to as the financial hardship policy.<sup>34</sup> In order to qualify as having a financial hardship, the medical debt incurred by a family over a 12-month period must exceed 25 percent of the family's income.<sup>35</sup> Sixteen hospitals reported a more generous threshold.

Staff noted variation among the hospitals in the content and format of their financial assistance policy documents.

---

<sup>30</sup> MD. CODE. ANN., Health-Gen. § 19-214.1; COMAR 10.37.10.26.

<sup>31</sup> MD. CODE. ANN., Health-Gen. § 19-214.1(b).

<sup>32</sup> COMAR 10.37.10.26(A-2)(2)(a)(i).

<sup>33</sup> COMAR 10.37.10.26(A-2)(2)(a)(ii).

<sup>34</sup> COMAR 10.37.10.26(A-2)(3).

<sup>35</sup> COMAR 10.37.10.26(A-2)(1)(b)(i).

## FINANCIAL REPORTS

The CBR financial reports collect information about staff hours, the number of encounters, and direct and indirect costs of community benefits, categorized by type of community benefit activity. The reporting period for these financial data is July 1, 2018, through June 30, 2019. Audited financial statements were used to calculate the cost of each of the community benefit categories contained in the data reports. Fifty hospitals submitted individual financial reports.

### FY 2019 Financial Reporting Highlights

Table 15 presents a statewide summary of community benefit expenditures for FY 2019. Maryland hospitals provided roughly \$1.89 billion in total community benefit activities in FY 2019—a total that is slightly higher than FY 2018 (\$1.75 billion). The FY 2019 total includes: net community benefit expenses of \$694 million in mission-driven health care services (subsidized health services), \$593 million in health professions education, \$325 million in charity care, \$131 million in community health services, \$56 million in Medicaid deficit assessment costs, \$35 million in community building activities, \$14 million in community benefit operations, \$17 million in financial contributions, \$14 million in research activities, and \$6 million in foundation-funded community benefits. These totals include hospital-reported indirect costs, which vary by hospital and by category from a fixed dollar amount to a calculated percentage of the hospital's reported direct costs.

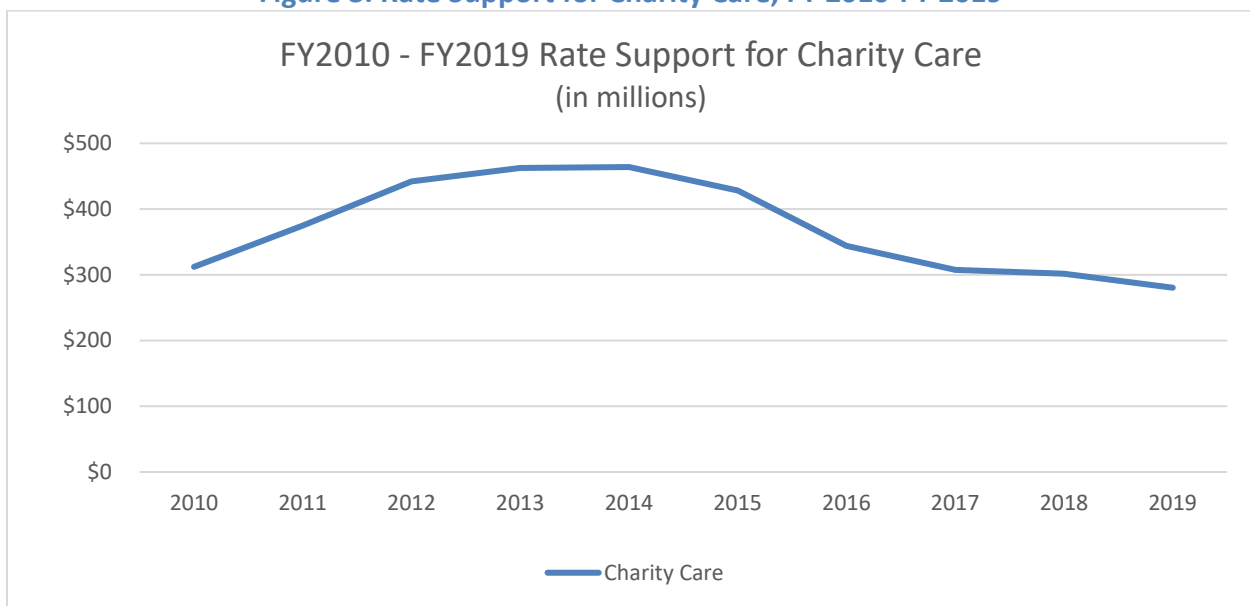
**Table 15. Total Community Benefits, FY 2019**

| Community Benefit Category     | Number of Staff Hours | Number of Encounters | Net Community Benefit Expense | % of Total Community Benefit Expenditures | Net Community Benefit Expense Less: Rate Support | % of Total Community Benefit Expenditures w/o Rate Support |
|--------------------------------|-----------------------|----------------------|-------------------------------|---|--|--|
| Unreimbursed Medicaid Cost     | 0                     | 0                    | \$56,150,071                  | 2.98%                                     | \$56,150,071                                     | 4.54%  |
| Community Health Services      | 1,183,102             | 5,243,238            | \$130,955,559                 | 6.94%                                     | \$130,955,559                                    | 10.59%   |
| Health Professions Education   | 5,070,205             | 218,943              | \$593,043,188                 | 31.45%                                    | \$223,436,234                                    | 18.08%   |
| Mission Driven Health Services | 4,504,892             | 1,725,502            | \$694,383,923                 | 36.82%                                    | \$694,383,923                                    | 56.18%   |
| Research                       | 154,382               | 6,797                | \$13,862,885                  | 0.74%                                     | \$13,862,885                                     | 1.12%  |
| Financial Contributions        | 39,672                | 145,593              | \$17,382,089                  | 0.92%                                     | \$17,382,089                                     | 1.41%  |
| Community Building             | 316,287               | 1,485,222            | \$35,081,193                  | 1.86%                                     | \$35,081,193                                     | 2.84%  |
| Community Benefit Operations   | 110,988               | 127,267              | \$14,157,914                  | 0.75%                                     | \$14,157,914                                     | 1.15%  |
| Foundation                     | 85,080                | 38,395               | \$5,526,523                   | 0.29%                                     | \$5,526,523                                      | 0.45%  |
| Charity Care                   | 0                     | 0                    | \$325,409,261                 | 17.25%                                    | \$45,088,720                                     | 3.65%  |
| <b>Total</b>                   | <b>11,464,608</b>     | <b>8,990,956</b>     | <b>\$1,885,952,606</b>        | <b>100%</b>                               | <b>\$1,236,025,111</b>                           | <b>100%</b>  |

In Maryland, the costs of uncompensated care (including charity care and bad debt) and graduate medical education are built into the rates for which hospitals are reimbursed by all payers. Additionally, the rates include amounts for nurse support programs provided at Maryland hospitals. These costs are essentially “passed through” to the payers of hospital care. To comply with IRS Form 990 and avoid accounting confusion among programs that are not funded by hospital rate setting, the HSCRC requests that hospitals exclude from their reports all revenue that is included in rates as offsetting revenue on the CBR worksheet. Appendix E details the amounts that were included in rates and funded by all payers for charity care, direct graduate medical education, and nurse support programs in FY 2019.

As noted above, the HSCRC includes a provision in hospital rates for uncompensated care—which includes charity care—because it is considered a community benefit. It also includes bad debt, which is not considered a community benefit. Figure 3 shows the rate support for charity care from FY 2010 through FY 2019, which continuously increased from FY 2010 through FY 2014 and then has decreased each subsequent year due to implementation of the ACA. See Appendix F for more details on the charity care methodology.

**Figure 3. Rate Support for Charity Care, FY 2010-FY 2019**



Another social cost funded through Maryland’s rate-setting system is the cost of graduate medical education, generally for interns and residents trained in Maryland hospitals. Included in graduate medical education costs are the direct costs (i.e., direct medical education, or DME), which include the residents’ and interns’ wages and benefits, faculty supervisory expenses, and allocated overhead. The HSCRC’s annual cost report quantifies the DME costs of physician training programs at Maryland hospitals. In FY 2019, DME costs totaled \$353 million.

The HSCRC’s Nurse Support Program I (NSP I) is aimed at addressing the short- and long-term nursing shortage affecting Maryland hospitals. In FY 2019, \$17 million was provided in hospital rate adjustments for the NSPI. See Appendix E for detailed information about funding provided to specific hospitals.

When the reported community benefit costs for Maryland hospitals were offset by rate support, the net community benefits provided in FY 2019 totaled \$1.2 billion, or 7.4 percent of total hospital operating expenses. This is an increase over the \$1.1 billion in net benefits provided in FY 2018, which totaled 6.7 percent of hospital operating expenses.

Table 16 presents staff hours, the number of encounters, and expenditures for health professional education by activity. As with prior years, the education of physicians and medical students made up the majority of expenses, totaling \$517.7 million. The second highest category was the education of nurses and nursing students, totaling \$36.9 million. The education of other health professionals totaled \$27.8 million.

**Table 16. Health Professions Education Activities and Costs, FY 2019**

| <b>Health Professions Education</b>                 | <b>Number of Staff Hours</b> | <b>Number of Encounters</b> | <b>Net Community Benefit with Indirect Cost</b> |
|---|------------------------------|-----------------------------|---|
| Physicians and Medical Students                     | 3,959,000                    | 111,902                     | \$517,697,946                                   |
| Nurses and Nursing Students                         | 580,454                      | 58,327                      | \$36,857,574                                    |
| Other Health Professionals                          | 441,501                      | 40,148                      | \$27,813,478                                    |
| Scholarships and Funding for Professional Education | 5,400                        | 345                         | \$5,280,149                                     |
| Other   | 83,851                       | 8,221                       | \$5,394,041                                     |
| <b>Total</b>  | <b>5,070,205</b>             | <b>218,943</b>              | <b>\$593,043,188</b>                            |



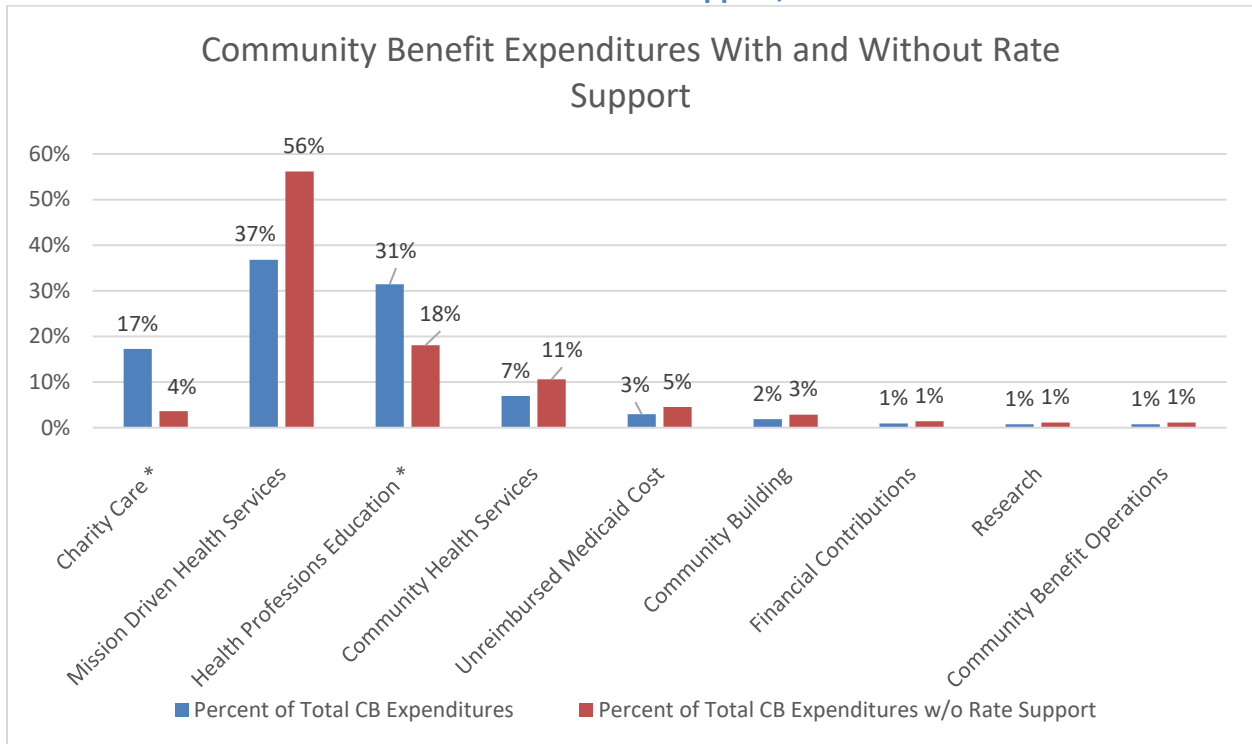
Table 17 presents staff hours, the number of encounters, and expenditures for community health services by activity. As with prior years, health care support services comprised the largest portion of expenses in the category of community health services, totaling \$59.1 million. Community health education was the second highest category, totaling \$24.5 million, and community-based clinical services were the third highest, totaling \$16.1 million. For additional detail, see Appendix G.

**Table 17. Community Health Services Activities and Costs, FY 2019**

| <b>Community Health Services</b>   | <b>Number of Staff Hours</b> | <b>Number of Encounters</b> | <b>Net Community Benefit with Indirect Cost</b> |
|------------------------------------|------------------------------|-----------------------------|---|
| Health Care Support Services       | 439,858                      | 399,264                     | \$59,089,585                                    |
| Community Health Education         | 248,441                      | 3,708,945                   | \$24,451,873                                    |
| Community-Based Clinical Services  | 290,400                      | 551,554                     | \$16,105,508                                    |
| Free Clinics                       | 4,670                        | 44,919                      | \$6,335,006                                     |
| Screenings                         | 52,937                       | 236,739                     | \$5,134,026                                     |
| Support Groups                     | 17,932                       | 38,509                      | \$3,653,670                                     |
| Mobile Units                       | 34,662                       | 12,883                      | \$1,009,498                                     |
| Self-Help                          | 16,684                       | 111,704                     | \$999,626                                       |
| One-Time/Occasionally Held Clinics | 1,255                        | 7,199                       | \$286,352                                       |
| Other                              | 76,263                       | 131,522                     | \$13,890,416                                    |
| <b>Total</b>                       | <b>1,183,102</b>             | <b>5,243,238</b>            | <b>\$130,955,559</b>                            |

Accounting for rate support significantly affects the distribution of expenses by category. Figure 4 shows expenditures for each community benefit category as a percentage of total expenditures. Mission-driven health services, health professions education, and charity care represented the majority of the expenses, at 37 percent, 31 percent, and 17 percent, respectively. Figure 4 also shows the percentage of expenditures by category without rate support, which changed the distribution: mission-driven health services remained the category with the highest percentage of expenditures, at 56 percent. Health professions education followed, with 18 percent of expenditures, and community health services accounted for 11 percent of expenditures.

**Figure 4. Percentage of Community Benefit Expenditures by Category with and without Rate Support, FY 2019**



Appendix H compares hospitals in terms of the total amount of community benefits reported, the amount of community benefits recovered through HSCRC-approved rate supports (i.e., charity care, direct medical education, and nurse support) or as revenue from billable services, and the number of staff and staff hours dedicated to community benefit operations. On average, in FY 2019, 2,220 staff hours were dedicated to community benefit operations, nearly identical to FY 2018. Three hospitals reported zero staff hours dedicated to community benefit operations, which is the same as FY 2018. The HSCRC continues to encourage hospitals to incorporate community benefit operations into their overall strategic planning.

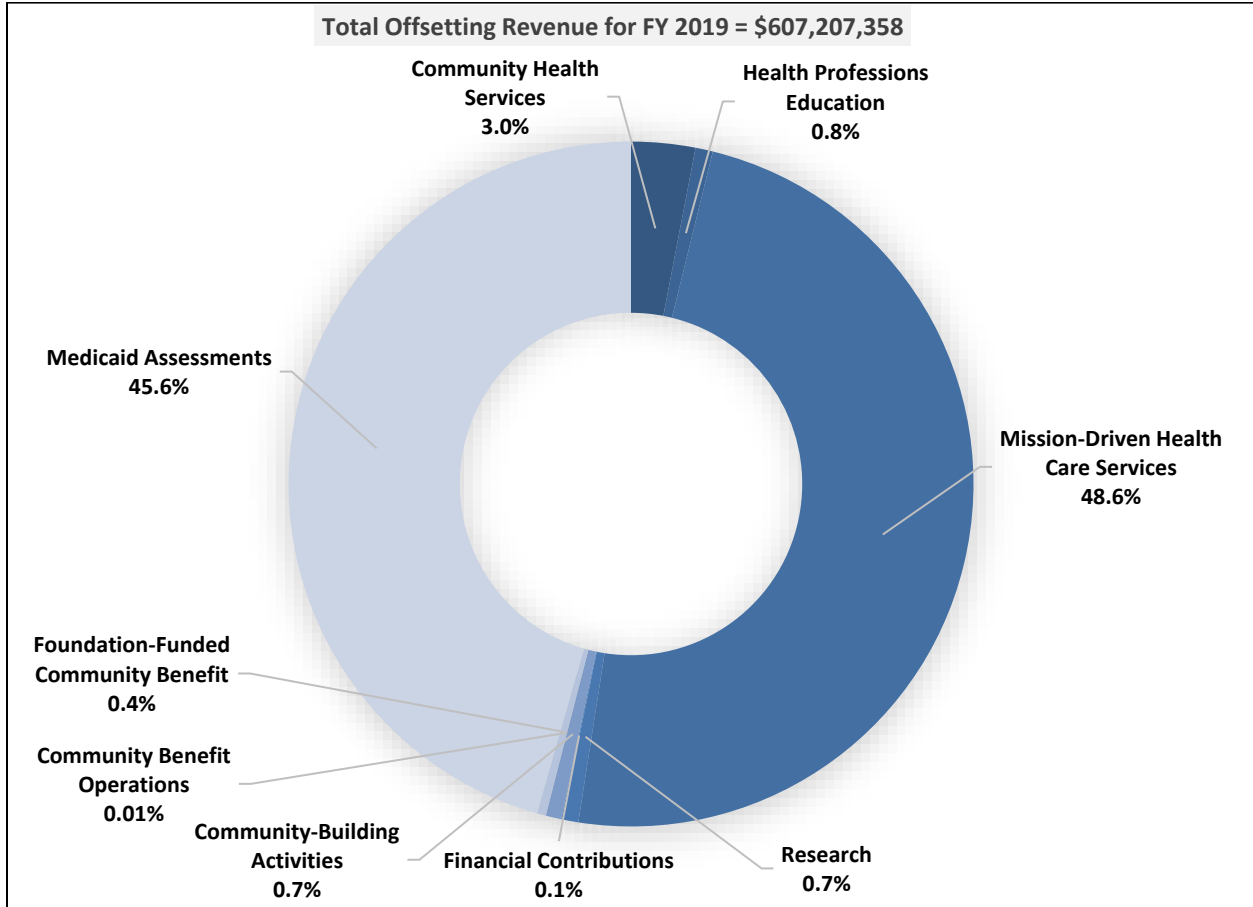
The total amount of net community benefit expenditures without rate support as a percentage of total operating expenses ranged from 1.41 percent to 31.09 percent, with an average of 8.37 percent, which was slightly higher than in FY 2018. Twelve hospitals reported providing benefits in excess of 10 percent of their operating expenses, compared with ten hospitals in FY 2018.

### Mission-Driven Services and Offsetting Revenue

The instructions for the financial report require hospitals to report offsetting revenue for their community benefit activities, which is defined as any revenue generated by the activity or program, such as payment for services provided to program patients, restricted grants, or contributions used to provide a community benefit. Figure 5 presents the total FY 2019 offsetting revenue by community benefit category. The largest components of offsetting revenue were mission-driven health care services (48.6 percent) and the Medicaid deficit assessment (45.6 percent). Other categories had minimal offsetting revenue. Please note that the Medicaid deficit

assessment is a broad-based uniform assessment to hospital rates that is set by the Maryland General Assembly. The hospitals pay this assessment, but a portion of it is reimbursed back to the hospital through all-payer rates, which is then reported as offsetting revenue. Therefore, the offsetting revenue reported for the Medicaid deficit assessment is different from the offsetting revenue reported for other community benefit categories.

**Figure 5. Sources of Offsetting Revenue for Maryland Hospitals, FY 2019**



Excluding the Medicaid deficit assessment, mission-driven health services accounted for the majority of offsetting revenues. By definition, mission-driven services are intended to be services provided to the community that are not expected to result in revenue. Rather, hospitals undertake these services as a direct result of their community or mission driven initiatives, or because the services would otherwise not be provided in the community. Table 18 presents offsetting revenue for mission-driven services by hospital. The hospitals are sorted in increasing order of the proportion of reported expenditures offset by revenue. Thirteen hospitals did not report any offsetting revenue from mission-driven health services. Seven hospitals reported offsetting revenue for 50 percent or more of their mission-driven expenditures.

**Table 18. Mission-Driven Health Services Expenditure and Offsetting Revenue among Maryland Hospitals, FY 2019**

| Hospital Name                          | Total Expenditures | Offsetting Revenue | Proportion of Total Expenditure Offset by Revenue | Net Community Benefit |
|--|--------------------|--------------------|---|-----------------------|
| Garrett Regional Medical Center        | \$0                | \$0                | -   | \$0                   |
| Doctors Community Hospital             | \$0                | \$0                | -   | \$0                   |
| Adventist Healthcare Rehabilitation    | \$384,729          | \$0                | 0.0%  | \$384,729             |
| Bon Secours                            | \$641,966          | \$0                | 0.0%  | \$641,966             |
| Holy Cross Germantown                  | \$2,271,830        | \$0                | 0.0%  | \$2,271,830           |
| MedStar Southern Maryland Hospital     | \$7,661,991        | \$0                | 0.0%  | \$7,661,991           |
| UM Charles Regional Medical Center     | \$9,008,627        | \$0                | 0.0%  | \$9,008,627           |
| Carroll Hospital                       | \$10,773,016       | \$0                | 0.0%  | \$10,773,016          |
| Atlantic General Hospital              | \$12,360,092       | \$0                | 0.0%  | \$12,360,092          |
| Howard County General Hospital         | \$14,029,918       | \$0                | 0.0%  | \$14,029,918          |
| Washington Adventist                   | \$20,377,404       | \$0                | 0.0%  | \$20,377,404          |
| UM Medical Center Midtown Campus       | \$27,833,254       | \$0                | 0.0%  | \$27,833,254          |
| UM Shore Regional Health Easton        | \$29,410,274       | \$0                | 0.0%  | \$29,410,273          |
| Frederick Memorial Hospital            | \$17,631,302       | \$13,578           | 0.1%  | \$17,617,724          |
| UM Shore Regional Health Dorchester    | \$10,290,617       | \$21,340           | 0.2%  | \$10,269,277          |
| UM St. Joseph Medical Center           | \$35,017,956       | \$122,192          | 0.3%  | \$34,895,763          |
| Levindale Hospital                     | \$583,042          | \$9,575            | 1.6%  | \$573,467             |
| McCready Foundation Hospital           | \$54,048           | \$985              | 1.8%  | \$53,063              |
| Anne Arundel Medical Center            | \$32,552,406       | \$621,864          | 1.9%  | \$31,930,542          |
| Shady Grove Medical Center             | \$17,307,110       | \$367,631          | 2.1%  | \$16,939,479          |
| Mercy Hospital                         | \$19,573,600       | \$474,354          | 2.4%  | \$19,099,245          |
| UM Baltimore Washington Medical Center | \$12,716,343       | \$356,993          | 2.8%  | \$12,359,350          |
| Johns Hopkins                          | \$21,885,460       | \$781,979          | 3.6%  | \$21,103,481          |
| Holy Cross Hospital                    | \$8,179,303        | \$414,597          | 5.1%  | \$7,764,706           |
| Suburban Hospital                      | \$14,211,709       | \$878,351          | 6.2%  | \$13,333,358          |
| UM Shore Regional Health Chester River | \$16,797,522       | \$1,315,111        | 7.8%  | \$15,482,412          |
| Sinai Hospital                         | \$24,555,318       | \$2,550,364        | 10.4%   | \$22,004,953          |
| Johns Hopkins Bayview                  | \$7,148,599        | \$999,212          | 14.0%   | \$6,149,387           |
| Sheppard Pratt Health System           | \$14,324,285       | \$2,054,107        | 14.3%   | \$12,270,178          |
| Fort Washington Medical Center         | \$1,601,566        | \$229,823          | 14.3%   | \$1,371,743           |
| MedStar St. Mary's Hospital            | \$10,002,821       | \$1,597,641        | 16.0%   | \$8,405,180           |
| UM Upper Chesapeake Medical Center     | \$8,463,140        | \$1,545,370        | 18.3%   | \$6,917,770           |
| Prince George's Hospital               | \$55,311,304       | \$10,163,000       | 18.4%   | \$45,148,304          |
| UM Harford Memorial                    | \$3,523,259        | \$662,302          | 18.8%   | \$2,860,957           |
| Calvert Memorial Hospital              | \$16,009,134       | \$4,088,406        | 25.5%   | \$11,920,728          |

Maryland Hospital Community Benefit Report: FY 2019

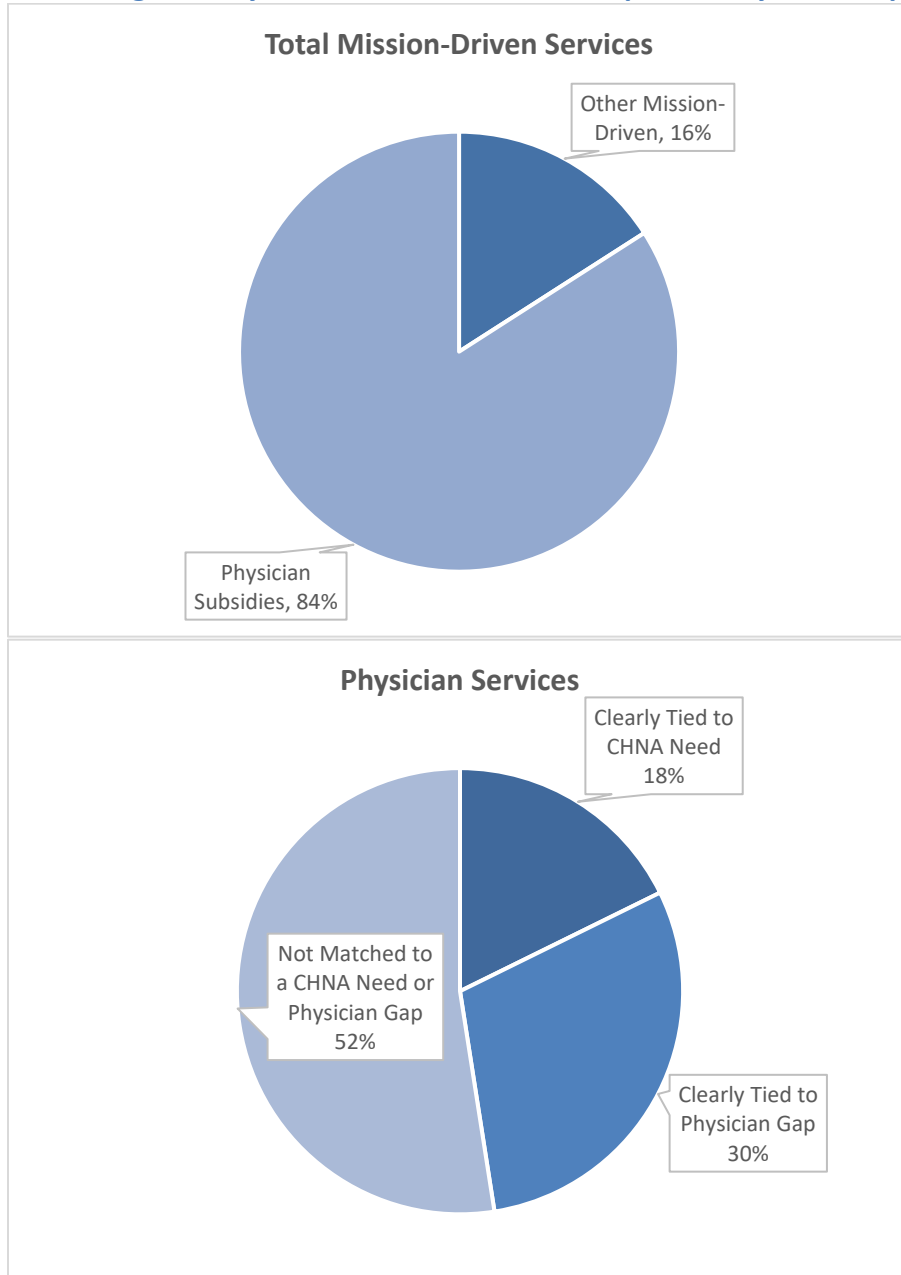
| Hospital Name                            | Total Expenditures   | Offsetting Revenue   | Proportion of Total Expenditure Offset by Revenue | Net Community Benefit |
|--|----------------------|----------------------|---|-----------------------|
| Northwest Hospital Center                | \$9,855,460          | \$3,245,642          | 32.9%   | \$6,609,818           |
| Mt. Washington Pediatric Hospital        | \$1,009,686          | \$366,769            | 36.3%   | \$642,917             |
| UM Rehabilitation & Orthopedic Institute | \$2,738,847          | \$1,023,000          | 37.4%   | \$1,715,847           |
| University of Maryland Medical Center    | \$27,444,460         | \$11,152,099         | 40.6%   | \$16,292,361          |
| Peninsula Regional Medical Center        | \$76,579,288         | \$31,257,311         | 40.8%   | \$45,321,974          |
| St Agnes Hospital                        | \$29,167,134         | \$13,478,581         | 46.2%   | \$15,688,553          |
| Union Hospital of Cecil County           | \$17,813,720         | \$8,528,297          | 47.9%   | \$9,285,422           |
| Western Maryland Health System           | \$86,004,384         | \$42,166,524         | 49.0%   | \$43,837,861          |
| Meritus Medical Center                   | \$71,508,912         | \$37,888,262         | 53.0%   | \$33,620,648          |
| MedStar Harbor Hospital                  | \$15,604,819         | \$8,490,296          | 54.4%   | \$7,114,523           |
| MedStar Good Samaritan                   | \$4,622,764          | \$2,837,593          | 61.4%   | \$1,785,171           |
| MedStar Union Memorial Hospital          | \$6,449,568          | \$4,025,030          | 62.4%   | \$2,424,538           |
| MedStar Franklin Square                  | \$35,186,768         | \$22,193,568         | 63.1%   | \$12,993,200          |
| Greater Baltimore Medical Center         | \$112,683,096        | \$71,382,500         | 63.3%   | \$41,300,598          |
| MedStar Montgomery Medical Center        | \$10,426,219         | \$7,899,893          | 75.8%   | \$2,526,326           |
| <b>Total</b>                             | <b>\$989,588,064</b> | <b>\$295,204,140</b> | <b>29.8%</b>                                      | <b>\$694,383,923</b>  |

One category of mission-driven services is physician subsidies. Hospitals that reported physician subsidies as a community benefit category are required to further explain why the services would not otherwise be available to meet patient demand. Physician subsidy categories include the following:

- Hospital-based physicians with whom the hospital has an exclusive contract
- Non-resident house staff and hospitalists
- Coverage of ED call
- Physician provision of financial assistance to encourage alignment with the hospital financial assistance policies
- Physician recruitment to meet community need
- Other subsidies

New to this year's report, staff attempted to analyze the physician subsidies reported on hospitals' financial reports and to link these subsidies with needs identified on the hospitals' CHNAs and the gaps in physician availability described in Section V above. Due to varying levels of detail and some ambiguous responses provided by the hospitals in this area, please consider the data in Figure 6 as preliminary. Staff intend to update the report instructions to better collect this information in subsequent years. Staff classified 84 percent of mission-driven service costs as physician subsidies. Within these subsidies, staff were able to link about half of these costs to a CHNA need or reported physician gap.

**Figure 6. Preliminary Percentage of Mission-Driven Expenditures for Physician Subsidies and Percentage Clearly Tied to a CHNA Need or Reported Physician Gap**



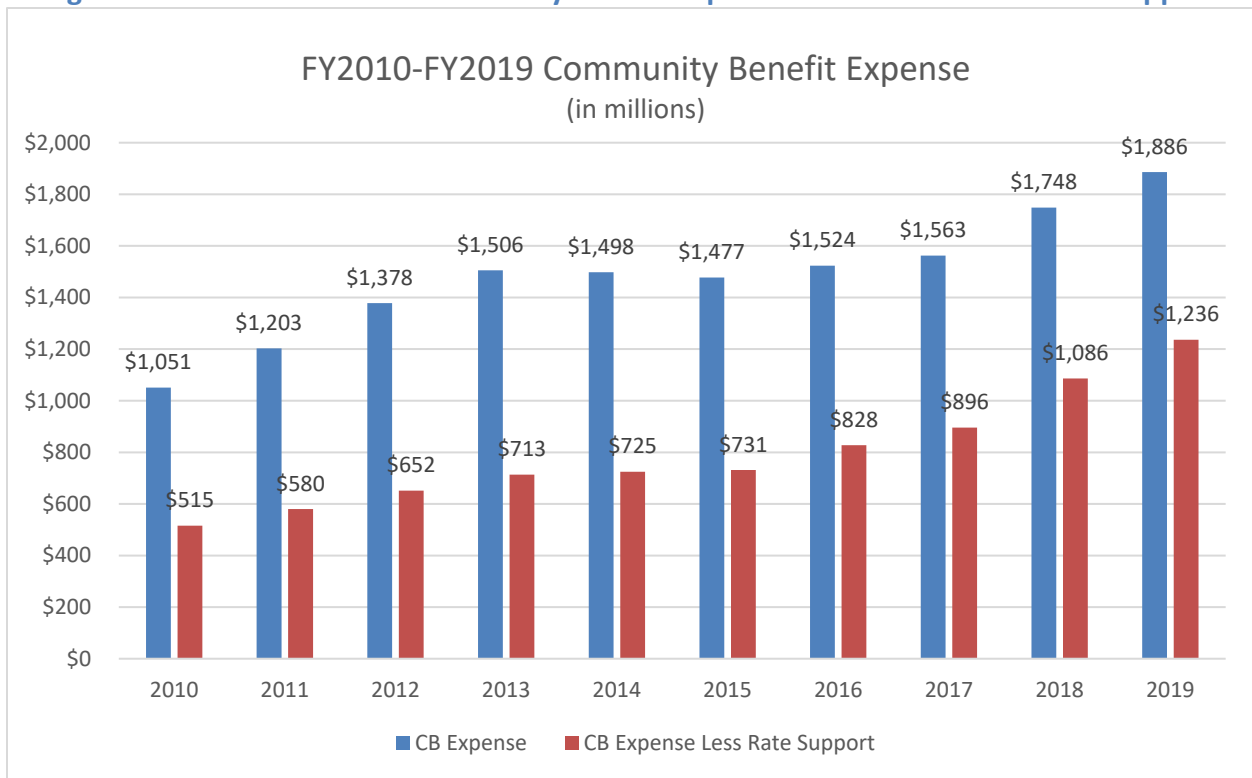
### FY 2004 – FY 2019 16-Year Summary

FY 2019 marks the 16<sup>th</sup> year since the inception of the CBR. In FY 2004, community benefit expenses represented \$586.5 million, or 6.9 percent of hospitals’ operating expenses. In FY 2019, these expenses represented roughly \$1.89 billion, or 11.2 percent of operating expenses. As Maryland hospitals increasingly focused on implementing cost-reduction and quality

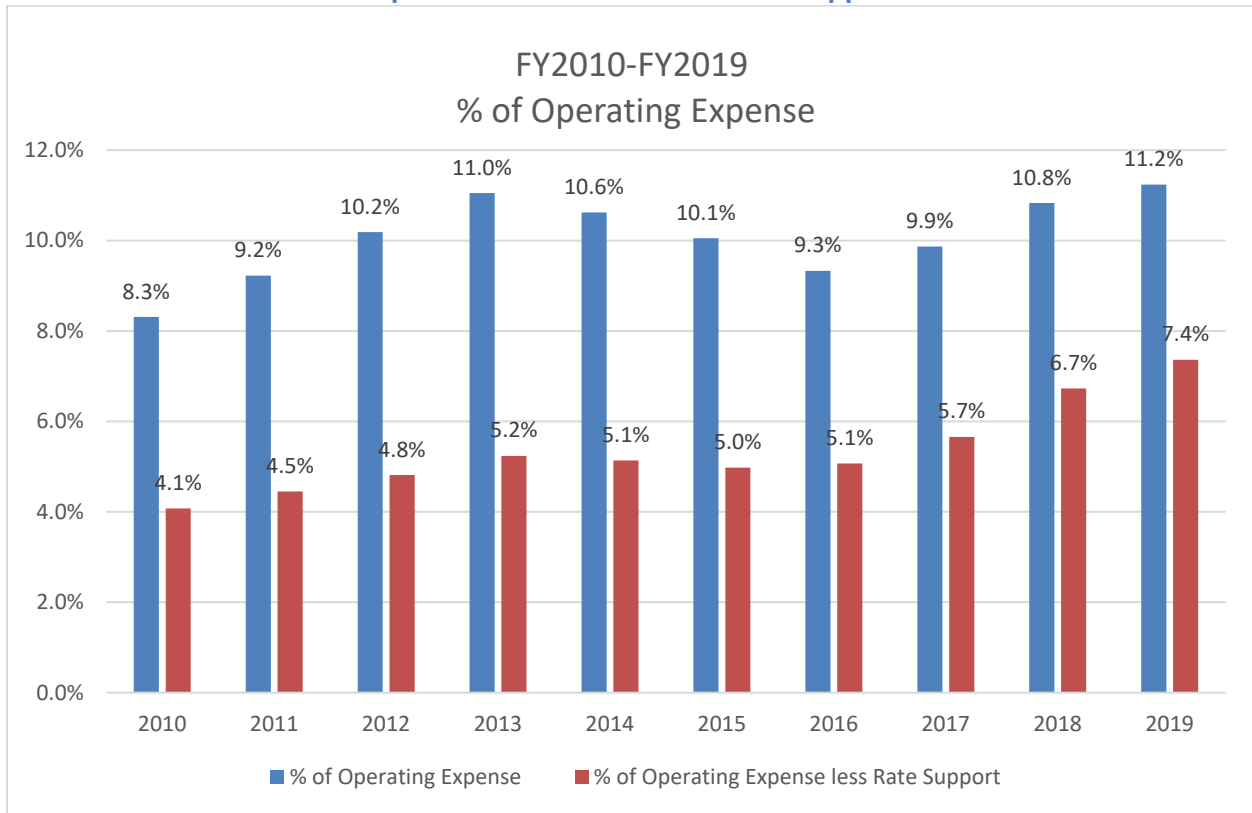
improvement strategies, an increasing percentage of operating expenses were directed toward community benefit initiatives.

The reporting requirement for revenue offsets and rate support has changed since the inception of the CBR in FY 2004. For consistency purposes, the following figures illustrate community benefit expenses from FY 2010 through FY 2019. Figures 7 and 8 show the trend of community benefit expenses with and without rate support. On average, approximately 50 percent of expenses were reimbursed through the rate-setting system, though that figure fell below 40 percent in FY 2018.

**Figure 7. FY 2010 – FY 2019 Community Benefit Expenses with and without Rate Support**



**Figure 8. FY 2010 – FY 2019 Community Benefit Expenses as a Percentage of Operating Expenses with and without Rate Support**



## CONCLUSION

In summary, all 50 Maryland hospitals submitted FY 2019 CBRs, showing a total of \$1.9 billion in community benefit expenditures, which is a slight increase over FY 2018 (\$1.7 billion). The distribution of expenditures across community benefit categories remained similar to prior years, with mission-driven services accounting for the majority of expenditures. Expenditures as a percentage of operating expenses also slightly increased from FY 2018 (6.7 percent) to FY 2019 (7.4 percent).

The narrative portion of the CBR provides the HSCRC with richer detail on hospital community benefit and CHNA activities beyond what is included in the financial report. The hospitals continued to be very responsive to using the new reporting tool, and all hospitals successfully submitted their reports online. Encouraging findings of the review include a senior-level commitment to community benefit activities and community engagement. For example, 91 percent of hospitals employed a population health director, and most reported that these staff members were involved in selecting the community health needs to target and in developing community benefit initiatives. Eighty-seven percent of hospitals employ staff dedicated to community benefit. Community benefit initiatives frequently targeted diabetes treatment/prevention, which is consistent with needs identified in hospital CHNAs and the goals of the state’s new Diabetes Action Plan.



The review also identified the following areas for improvement:

- Most, but not all, hospitals reported working with their local health department during the CHNA process. All hospitals are encouraged to include the local health departments in this process. Hospitals are also encouraged to improve visibility and reporting on CHNA activities.
- Staff noted variation in the format and content of the hospitals' financial assistance policy documents. Standardization of these documents could provide greater clarity for consumers.
- Only 13 hospitals reported collaborating with post-acute facilities in their community benefit initiatives. Greater collaboration with such facilities may help the state to achieve the new goals within the Total Cost of Care Model, which emphasizes collaboration with community-based providers to address population needs.
- Inconsistencies and ambiguity in reporting on physician subsidies makes it difficult to tie these expenditures to needs specifically identified in the CHNA or gaps in physician availability. Revisions to the reporting instructions will allow for more precise analyses in subsequent years.

With the passage of Senate Bill 774 during the 2020 legislative session, the HSCRC staff will work with stakeholders in the coming months to address these improvement areas, as well as the changes outlined in the bill. Corresponding changes will be made to next year's reporting tool.

## **APPENDIX A. COMMUNITY HEALTH MEASURES REPORTED BY HOSPITALS**

In addition to the measures reported in Table 4 of the main body of this report, hospitals reported using a number of other sources of community health data, including the following:

- 2017 Cigarette Restitution Fund Program's Cancer in Maryland Report
- Baltimore City Comptroller's Office
- Baltimore City Health Department
- Baltimore City Housing Department
- Baltimore City Liquor Board
- Baltimore City Planning Department
- Baltimore City Public Schools System
- Baltimore City Real Property Management Database
- CDC National Center for Health Statistics
- CDC Chronic Disease Calculator
- CDC Community Health Status Indicators
- Center for a Livable Future
- Conduent - Healthy Communities Institute
- County Health Rankings
- Chesapeake Regional Information System for our Patients
- Healthy People 2020
- HRSA - Health Professional Shortage Areas
- Injuries in Maryland Report
- Johns Hopkins Bloomberg School of Public Health - Healthy Food Priorities Map
- Local Health Departments' Community Health Statistics
- Maryland Behavioral Risk Factor Surveillance System
- Maryland Department of Planning
- Maryland Department of the Environment
- Maryland Physician Workforce Study
- Maryland Report Card
- Maryland State Health Improvement Plan (SHIP)
- Maryland Vital Statistics
- Maryland Youth Risk Behavior Survey
- Mayor's Office of Information Technology
- Truven/IBM Market Expert
- U.S. Census Bureau - American Community Survey
- University of Maryland School of Public Health

**APPENDIX B. CHNA SCHEDULES**

| <b>Hospital</b>                       | <b>Date Most Recent CHNA was Completed</b> |
|---------------------------------------|--|
| Holy Cross Germantown                 | Oct-16                                     |
| Holy Cross Hospital                   | Oct-16                                     |
| Garrett Regional Medical Center       | Nov-16                                     |
| Western Maryland Health System        | Jun-17                                     |
| CalvertHealth                         | Nov-17                                     |
| McCready Health                       | Dec-17                                     |
| Lifebridge Levindale                  | Mar-18                                     |
| Lifebridge Northwest                  | Mar-18                                     |
| Lifebridge Sinai                      | Mar-18                                     |
| Carroll Hospital Center               | May-18                                     |
| Johns Hopkins Bayview Medical Center  | May-18                                     |
| UM Upper Chesapeake                   | May-18                                     |
| UM Rehab & Ortho                      | May-18                                     |
| Mt Washington Pediatric Hospital      | Jun-18                                     |
| UMMC Midtown                          | Jun-18                                     |
| University of Maryland Medical Center | Jun-18                                     |
| Mercy Medical Center                  | Jun-18                                     |
| Saint Agnes Hospital                  | Jun-18                                     |
| The Johns Hopkins Hospital            | Jun-18                                     |
| MedStar Franklin Square               | Jun-18                                     |
| MedStar Good Samaritan                | Jun-18                                     |
| MedStar Harbor Hospital               | Jun-18                                     |
| MedStar Montgomery Medical Center     | Jun-18                                     |
| MedStar Southern Maryland             | Jun-18                                     |
| MedStar Union Memorial                | Jun-18                                     |
| MedStar St Mary's                     | Jun-18                                     |
| UM Charles Regional                   | Jun-18                                     |
| Anne Arundel Medical Center           | Feb-19                                     |
| Doctors Community Hospital            | Apr-19                                     |
| Frederick Memorial Hospital           | May-19                                     |
| Meritus Medical Center                | May-19                                     |
| Sheppard Pratt Health System          | May-19                                     |
| Atlantic General                      | May-19                                     |
| Fort Washington Medical Center        | May-19                                     |
| UM Shore Regional Health              | May-19                                     |
| Greater Baltimore Medical Center      | Jun-19                                     |

Maryland Hospital Community Benefit Report: FY 2019

| Hospital                          | Date Most Recent CHNA was Completed |
|-----------------------------------|-------------------------------------|
| UM Capitol Region                 | Jun-19                              |
| Peninsula Regional Medical Center | Jun-19                              |
| UM BWMC                           | Jun-19                              |
| Suburban Hospital                 | Jun-19                              |
| UM St Joseph Medical Center       | Jun-19                              |
| Union Hospital of Cecil County    | Jun-19                              |
| Howard County General Hospital    | Jun-19                              |
| Bon Secours                       | Jul-19                              |
| Adventist Rehab                   | Oct-19                              |
| Adventist Shady Grove             | Oct-19                              |
| Washington Adventist Hospital     | Oct-19                              |

\*Data Source: As reported by hospitals on their FY 2019 CBRs and edited according to hospital websites

**APPENDIX C. CHNA INTERNAL AND EXTERNAL PARTICIPANTS AND THEIR ROLES**

| CHNA Participant Category  | N/A - Person or Organization was not Involved | N/A - Position or Department Does Not Exist | Member of CHNA Committee | Participated in the Development of the CHNA Process | Advised on CHNA Best Practices | Participated in Primary Data Collection | Participated in Identifying Priority Health Needs | Participated in Identifying Community Resources to Meet Health Needs | Provided Secondary Health Data | Other |
|--|---|---|--------------------------|---|--------------------------------|---|---|--|--------------------------------|-------|
| <b>Internal Participants</b>                                     |   |   |                          |   |                                |   |   |  |                                |       |
| CB/ Community Health/Population Health Director (facility level) | 4   | 11  | 32                       | 31  | 29                             | 29                                      | 33  | 31   | 19                             | 5     |
| CB/ Community Health/ Population Health Director (system level)  | 10  | 11  | 17                       | 23  | 22                             | 20                                      | 23  | 23   | 17                             | 4     |
| Senior Executives (CEO, CFO, VP, etc.) (facility level)          | 2   | 1   | 32                       | 31  | 19                             | 14                                      | 32  | 23   | 2                              | 9     |
| Senior Executives (CEO, CFO, VP, etc.) (system level)            | 6   | 7   | 12                       | 24  | 17                             | 4                                       | 21  | 10   | 1                              | 6     |
| Board of Directors or Board Committee (facility level)           | 7   | 3   | 17                       | 15  | 14                             | 4                                       | 24  | 15   | 3                              | 12    |
| Board of Directors or Board Committee (system level)             | 13  | 8   | 6                        | 10  | 14                             | 1                                       | 11  | 6  | 1                              | 8     |
| Clinical Leadership (facility level)                             | 2   | 0   | 31                       | 25  | 27                             | 18                                      | 39  | 33   | 8                              | 2     |
| Clinical Leadership (system level)                               | 17  | 8   | 15                       | 15  | 15                             | 4                                       | 19  | 14   | 5                              | 0     |
| Population Health Staff (facility level)                         | 3   | 10  | 28                       | 24  | 21                             | 23                                      | 33  | 33   | 20                             | 1     |
| Population Health Staff (system level)                           | 14  | 10  | 14                       | 19  | 15                             | 14                                      | 20  | 16   | 12                             | 3     |
| Community Benefit staff (facility level)                         | 0   | 13  | 31                       | 31  | 31                             | 29                                      | 32  | 30   | 25                             | 1     |
| Community Benefit staff (system level)                           | 8   | 12  | 17                       | 19  | 23                             | 16                                      | 18  | 17   | 12                             | 5     |
| Physician(s)   | 8   | 0   | 23                       | 18  | 17                             | 16                                      | 34  | 27   | 4                              | 1     |
| Nurse(s)   | 8   | 0   | 25                       | 23  | 19                             | 20                                      | 34  | 32   | 10                             | 1     |
| Social Workers   | 10  | 1   | 20                       | 16  | 14                             | 17                                      | 31  | 30   | 7                              | 1     |
| Community Benefit Task Force                                     | 7   | 11  | 18                       | 22  | 17                             | 22                                      | 26  | 24   | 9                              | 7     |
| Hospital Advisory Board  | 6   | 22  | 11                       | 12  | 12                             | 6                                       | 17  | 16   | 3                              | 1     |
| Other (specify)  | 4   | 0   | 2                        | 1   | 4                              | 8                                       | 6   | 5  | 3                              | 1     |

Maryland Hospital Community Benefit Report: FY 2019

| CHNA Participant Category                | N/A - Person or Organization was not Involved | N/A - Position or Department Does Not Exist | Member of CHNA Committee | Participated in the Development of the CHNA Process | Advised on CHNA Best Practices | Participated in Primary Data Collection | Participated in Identifying Priority Health Needs | Participated in Identifying Community Resources to Meet Health Needs | Provided Secondary Health Data | Other |
|--|---|---|--------------------------|---|--------------------------------|---|---|--|--------------------------------|-------|
| <b>External Participants</b>             |   |   |                          |   |                                |   |   |  |                                |       |
| Other Hospitals                          | 17  |   | 13                       | 21  | 17                             | 24                                      | 25  | 19   | 13                             | 3     |
| Local Health Department                  | 0   |   | 25                       | 32  | 33                             | 42                                      | 41  | 40   | 36                             | 6     |
| Local Health Improvement Coalition       | 12  |   | 17                       | 19  | 20                             | 26                                      | 30  | 29   | 17                             | 1     |
| Maryland Department of Health            | 20  |   | 4                        | 3   | 6                              | 7                                       | 5   | 7  | 20                             | 4     |
| Maryland Department of Human Resources   | 43  |   | 0                        | 0   | 0                              | 1                                       | 0   | 0  | 3                              | 0     |
| Maryland Department of Natural Resources | 46  |   | 0                        | 0   | 0                              | 0                                       | 0   | 0  | 1                              | 0     |
| Maryland Department of the Environment   | 41  |   | 0                        | 0   | 0                              | 1                                       | 1   | 0  | 6                              | 0     |
| Maryland Department of Transportation    | 39  |   | 1                        | 0   | 0                              | 1                                       | 1   | 1  | 7                              | 0     |
| Maryland Department of Education         | 38  |   | 1                        | 0   | 0                              | 1                                       | 0   | 1  | 8                              | 0     |
| Area Agency on Aging                     | 15  |   | 5                        | 7   | 6                              | 15                                      | 19  | 19   | 12                             | 1     |
| Local Govt. Organizations                | 19  |   | 9                        | 10  | 10                             | 13                                      | 21  | 20   | 7                              | 0     |
| Faith-Based Organizations                | 9   |   | 7                        | 5   | 1                              | 19                                      | 27  | 27   | 3                              | 0     |
| School - K-12                            | 15  |   | 6                        | 6   | 9                              | 15                                      | 22  | 23   | 15                             | 3     |
| School - Colleges and/or Universities    | 20  |   | 7                        | 8   | 13                             | 16                                      | 22  | 22   | 11                             | 3     |
| School of Public Health                  | 33  |   | 1                        | 2   | 5                              | 10                                      | 10  | 7  | 7                              | 3     |
| School - Medical School                  | 40  |   | 0                        | 2   | 1                              | 4                                       | 5   | 5  | 4                              | 0     |
| School - Nursing School                  | 35  |   | 0                        | 3   | 3                              | 6                                       | 8   | 7  | 3                              | 0     |
| School - Dental School                   | 45  |   | 0                        | 0   | 0                              | 0                                       | 0   | 2  | 0                              | 0     |
| School - Pharmacy School                 | 45  |   | 0                        | 0   | 0                              | 0                                       | 1   | 2  | 0                              | 0     |
| Behavioral Health Organizations          | 15  |   | 12                       | 12  | 10                             | 13                                      | 28  | 27   | 7                              | 0     |
| Social Service Organizations             | 17  |   | 8                        | 9   | 9                              | 17                                      | 27  | 26   | 5                              | 0     |
| Post-Acute Care Facilities               | 35  |   | 1                        | 1   | 1                              | 5                                       | 7   | 9  | 3                              | 1     |

Maryland Hospital Community Benefit Report: FY 2019

| CHNA Participant Category              | N/A - Person or Organization was not Involved | N/A - Position or Department Does Not Exist | Member of CHNA Committee | Participated in the Development of the CHNA Process | Advised on CHNA Best Practices | Participated in Primary Data Collection | Participated in Identifying Priority Health Needs | Participated in Identifying Community Resources to Meet Health Needs | Provided Secondary Health Data | Other |
|--|---|---|--------------------------|---|--------------------------------|---|---|--|--------------------------------|-------|
| Community/Neighborhood Organizations   | 17  |   | 8                        | 8   | 4                              | 15                                      | 26  | 24   | 5                              | 1     |
| Consumer/Public Advocacy Organizations | 20  |   | 8                        | 7   | 5                              | 17                                      | 23  | 23   | 6                              | 0     |
| Other                                  | 8   |   | 6                        | 5   | 8                              | 20                                      | 26  | 22   | 7                              | 3     |

**APPENDIX D. COMMUNITY BENEFIT INTERNAL AND EXTERNAL PARTICIPANTS AND THEIR ROLES**

|  | N/A - Person or Organization was not Involved | N/A - Position or Department Does Not Exist | Selecting health needs that will be targeted | Selecting the initiatives that will be supported | Determining how to evaluate the impact of initiatives | Providing Funding for CB Activities | Allocating budgets for individual initiatives | Delivering CB Initiatives | Evaluating the Outcome of CB Initiatives | Other (explain) |
|--|---|---|--|--|---|-------------------------------------|---|---------------------------|--|-----------------|
| <b>Internal Participants</b>                                     |   |   |  |  |   |                                     |   |                           |  |                 |
| CB/ Community Health/Population Health Director (facility level) | 3   | 10  | 33   | 32   | 33  | 25                                  | 29  | 31                        | 31                                       | 3               |
| CB/ Community Health/ Population Health Director (system level)  | 12  | 9   | 25   | 24   | 24  | 10                                  | 16  | 17                        | 20                                       | 1               |
| Senior Executives (CEO, CFO, VP, etc.) (facility level)          | 3   | 1   | 32   | 35   | 23  | 33                                  | 33  | 10                        | 21                                       | 1               |
| Senior Executives (CEO, CFO, VP, etc.) (system level)            | 9   | 9   | 23   | 22   | 18  | 14                                  | 15  | 5                         | 13                                       | 1               |
| Board of Directors or Board Committee (facility level)           | 9   | 3   | 22   | 18   | 13  | 5                                   | 3   | 2                         | 13                                       | 7               |
| Board of Directors or Board Committee (system level)             | 19  | 9   | 14   | 11   | 6   | 0                                   | 1   | 0                         | 3  | 1               |
| Clinical Leadership (facility level)                             | 4   | 0   | 32   | 29   | 26  | 9                                   | 14  | 31                        | 28                                       | 1               |
| Clinical Leadership (system level)                               | 20  | 9   | 13   | 13   | 9   | 4                                   | 6   | 8                         | 10                                       | 0               |
| Population Health Staff (facility level)                         | 1   | 10  | 29   | 27   | 27  | 10                                  | 14  | 29                        | 29                                       | 0               |
| Population Health Staff (system level)                           | 17  | 9   | 15   | 17   | 17  | 6                                   | 11  | 16                        | 17                                       | 0               |
| Community Benefit staff (facility level)                         | 4   | 14  | 25   | 25   | 22  | 11                                  | 12  | 24                        | 27                                       | 2               |
| Community Benefit staff (system level)                           | 9   | 16  | 14   | 14   | 17  | 3                                   | 4   | 14                        | 17                                       | 1               |
| Physician(s)   | 6   | 0   | 28   | 26   | 18  | 2                                   | 3   | 33                        | 16                                       | 3               |
| Nurse(s)   | 6   | 0   | 25   | 24   | 19  | 6                                   | 6   | 38                        | 18                                       | 1               |
| Social Workers   | 14  | 1   | 19   | 19   | 14  | 3                                   | 3   | 32                        | 16                                       | 0               |
| Community Benefit Task Force                                     | 8   | 12  | 22   | 21   | 20  | 4                                   | 4   | 11                        | 21                                       | 3               |
| Hospital Advisory Board  | 16  | 19  | 9  | 8  | 5   | 2                                   | 3   | 3                         | 6  | 2               |
| Other (specify)  | 5   | 1   | 2  | 3  | 3   | 1                                   | 1   | 4                         | 3  | 0               |
| <b>External Participants</b>                                     |   |   |  |  |   |                                     |   |                           |  |                 |



Maryland Hospital Community Benefit Report: FY 2019

|  | N/A - Person or Organization was not Involved | N/A - Position or Department Does Not Exist | Selecting health needs that will be targeted | Selecting the initiatives that will be supported | Determining how to evaluate the impact of initiatives | Providing Funding for CB Activities | Allocating budgets for individual initiatives | Delivering CB Initiatives | Evaluating the Outcome of CB Initiatives | Other (explain) |
|--|---|---|--|--|---|-------------------------------------|---|---------------------------|--|-----------------|
| Other Hospitals                          | 19  |   | 16   | 14   | 18  | 10                                  | 11  | 21                        | 18                                       | 4               |
| Local Health Department                  | 9   |   | 22   | 17   | 25  | 18                                  | 7   | 30                        | 25                                       | 5               |
| Local Health Improvement Coalition       | 14  |   | 24   | 14   | 16  | 1                                   | 2   | 13                        | 16                                       | 2               |
| Maryland Department of Health            | 33  |   | 4  | 4  | 4   | 5                                   | 1   | 5                         | 5  | 0               |
| Maryland Department of Human Resources   | 46  |   | 0  | 0  | 0   | 0                                   | 0   | 0                         | 0  | 0               |
| Maryland Department of Natural Resources | 46  |   | 0  | 0  | 0   | 0                                   | 0   | 0                         | 0  | 0               |
| Maryland Department of the Environment   | 45  |   | 0  | 0  | 0   | 0                                   | 0   | 0                         | 0  | 1               |
| Maryland Department of Transportation    | 44  |   | 1  | 1  | 0   | 0                                   | 0   | 1                         | 0  | 1               |
| Maryland Department of Education         | 42  |   | 1  | 2  | 0   | 1                                   | 0   | 1                         | 0  | 1               |
| Area Agency on Aging                     | 21  |   | 11   | 8  | 12  | 6                                   | 3   | 16                        | 14                                       | 3               |
| Local Govt. Organizations                | 18  |   | 8  | 8  | 3   | 4                                   | 2   | 18                        | 7  | 3               |
| Faith-Based Organizations                | 13  |   | 17   | 7  | 3   | 0                                   | 0   | 22                        | 6  | 6               |
| School - K-12                            | 15  |   | 12   | 9  | 6   | 2                                   | 1   | 22                        | 11                                       | 5               |
| School - Colleges and/or Universities    | 26  |   | 7  | 5  | 4   | 0                                   | 0   | 14                        | 5  | 4               |
| School of Public Health                  | 37  |   | 3  | 3  | 4   | 1                                   | 0   | 7                         | 5  | 0               |
| School - Medical School                  | 37  |   | 3  | 1  | 3   | 3                                   | 1   | 7                         | 4  | 1               |
| School - Nursing School                  | 30  |   | 4  | 2  | 4   | 1                                   | 0   | 12                        | 4  | 2               |
| School - Dental School                   | 44  |   | 0  | 0  | 0   | 0                                   | 0   | 2                         | 0  | 0               |
| School - Pharmacy School                 | 42  |   | 1  | 1  | 1   | 0                                   | 0   | 3                         | 1  | 1               |
| Behavioral Health Organizations          | 21  |   | 13   | 9  | 8   | 2                                   | 2   | 22                        | 10                                       | 2               |
| Social Service Organizations             | 20  |   | 10   | 13   | 6   | 5                                   | 1   | 20                        | 11                                       | 2               |
| Post-Acute Care Facilities               | 33  |   | 5  | 1  | 3   | 0                                   | 0   | 9                         | 3  | 2               |
| Community/Neighborhood Organizations     | 19  |   | 14   | 10   | 9   | 4                                   | 1   | 23                        | 12                                       | 2               |
| Consumer/Public Advocacy Organizations   | 30  |   | 6  | 5  | 3   | 2                                   | 0   | 14                        | 10                                       | 1               |
| Other                                    | 9   |   | 9  | 10   | 5   | 5                                   | 1   | 14                        | 12                                       | 3               |

## APPENDIX E. FY 2019 FUNDING FOR NURSE SUPPORT PROGRAM I, DIRECT MEDICAL EDUCATION, AND CHARITY CARE

| Hospital Name                        | Direct Medical Education (DME) | Nurse Support Program I (NSPI) | Charity Care in Rates | Total Rate Support |
|--------------------------------------|--------------------------------|--------------------------------|-----------------------|--------------------|
| Adventist Rehab of Maryland          | 0                              | 59,478                         | 0                     | 59,478             |
| Adventist Shady Grove Hospital       | 66,671                         | 401,328                        | 4,995,875             | 5,463,874          |
| Adventist Washington Adventist       | 0                              | 271,148                        | 5,728,796             | 5,999,944          |
| Anne Arundel Medical Center          | 1,295,673                      | 601,775                        | 4,691,160             | 6,588,607          |
| Atlantic General                     | 0                              | 107,265                        | 2,550,944             | 2,658,209          |
| Bon Secours                          | 0                              | 109,890                        | 495,978               | 605,868            |
| Calvert Hospital                     | 0                              | 149,192                        | 4,318,080             | 4,467,272          |
| Carroll Hospital Center              | 0                              | 235,036                        | 289,902               | 524,938            |
| Doctors Community                    | 0                              | 232,582                        | 5,568,577             | 5,801,159          |
| Fort Washington Medical Center       | 0                              | 48,728                         | 915,508               | 964,236            |
| Frederick Memorial                   | 0                              | 346,113                        | 6,317,028             | 6,663,141          |
| Garrett County Hospital              | 0                              | 55,258                         | 2,837,753             | 2,893,011          |
| GBMC                                 | 7,731,237                      | 462,643                        | 1,526,879             | 9,720,759          |
| Holy Cross Germantown Hospital       | 0                              | 96,340                         | 4,391,043             | 4,487,383          |
| Holy Cross Hospital                  | 0                              | 504,633                        | 22,228,197            | 22,732,830         |
| Howard County Hospital               | 0                              | 303,037                        | 4,307,426             | 4,610,463          |
| Johns Hopkins Bayview Medical Center | 25,126,324                     | 645,220                        | 16,653,222            | 42,424,765         |
| Johns Hopkins Hospital               | 119,235,430                    | 2,352,719                      | 27,205,236            | 148,793,385        |
| Lifebridge Levindale                 | 0                              | 59,432                         | 0                     | 59,432             |
| Lifebridge Northwest Hospital        | 0                              | 258,801                        | 1,828,064             | 2,086,865          |
| LifeBridge Sinai                     | 17,345,063                     | 769,857                        | 4,914,751             | 23,029,670         |
| McCready                             | 0                              | 16,897                         | 352,315               | 369,212            |
| MedStar Franklin Square              | 8,779,317                      | 518,002                        | 10,912,749            | 20,210,067         |
| MedStar Good Samaritan               | 4,725,287                      | 297,578                        | 5,531,743             | 10,554,608         |
| MedStar Harbor Hospital              | 3,866,851                      | 193,638                        | 4,986,576             | 9,047,065          |
| MedStar Montgomery General           | 0                              | 178,461                        | 2,424,194             | 2,602,655          |
| MedStar Southern Maryland            | 0                              | 270,323                        | 4,938,308             | 5,208,631          |
| MedStar St. Mary's Hospital          | 0                              | 190,011                        | 3,969,758             | 4,159,769          |
| MedStar Union Memorial               | 13,134,515                     | 434,442                        | 8,806,075             | 22,375,032         |
| Mercy Medical Center                 | 5,222,206                      | 524,091                        | 14,645,515            | 20,391,812         |
| Meritus Medical Center               | 0                              | 325,953                        | 4,081,165             | 4,407,118          |
| Mt. Washington Pediatrics            | 0                              | 59,447                         | 0                     | 59,447             |
| Peninsula Regional                   | 0                              | 437,069                        | 10,845,207            | 11,282,277         |
| Sheppard Pratt                       | 2,692,100                      | 150,869                        | 0                     | 2,842,969          |

Maryland Hospital Community Benefit Report: FY 2019

| Hospital Name                         | Direct Medical Education (DME) | Nurse Support Program I (NSPI) | Charity Care in Rates | Total Rate Support   |
|---------------------------------------|--------------------------------|--------------------------------|-----------------------|----------------------|
| St. Agnes                             | 8,822,979                      | 431,097                        | 17,628,511            | 26,882,587           |
| Suburban Hospital                     | 598,256                        | 310,897                        | 4,356,540             | 5,265,693            |
| UM Baltimore Washington               | 650,488                        | 416,534                        | 5,595,369             | 6,662,391            |
| UM Capital Region                     | 4,654,172                      | 394,015                        | 11,319,765            | 16,367,952           |
| UM Charles Regional Medical Center    | 0                              | 148,862                        | 936,410               | 1,085,272            |
| UM Harford Memorial                   | 0                              | 105,315                        | 1,600,565             | 1,705,879            |
| UM Midtown                            | 4,875,719                      | 239,136                        | 4,202,058             | 9,316,913            |
| UM Rehabilitation and Ortho Institute | 4,059,878                      | 124,287                        | 0                     | 4,184,165            |
| UM Shore Medical Chestertown          | 0                              | 59,207                         | 364,502               | 423,709              |
| UM Shore Medical Dorchester           | 0                              | 49,851                         | 402,745               | 452,596              |
| UM Shore Medical Easton               | 0                              | 203,068                        | 1,966,084             | 2,169,152            |
| UM St. Joseph                         | \$0                            | 408,177                        | 8,350,882             | 8,759,059            |
| UM Upper Chesapeake                   | 0                              | 408,177                        | 8,350,882             | 8,759,059            |
| UMMC & Shock Trauma                   | 119,732,582                    | 1,603,188                      | 16,640,790            | 137,976,560          |
| Union Hospital of Cecil County        | 0                              | 160,871                        | 1,505,630             | 1,666,501            |
| Western Maryland Health System        | 0                              | 329,029                        | 8,739,580             | 9,068,609            |
| <b>Total</b>                          | <b>\$352,614,747</b>           | <b>\$16,992,206</b>            | <b>\$280,320,541</b>  | <b>\$649,927,494</b> |

## APPENDIX F. CHARITY CARE METHODOLOGY

The purpose of this appendix is to explain why the charity care amounts reported by hospitals in their community benefit reports may not match the charity care amounts applied in their global budgets for the same year. The charity care amounts in rates are part of the HSCRC's uncompensated care (UCC) policy, which is a prospective policy applied at the beginning of the rate year. In contrast, the amounts reported by hospitals in their community benefit report retrospective.

The HSCRC applies the following procedures to calculate the charity care dollar amount to subtract from total dollars provided by hospitals in the statewide Community Benefit Report.

### Step 1

Determine the amount of uncompensated care that was projected for each hospital for the fiscal year being reported (in this case, the FY 2019 Community Benefit Report) based on the policy approved by the Commission for the beginning of the rate year (also FY 2019).

- The HSCRC uses a logistic regression to predict actual hospital uncompensated care costs in a given year (FY 2019).
- The uncompensated care logistic regression model predicts a patient's likelihood of having UCC based on payer type, the location of service (i.e., inpatient, ED, and other outpatient), and the Area Deprivation Index.<sup>36</sup>
  - An expected UCC dollar amount is calculated for every patient encounter.
  - These UCC dollars are then summarized at the hospital level.
  - These summarized UCC dollars are then divided by the hospital's total charges to estimate the hospital's UCC level.
- The hospital's most current fiscal year financially audited UCC levels (FY 2019) are averaged with the hospital's estimated UCC levels from the prior FY (FY18) to determine hospital-specific adjustments. These are predicted amounts provided to hospitals to fund the next year's UCC.

### Step 2

Retrospectively, determine the actual ratio of charity care to total UCC from the hospital's audited financial statements to determine the rate of charity expense to apply to the predicted UCC amount from the rate year 2019 policy. The resulting charity care amount is the estimated amount provided in rates that will be subtracted from the hospital's community benefit.

---

<sup>36</sup> The Area Deprivation Index represents a geographic area-based measure of the socioeconomic deprivation experienced by a neighborhood.

**Example Johns Hopkins Hospital:**

|  |       |
|--|-------|
| <u>Predicted Value from FY 2016 Estimated UCC Levels</u> | 3.60% |
| <u>FY 2017 Audited Financial UCC Level</u>               | 2.25% |
| <u>Predicted 50/50 Average</u>                           | 3.02% |

Split between Bad Debt and Charity Care Amounts – FY 2017 Audited Financials

| <b>Regulated Gross Patient Revenue</b> | <b>Regulated Total UCC</b> | <b>Regulated Bad Debt</b> | <b>Regulated Charity</b> | <b>Bad Debt</b> | <b>Charity Chare</b> |
|--|----------------------------|---------------------------|--------------------------|-----------------|----------------------|
| \$2,352,718,900                        | \$61,819,012               | \$40,121,239              | \$21,697,773             | 64.90%          | 35.10%               |

Estimate amount of UCC \$ provided in rates at the beginning of FY 2017:

FY17 Regulated Gross Patient Revenue (\$2,352,718,900) \* 3.02% (3.02192482223646%) = \$ 71,097,396

Estimate of Charity \$ provided in rates at the beginning of FY 2017:

35.10% (35.0988673193289%) \* \$71,097,396 = \$24,954,381.

**APPENDIX G. FY 2018 COMMUNITY BENEFIT ANALYSIS**

| Hospital Name           | Number of Employees | Number of Staff Hours for CB Operations | Total Hospital Operating Expense (\$) | Total Community Benefit Expense (\$) | Total CB as % of Total Operating Expense | Total in Rates for Charity Care, DME, and NSPI* (\$) | Net CB minus Charity Care, DME, NSPI in Rates (\$) | Total Net CB(minus Charity Care, DME, NSPI in Rates) as % of Operating Expense | CB Reported Charity Care (\$) |
|-------------------------|---------------------|---|---------------------------------------|--------------------------------------|--|--|--|--|-------------------------------|
| Adventist Rehab*        | 573                 | 700                                     | 48,735,998                            | 2,850,174                            | 5.85%                                    | 59,478   | 2,790,696  | 5.73%  | 298,167                       |
| Anne Arundel            | 4,926               | 1,368                                   | 557,932,000                           | 53,331,203                           | 9.56%                                    | 6,588,607  | 46,742,596   | 8.38%  | 4,024,300                     |
| Atlantic General        | 925                 | 102                                     | 134,838,095                           | 16,647,351                           | 12.35%                                   | 2,658,209  | 13,989,142   | 10.37%   | 2,388,460                     |
| Bon Secours             | 566                 | 17,073                                  | 114,971,612                           | 24,681,805                           | 21.47%                                   | 605,868  | 24,075,936   | 20.94%   | 491,056                       |
| Calvert Hospital        | 1,150               | 172                                     | 135,516,353                           | 19,718,889                           | 14.55%                                   | 4,467,272  | 15,251,617   | 11.25%   | 4,881,836                     |
| Carroll Hospital Center | 1,745               | 2,080                                   | 203,344,125                           | 17,107,868                           | 8.41%                                    | 524,938  | 16,582,930   | 8.16%  | 376,223                       |
| Doctors Community       | 1,609               | 4,112                                   | 200,232,626                           | 14,223,843                           | 7.10%                                    | 5,801,159  | 8,422,684  | 4.21%  | 8,425,301                     |
| Fort Washington         | 410                 | 232                                     | 44,440,761                            | 2,857,941                            | 6.43%                                    | 964,236  | 1,893,705  | 4.26%  | 1,042,403                     |
| Frederick Memorial      | 2,247               | 361                                     | 340,006,000                           | 29,876,984                           | 8.79%                                    | 6,663,141  | 23,213,842   | 6.83%  | 7,002,000                     |
| Garrett County Hospital | 449                 | 42                                      | 49,273,773                            | 3,844,371                            | 7.80%                                    | 2,893,011  | 951,360  | 1.93%  | 2,924,970                     |
| GBMC                    | 0                   | 4,520                                   | 524,072,000                           | 52,326,649                           | 9.98%                                    | 9,720,759  | 42,605,890   | 8.13%  | 1,264,000                     |
| Holy Cross              | 2,875               | 6,349                                   | 437,129,013                           | 49,023,796                           | 11.21%                                   | 22,732,830   | 26,290,966   | 6.01%  | 31,098,161                    |
| Holy Cross Germantown   | 681                 | 354                                     | 108,725,994                           | 7,674,729                            | 7.06%                                    | 4,487,383  | 3,187,346  | 2.93%  | 4,282,298                     |
| Howard County General   | 1,658               | 2,913                                   | 266,793,000                           | 27,852,189                           | 10.44%                                   | 4,610,463  | 23,241,726   | 8.71%  | 5,237,664                     |
| Johns Hopkins           | 0                   | 6,651                                   | 2,476,117,000                         | 277,233,977                          | 11.20%                                   | 148,793,385  | 128,440,593  | 5.19%  | 25,938,000                    |
| Johns Hopkins Bayview   | 3,479               | 3,387                                   | 652,464,000                           | 87,565,399                           | 13.42%                                   | 42,424,765   | 45,140,634   | 6.92%  | 19,238,000                    |
| Lifebridge Levindale    | 860                 | 182                                     | 77,338,000                            | 2,393,573                            | 3.09%                                    | 59,432   | 2,334,141  | 3.02%  | 1,142,100                     |
| Lifebridge Northwest    | 1,690               | 1,048                                   | 246,006,000                           | 13,611,438                           | 5.53%                                    | 2,086,865  | 11,524,573   | 4.68%  | 1,936,100                     |
| LifeBridge Sinai        | 5,109               | 3,325                                   | 784,881,000                           | 64,320,383                           | 8.19%                                    | 23,029,670   | 41,290,713   | 5.26%  | 5,247,000                     |
| McCready                | 263                 | 0                                       | 17,725,100                            | 619,069                              | 3.49%                                    | 369,212  | 249,857  | 1.41%  | 378,616                       |
| MedStar Franklin Square | 3,045               | 2,733                                   | 538,458,852                           | 44,603,346                           | 8.28%                                    | 20,210,067   | 24,393,278   | 4.53%  | 10,276,998                    |

Maryland Hospital Community Benefit Report: FY 2019

| Hospital Name              | Number of Employees | Number of Staff Hours for CB Operations | Total Hospital Operating Expense (\$) | Total Community Benefit Expense (\$) | Total CB as % of Total Operating Expense | Total in Rates for Charity Care, DME, and NSPI* (\$) | Net CB minus Charity Care, DME, NSPI in Rates (\$) | Total Net CB(minus Charity Care, DME, NSPI in Rates) as % of Operating Expense | CB Reported Charity Care (\$) |
|----------------------------|---------------------|---|---------------------------------------|--------------------------------------|--|--|--|--|-------------------------------|
| MedStar Good Samaritan     | 1,710               | 1,520                                   | 261,186,698                           | 21,291,048                           | 8.15%                                    | 10,554,608   | 10,736,440   | 4.11%  | 6,085,945                     |
| MedStar Harbor             | 1,161               | 2,080                                   | 190,590,189                           | 23,048,579                           | 12.09%                                   | 9,047,065  | 14,001,514   | 7.35%  | 5,016,378                     |
| MedStar Montgomery General | 1,111               | 0                                       | 164,980,014                           | 6,636,813                            | 4.02%                                    | 2,602,655  | 4,034,158  | 2.45%  | 2,495,104                     |
| MedStar Southern Maryland  | 1,169               | 41                                      | 247,304,491                           | 16,665,330                           | 6.74%                                    | 5,208,631  | 11,456,699   | 4.63%  | 5,863,574                     |
| MedStar St. Mary's         | 1,200               | 6,240                                   | 160,019,685                           | 17,045,901                           | 10.65%                                   | 4,159,769  | 12,886,132   | 8.05%  | 4,627,204                     |
| MedStar Union Memorial     | 2,113               | 20                                      | 447,659,408                           | 37,771,783                           | 8.44%                                    | 22,375,032   | 15,396,751   | 3.44%  | 7,793,317                     |
| Mercy Medical Center       | 3,551               | 2,619                                   | 493,862,600                           | 69,422,978                           | 14.06%                                   | 20,391,812   | 49,031,165   | 9.93%  | 18,604,182                    |
| Meritus Medical Center     | 2,718               | 140                                     | 402,886,829                           | 41,440,328                           | 10.29%                                   | 4,407,118  | 37,033,210   | 9.19%  | 4,286,507                     |
| Mt. Washington Pediatrics  | 667                 | 2,232                                   | 62,496,501                            | 2,281,040                            | 3.65%                                    | 59,447   | 2,221,593  | 3.55%  | 101,000                       |
| Peninsula Regional         | 2,774               | 445                                     | 451,254,859                           | 65,491,801                           | 14.51%                                   | 11,282,277   | 54,209,524   | 12.01%   | 10,436,200                    |
| Shady Grove*               | 3,037               | 5,600                                   | 388,910,383                           | 35,994,402                           | 9.26%                                    | 5,463,874  | 30,530,528   | 7.85%  | 5,786,233                     |
| Sheppard Pratt             | 2,800               | 728                                     | 239,576,824                           | 23,283,055                           | 9.72%                                    | 2,842,969  | 20,440,086   | 8.53%  | 5,435,243                     |
| St. Agnes                  | 2,491               | 0                                       | 448,522,000                           | 52,747,629                           | 11.76%                                   | 26,882,587   | 25,865,043   | 5.77%  | 23,179,252                    |
| Suburban Hospital          | 1,786               | 2,174                                   | 300,567,000                           | 28,999,485                           | 9.65%                                    | 5,265,693  | 23,733,792   | 7.90%  | 4,484,000                     |
| UM Baltimore Washington    | 3,200               | 4,789                                   | 384,744,000                           | 23,463,182                           | 6.10%                                    | 6,662,391  | 16,800,791   | 4.37%  | 6,285,000                     |
| UM Capital Region          | 2,500               | 4,848                                   | 350,398,857                           | 62,958,758                           | 17.97%                                   | 16,367,952   | 46,590,806   | 13.30%   | 11,417,000                    |
| UM Charles Regional        | 0                   | 394                                     | 124,218,000                           | 11,355,994                           | 9.14%                                    | 1,085,272  | 10,270,722   | 8.27%  | 966,929                       |
| UM Harford Memorial        | 1,022               | 992                                     | 89,425,000                            | 7,476,206                            | 8.36%                                    | 1,705,879  | 5,770,326  | 6.45%  | 1,862,000                     |
| UM Medical Center          | 9,010               | 2,853                                   | 1,639,396,000                         | 235,150,570                          | 14.34%                                   | 137,976,560  | 97,174,010   | 5.93%  | 23,193,000                    |
| UM Midtown                 | 1,412               | 832                                     | 228,130,000                           | 40,856,366                           | 17.91%                                   | 9,316,913  | 31,539,452   | 13.83%   | 3,819,000                     |
| UM Rehab and Ortho         | 660                 | 750                                     | 109,077,000                           | 12,615,071                           | 11.57%                                   | 4,184,165  | 8,430,906  | 7.73%  | 1,668,000                     |

Maryland Hospital Community Benefit Report: FY 2019

| Hospital Name                  | Number of Employees | Number of Staff Hours for CB Operations | Total Hospital Operating Expense (\$) | Total Community Benefit Expense (\$) | Total CB as % of Total Operating Expense | Total in Rates for Charity Care, DME, and NSPI* (\$) | Net CB minus Charity Care, DME, NSPI in Rates (\$) | Total Net CB(minus Charity Care, DME, NSPI in Rates) as % of Operating Expense | CB Reported Charity Care (\$) |
|--------------------------------|---------------------|---|---------------------------------------|--------------------------------------|--|--|--|--|-------------------------------|
| UM Shore Chestertown           | 185                 | 1,460                                   | 51,275,000                            | 16,362,810                           | 31.91%                                   | 423,709  | 15,939,101   | 31.09%   | 464,000                       |
| UM Shore Dorchester            | 269                 | 2,160                                   | 40,190,863                            | 11,260,927                           | 28.02%                                   | 452,596  | 10,808,331   | 26.89%   | 446,565                       |
| UM Shore Easton                | 1,316               | 2,000                                   | 210,627,325                           | 34,690,481                           | 16.47%                                   | 2,169,152  | 32,521,329   | 15.44%   | 2,265,611                     |
| UM St. Joseph                  | 2,631               | 249                                     | 335,424,000                           | 47,999,642                           | 14.31%                                   | 8,759,059  | 39,240,583   | 11.70%   | 8,081,000                     |
| UM Upper Chesapeake            | 2,285               | 2,314                                   | 251,520,000                           | 17,409,231                           | 6.92%                                    | 3,794,504  | 13,614,727   | 5.41%  | 4,041,000                     |
| Union Hospital of Cecil County | 1,200               | 2,082                                   | 162,448,177                           | 12,135,655                           | 7.47%                                    | 1,666,501  | 10,469,154   | 6.44%  | 1,836,442                     |
| Washington Adventist*          | 1,600               | 3,463                                   | 252,683,556                           | 36,707,214                           | 14.53%                                   | 5,999,944  | 30,707,270   | 12.15%   | 6,114,949                     |
| Western Maryland               | 2,268               | 260                                     | 330,368,433                           | 61,025,350                           | 18.47%                                   | 9,068,609  | 51,956,741   | 15.73%   | 10,860,972                    |
| <b>All Hospitals</b>           | <b>91,394</b>       | <b>110,988</b>                          | <b>\$16,778,744,994</b>               | <b>\$1,885,952,606</b>               | <b>11.24%</b>                            | <b>\$649,927,494</b>                                 | <b>\$1,236,025,112</b>                             | <b>7.37%</b>   | <b>\$325,409,261</b>          |

\* The Adventist Hospital System requested and received permission to report its community benefit activities on a calendar year basis to more accurately reflect true activities during the community benefit cycle. The numbers listed in the "Total in Rates for Charity Care, DME, and NSPI\*" column reflect the HSCRC's activities for FY 2018 and therefore are different from the numbers reported by the Adventist Hospitals.



**APPENDIX H. FY 2018 HOSPITAL COMMUNITY BENEFIT AGGREGATE DATA**

|                                       | Type of Activity                                | Number of Staff Hours | Number of Encounters | Direct Cost          | Indirect Cost        | Offsetting Revenue   | Net Community Benefit with Indirect Cost | Net Community Benefit without Indirect Cost |
|---------------------------------------|---|-----------------------|----------------------|----------------------|----------------------|----------------------|--|---|
| <b>Unreimbursed Medicaid Costs</b>    |   |                       |                      |                      |                      |                      |  |   |
| T99                                   | Medicaid Assessments                            | -                     | -                    | \$332,893,374        | \$-                  | \$276,743,303        | \$56,150,071                             | \$56,150,071                                |
| <b>Community Health Services</b>      |   |                       |                      |                      |                      |                      |  |   |
| A10                                   | Community Health Education                      | 248,441               | 3,708,945            | 16,356,775           | 9,543,010            | 1,447,912            | 24,451,873                               | 14,908,863                                  |
| A11                                   | Support Groups                                  | 17,932                | 38,509               | 2,236,524            | 1,480,611            | 63,465               | 3,653,670                                | 2,173,059                                   |
| A12                                   | Self-Help                                       | 16,684                | 111,704              | 836,509              | 500,527              | 337,410              | 999,626                                  | 499,099                                     |
| A20                                   | Community-Based Clinical Services               | 290,400               | 551,554              | 13,480,074           | 12,005,591           | 9,380,157            | 16,105,508                               | 4,099,917                                   |
| A21                                   | Screenings                                      | 52,937                | 236,739              | 3,739,939            | 2,026,600            | 632,513              | 5,134,026                                | 3,107,425                                   |
| A22                                   | One-Time/Occasionally Held Clinics              | 1,255                 | 7,199                | 211,750              | 75,153               | 551                  | 286,352                                  | 211,199                                     |
| A23                                   | Free Clinics                                    | 4,670                 | 44,919               | 5,597,868            | 1,032,509            | 295,372              | 6,335,006                                | 5,302,497                                   |
| A24                                   | Mobile Units                                    | 34,662                | 12,883               | 1,702,254            | 811,287              | 1,504,044            | 1,009,498                                | 198,210                                     |
| A30                                   | Health Care Support Services                    | 439,858               | 399,264              | 42,109,853           | 21,228,159           | 4,248,427            | 59,089,585                               | 37,861,426                                  |
| A40                                   | Other   | 76,263                | 131,522              | 9,736,321            | 4,588,564            | 434,469              | 13,890,416                               | 9,301,852                                   |
| A99                                   | <b>Total</b>                                    | <b>1,183,102</b>      | <b>5,243,238</b>     | <b>\$96,007,867</b>  | <b>\$53,292,012</b>  | <b>\$18,344,320</b>  | <b>\$130,955,559</b>                     | <b>\$77,663,547</b>                         |
| <b>Health Professions Education</b>   |   |                       |                      |                      |                      |                      |  |   |
| B1                                    | Physicians/Medical Students                     | 3,959,000             | 111,902              | 353,723,300          | 166,950,878          | 2,976,232            | 517,697,946                              | 350,747,068                                 |
| B2                                    | Nurses/Nursing Students                         | 580,454               | 58,327               | 26,337,735           | 10,521,247           | 1,409                | 36,857,574                               | 26,336,326                                  |
| B3                                    | Other Health Professionals                      | 441,501               | 40,148               | 19,178,695           | 8,913,122            | 278,338              | 27,813,478                               | 18,900,357                                  |
| B4                                    | Scholarships/Funding for Professional Education | 5,400                 | 345                  | 3,505,285            | 1,797,673            | 22,809               | 5,280,149                                | 3,482,476                                   |
| B50                                   | Other   | 83,851                | 8,221                | 4,431,396            | 2,660,363            | 1,697,717            | 5,394,041                                | 2,733,678                                   |
| B99                                   | <b>Total</b>                                    | <b>5,070,205</b>      | <b>218,943</b>       | <b>\$407,176,411</b> | <b>\$190,843,283</b> | <b>\$4,976,506</b>   | <b>\$593,043,188</b>                     | <b>\$402,199,905</b>                        |
| <b>Mission-Driven Health Services</b> |   |                       |                      |                      |                      |                      |  |   |
|                                       | <b>Mission-Driven Health Services Total</b>     | <b>4,504,892</b>      | <b>1,725,502</b>     | <b>\$860,187,564</b> | <b>\$129,400,500</b> | <b>\$295,204,140</b> | <b>\$694,383,923</b>                     | <b>\$564,983,424</b>                        |
| <b>Research</b>                       |   |                       |                      |                      |                      |                      |  |   |
| D1                                    | Clinical Research                               | 95,598                | 2,001                | 10,874,407           | 2,686,096            | 4,343,038            | 9,217,464                                | 6,531,368                                   |

Maryland Hospital Community Benefit Report: FY 2019

|                                      | Type of Activity                                      | Number of Staff Hours | Number of Encounters | Direct Cost         | Indirect Cost       | Offsetting Revenue | Net Community Benefit with Indirect Cost | Net Community Benefit without Indirect Cost |
|--------------------------------------|---|-----------------------|----------------------|---------------------|---------------------|--------------------|--|---|
| D2                                   | Community Health Research                             | 36,965                | 4,796                | 2,353,248           | 836,129             | 204,339            | 2,985,038                                | 2,148,909                                   |
| D3                                   | Other   | 21,819                | 0                    | 1,376,381           | 284,001             | 0                  | 1,660,383                                | 1,376,381                                   |
| D99                                  | <b>Total</b>  | <b>154,382</b>        | <b>6,797</b>         | <b>\$14,604,036</b> | <b>\$3,806,226</b>  | <b>\$4,547,377</b> | <b>\$13,862,885</b>                      | <b>\$10,056,659</b>                         |
| <b>Financial Contributions</b>       |   |                       |                      |                     |                     |                    |  |   |
| E1                                   | Cash Donations  | 954                   | 4,059                | 11,207,502          | 290,040             | 86,105             | 11,411,437                               | 11,121,397                                  |
| E2                                   | Grants  | 4,065                 | 3,816                | 332,615             | 26,253              | 33,746             | 325,122                                  | 298,869                                     |
| E3                                   | In-Kind Donations                                     | 33,976                | 137,708              | 3,917,299           | 537,756             | 231,970            | 4,223,086                                | 3,685,329                                   |
| E4                                   | Cost of Fund Raising for Community Programs           | 677                   | 10                   | 1,256,940           | 165,504             | 0                  | 1,422,444                                | 1,256,940                                   |
| E99                                  | <b>Total</b>  | <b>39,672</b>         | <b>145,593</b>       | <b>\$16,714,357</b> | <b>\$1,019,553</b>  | <b>\$351,821</b>   | <b>\$17,382,089</b>                      | <b>\$16,362,536</b>                         |
| <b>Community-Building Activities</b> |   |                       |                      |                     |                     |                    |  |   |
| F1                                   | Physical Improvements/Housing                         | 19,890                | 11,339               | 6,268,893           | 5,260,455           | 2,871,258          | 8,658,090                                | 3,397,635                                   |
| F2                                   | Economic Development                                  | 12,988                | 5,382                | 1,461,206           | 571,107             | 255,892            | 1,776,421                                | 1,205,315                                   |
| F3                                   | Support System Enhancements                           | 137,591               | 13,041               | 5,844,636           | 3,441,249           | 808,407            | 8,477,478                                | 5,036,229                                   |
| F4                                   | Environmental Improvements                            | 15,184                | 13,316               | 721,978             | 384,539             | 11,113             | 1,095,404                                | 710,865                                     |
| F5                                   | Leadership Development/Training for Community Members | 8,780                 | 788                  | 316,834             | 219,644             | 0                  | 536,478                                  | 316,834                                     |
| F6                                   | Coalition Building                                    | 26,605                | 159,973              | 3,124,031           | 1,813,310           | 141,975            | 4,795,365                                | 2,982,056                                   |
| F7                                   | Community Health Improvement Advocacy                 | 8,519                 | 1,005,200            | 1,949,604           | 1,123,456           | 3,400              | 3,069,660                                | 1,946,204                                   |
| F8                                   | Workforce Enhancement                                 | 73,935                | 96,242               | 3,971,568           | 2,581,141           | 359,243            | 6,193,466                                | 3,612,325                                   |
| F9                                   | Other   | 12,795                | 179,941              | 331,587             | 154,806             | 7,565              | 478,829                                  | 324,022                                     |
|                                      | <b>Total</b>  | <b>316,287</b>        | <b>1,485,222</b>     | <b>\$23,990,338</b> | <b>\$15,549,707</b> | <b>\$4,458,852</b> | <b>\$35,081,193</b>                      | <b>\$19,531,486</b>                         |
| <b>Community Benefit Operations</b>  |   |                       |                      |                     |                     |                    |  |   |
| G1                                   | Dedicated Staff                                       | 89,408                | 27,076               | 6,522,402           | 4,393,597           | 54,159             | 10,861,840                               | 6,468,243                                   |
| G2                                   | Community health/health assets assessments            | 15,800                | 100,191              | 959,608             | 569,930             | 18,091             | 1,511,447                                | 941,517                                     |
| G3                                   | Other Resources                                       | 5,780                 | 0                    | 1,181,023           | 604,974             | 1,370              | 1,784,627                                | 1,179,653                                   |
| G99                                  | <b>Total</b>  | <b>110,988</b>        | <b>127,267</b>       | <b>\$8,663,033</b>  | <b>\$5,568,500</b>  | <b>\$73,620</b>    | <b>\$14,157,914</b>                      | <b>\$8,589,414</b>                          |

Maryland Hospital Community Benefit Report: FY 2019

|   | Type of Activity                        | Number of Staff Hours | Number of Encounters | Direct Cost            | Indirect Cost        | Offsetting Revenue   | Net Community Benefit with Indirect Cost | Net Community Benefit without Indirect Cost |
|---|---|-----------------------|----------------------|------------------------|----------------------|----------------------|--|---|
| <b>Charity Care</b>                         |   |                       |                      |                        |                      |                      |  |   |
|   | <b>Total Charity Care</b>               | <b>\$325,409,261</b>  |                      |                        |                      |                      |  |   |
| <b>Foundation-Funded Community Benefits</b> |   |                       |                      |                        |                      |                      |  |   |
| J1  | Community Services                      | 7,691                 | 6,689                | 609,753                | 191,296              | 75,102               | 725,947                                  | 534,651                                     |
| J2  | Community Building                      | 77,389                | 31,706               | 3,850,469              | 3,371,993            | 2,432,316            | 4,790,146                                | 1,418,153                                   |
| J3  | Other                                   | 0                     | 0                    | 10,430                 | 0                    | 0                    | 10,430                                   | 10,430                                      |
| J99   | <b>Total</b>                            | <b>85,080</b>         | <b>38,395</b>        | <b>\$4,470,652</b>     | <b>\$3,563,289</b>   | <b>\$2,507,418</b>   | <b>\$5,526,523</b>                       | <b>\$1,963,234</b>                          |
| <b>Total Hospital Community Benefits</b>    |   |                       |                      |                        |                      |                      |  |   |
| A   | Community Health Services               | 1,183,102             | 5,243,238            | \$96,007,867           | \$53,292,012         | \$18,344,320         | \$130,955,559                            | \$77,663,547                                |
| B   | Health Professions Education            | 5,070,205             | 218,943              | \$407,176,411          | \$190,843,283        | \$4,976,506          | \$593,043,188                            | \$402,199,905                               |
| C   | Mission Driven Health Care Services     | 4,504,892             | 1,725,502            | \$860,187,564          | \$129,400,500        | \$295,204,140        | \$694,383,923                            | \$564,983,424                               |
| D   | Research                                | 154,382               | 6,797                | \$14,604,036           | \$3,806,226          | \$4,547,377          | \$13,862,885                             | \$10,056,659                                |
| E   | Financial Contributions                 | 39,672                | 145,593              | \$16,714,357           | \$1,019,553          | \$351,821            | \$17,382,089                             | \$16,362,536                                |
| F   | Community Building Activities           | 316,287               | 1,485,222            | \$23,990,338           | \$15,549,707         | \$4,458,852          | \$35,081,193                             | \$19,531,485                                |
| G   | Community Benefit Operations            | 110,988               | 127,267              | \$8,663,033            | \$5,568,500          | \$73,620             | \$14,157,914                             | \$8,589,414                                 |
| H   | Charity Care                            | 0                     | 0                    | \$325,409,261          | \$ -                 | \$ -                 | \$325,409,261                            | \$325,409,261                               |
| J   | Foundation Funded Community Benefit     | 85,080                | 38,395               | \$4,470,652            | \$3,563,289          | \$2,507,418          | \$5,526,523                              | \$1,963,234                                 |
| T99   | Medicaid Assessments                    | 0                     | 0                    | \$332,893,374          | \$ -                 | \$276,743,303        | \$56,150,071                             | \$56,150,071                                |
| K99   | <b>Total Hospital Community Benefit</b> | <b>11,464,608</b>     | <b>8,990,956</b>     | <b>\$2,090,116,893</b> | <b>\$403,043,071</b> | <b>\$607,207,358</b> | <b>\$1,885,952,606</b>                   | <b>\$1,482,909,535</b>                      |
|   |   |                       |                      |                        |                      |                      |  |   |

Maryland Hospital Community Benefit Report: FY 2019

|  | Type of Activity                                | Number of Staff Hours   | Number of Encounters | Direct Cost | Indirect Cost | Offsetting Revenue | Net Community Benefit with Indirect Cost | Net Community Benefit without Indirect Cost |
|--|---|-------------------------|----------------------|-------------|---------------|--------------------|--|---|
|  | <b>Total Operating Expenses</b>                 | <b>\$16,778,744,994</b> |                      |             |               |                    |  |   |
|  | <b>% Operating Expenses w/ Indirect Costs</b>   | <b>11.24%</b>           |                      |             |               |                    |  |   |
|  | <b>% Operating Expenses w/ o Indirect Costs</b> | <b>8.84%</b>            |                      |             |               |                    |  |   |