

**COMMUNITY BENEFIT NARRATIVE REPORT**

**for**

**Chester River Hospital Center**

**Community Benefit Report FY2009**



## BACKGROUND

The Health Services Cost Review Commission's (HSCRC or Commission) Community Benefit Report, required under §19-303 of the Health General Article, Maryland Annotated Code, is the Commission's method of implementing a law that addresses the growing interest in understanding the types and scope of community benefit activities conducted by Maryland's nonprofit hospitals.

The Commission's response to the legislation was to establish a reporting system for hospitals to report their community benefits activities. The guidelines and inventory spreadsheet rely in large part on the VHA, CHA, and Lyon software community benefits reporting experience, which was then tailored to fit Maryland's unique regulated environment. The narrative requirement is intended to strengthen and supplement the qualitative and quantitative information that hospitals have reported in the past. The narrative is focused on (1) how hospitals determined the needs of the communities they serve, (2) initiatives undertaken to address those needs, and (3) evaluations undertaken regarding the effectiveness of the initiatives.

### **Reporting Requirements**

Narrative Reporting Instructions: (please note that all of Chester River Hospital Center's information is in Times New Roman text)

1. What is the licensed bed designation and number of inpatient admissions for this fiscal year at your facility?

Chester River Hospital Center is licensed for 53-beds for fiscal year 2009.

2. Describe the community your organization serves. The narrative should address the following topics: (*The items below are based on IRS Schedule H, Part V, Question 4*).

- Describe the geographic community or communities the organization serves;

Chester River Hospital Center (CRHC) serves the communities of Kent County, and upper Queen Anne's County. CRHC also serves portions of southern Cecil County and northern Caroline County. This is a rural area populated by active farmers and small, close-knit communities. Transportation is often a barrier for access to health care services.

- Describe significant demographic characteristics that are relevant to the needs that the hospital seeks to meet. (e.g., population, average income, percentages of community households with incomes below the federal poverty guidelines, percentage of the hospital's patients who are uninsured or Medicaid recipients, [concentrations of vulnerable populations] and life expectancy or mortality rates);

The approximate service area populations for Chester River Hospital Center is 40,000 people, with 19.6% of the residents of Kent County (which has a total population of 20,000) are 65 years of age or older; this is 65% higher than Maryland's percentage and higher than other rural areas in the state by almost a quarter. This makes Kent County having one of the oldest populations in Maryland. And approximately 19% of the residents of Kent County are African-American. There is a small, but rapidly growing Hispanic population, too. Thirty percent of the population is classified as low income, with 15% without insurance. A spring 2008 study conducted for Kent County Health Department indicated that Kent County had high rates of hypertension, high cholesterol, obesity, smoking and diabetes. Alcohol abuse and mental health diagnoses occur at rates higher than the state average, too.

### 3. Identification of Community Needs:

a. Describe the process(s) your hospital used for identifying the health needs in your community, including when it was most recently done (*based on IRS Schedule H, Part V, Question 2*).

***The following are examples of how community health needs might have been identified:***

- Used formal needs assessment developed by the state or local health department. If so, indicate the most recent year;
- Formal needs assessment was done by the hospital. If so, indicate the most recent year and the methods used;
- Did formal collaborative needs assessment involving the hospital. If so, indicate the most recent year, the collaborating organizations, and methods used;
- Analyzed utilization patterns in the hospital to identify unmet needs;
- Surveyed community residents, and if so, indicate the date of the survey;
- Used data or statistics compiled by county, state, or federal government;
- Consulted with leaders, community members, nonprofit organizations, local health officers, or local health care providers (indicate who was consulted, when, and how many meetings occurred, etc.);

To identify the health needs of the community it serves, Chester River Hospital Center (CRHC) has used the needs assessments developed by the local Kent County Health Department, last conducted in 2008, which was a collaboration that included CRHC along with other local organizations. The needs assessment incorporated surveys of community residents; data and statistics compiled by state and local governments; and included information gathered by consultation of Kent County Health Department, eleven primary care physicians and the Local Management Board (LMB).

b. In seeking information about community health needs, did you consult with the local health department? Yes, Chester River Hospital Center consulted with the local health department to determine community health needs. A community health needs assessment was conducted by the Mid-Atlantic Association of Health Care Centers for the Kent County Health Department in March-April of 2008. It was a collaborative effort and some of the other organizations that contributed included: Choptank Community Health System; Kent County Department of Social Services; Chesapeake College; Chester River Hospital Center; and Kent County Public Schools. This assessment enabled Kent County to examine the health needs and concerns of its residents. The full report can be viewed online at <http://www.kentcountylmb.com/news.htm>.

4. Please list the major needs identified through the process explained question #3. Chester River Hospital Center identified the following major health care needs of the community: alcohol and substance abuse rates are significantly higher than the state average; hypertension, stroke and cancer rates are higher than the state; and, 40% of adults had unmet dental health needs. Kent County also leads the state for deaths related to Alzheimer's, a disease which is most closely associated with aging.

5. Who was involved in the decision making process of determining which needs in the community would be addressed through community benefits activities of your hospital? The senior Administration of Chester River Hospital Center, along with the Board in support of FQHC addresses these issues.

6. Do any major Community Benefit program initiatives address the needs listed in #4, and if so, how? Yes. Chester River Hospital Center offers free prostate cancer screening during the month of September. And, our clinical staff also educates the community

through free seminars and support groups about diabetes, heart disease, breast cancer and other cancers.

7. Please provide a description of any efforts taken to evaluate or assess the effectiveness of major Community Benefit program initiatives.

To date the Chester River Hospital Center has not completed an evaluation or assessment to determine the effectiveness of current community benefit initiatives.

**For example:** for each major initiative where data is available, provide the following:

- a. Name of initiative:
- b. Year of evaluation:
- c. Nature of the evaluation: (i.e., what output or outcome measures were used);
- d. Result of the evaluation (was the program changed, discontinued, etc.); or
- e. If no evaluation has been done, does the hospital intend to undertake any evaluations in the future and if so, when?

8. Provide a written description of gaps in the availability of specialist providers, including outpatient specialty care, to serve the uninsured cared for by the hospital.

Based on the most recent formal physician needs assessment conducted by Chester River Hospital Center, the hospital currently has the following gaps in the availability of specialist providers to serve patients in our service area, including but not limited to the uninsured:

Gastroenterology – there are no gastroenterologists practicing in our community. Most basic gastroenterology procedures, specifically endoscopies, are performed by local general surgeons. Patients are referred to gastroenterologists at Shore Health System for non-emergent medical needs and consultation. More complex emergencies are transferred to University of Maryland Medical Center.

Neurology – there are no neurologists serving our community. While there is not a population to support a full-time neurologist, there is a need for this service on a part-time basis. Emergent neurology patients are currently transported to University of Maryland Medical Center or other specialty centers.

Psychiatry – there are no psychiatrists serving our community and mental health is a significant need. We refer patients requiring inpatient treatment to surrounding facilities in Cambridge, Elkton and Upper Shore Mental Health Center\*; we refer outpatients to psychiatrists, social workers, counselors in private practice.

Ophthalmology – there is only one ophthalmologist serving the Chestertown area, creating a need for additional access and choice for our community. Ophthalmic emergencies are transferred to Wilmer Eye Center.

Cardiology – although there are two cardiologists on the medical staff at Chester River, which is an appropriate number according to our medical staff development plan, during FY 2009 we had cardiology coverage for the emergency department less than 1/2 the time. We transfer emergency cardiology cases primarily to Washington Hospital Center.

Pulmonology – our one pulmonologist left our rural community and returned in April 2009 on a half-time basis. While we recruit to replace this position, emergency patients are transferred, primarily to Shore Health, Christiana or University of Maryland Medical Center.

Orthopedics – although there's an adequate number of orthopedic surgeons on the medical staff based on our medical staff development plan, we do not have continual emergency department coverage in this area; in Fiscal Year 2009 we lacked coverage 13% of the time. Orthopedic trauma cases are generally transported directly to Shock Trauma, bypassing our hospital. Emergency cases may be transferred to Union Hospital in Elkton. Inpatients are visited by our orthopedic surgeons following admission and patients who are discharged from the Emergency Department are directed to follow up with orthopedic physicians in their private practice.

9. If you list Physician Subsidies in your data, please provide detail.

Chester River Hospital Center started a hospitalist program August 2008 to better serve the community. During FY2009 CRHC also contracted additional physicians for on-call coverage. And, a subsidy for obstetrics services, since there was only one OB/GYN serving the community for half of FY2009.

***To Be Attached as Appendices:***

1. Describe your Charity Care policy (*taken from IRS Schedule H, Part V, Question 3*):
  - a. Describe how the hospital informs patients and persons who would otherwise be billed for services about their eligibility for assistance under federal, state, or local government programs or under the hospital's charity care policy. (**Appendix 1**)

For ***example***, state whether the hospital:

- posts its charity care policy, or a summary thereof, and financial assistance contact information in admissions areas, emergency rooms, and other areas of facilities in which eligible patients are likely to present;
  - provides a copy of the policy, or a summary thereof, and financial assistance contact information to patients or their families as part of the intake process;
  - provides a copy of the policy, or summary thereof, and financial assistance contact information to patients with discharge materials;
  - includes the policy, or a summary thereof, along with financial assistance contact information, in patient bills; and/or
  - discusses with patients or their families the availability of various government benefits, such as Medicaid or state programs, and assists patients with qualification for such programs, where applicable.
- b. Include a copy of your hospital's charity care policy (**Appendix 2**).
2. Describe the hospital's mission, vision, and value statement(s) (**Appendix 3**).
- a. Attach a copy of the statement (**Appendix 4**).



## **APPENDIX 1**

**PAGE: 1 of 3**

Description of Chester River Hospital Center's Charity Care Policy:

A patient's inability to obtain financial assistance does not, in any way, preclude the patient's right to receive and have access to medical treatment at Chester River Hospital Center.

Chester River Hospital Center is committed to providing excellent medical care to our patients regardless of their ability to pay for those services. This policy has been established to assist patients in obtaining financial aid when it is beyond their financial ability to pay for services received.

Chester River Hospital Center's registrars provide the hospital's patient financial assistance program packet to all self-pay inpatients and outpatients at the time of registration. Emergency department patients who are self-pay also receive this packet if their condition permits. Emergency department patients who are admitted are visited by the hospital's credit and collection officer while in the hospital, and the packet is provided to them at that time. The packet is also available by request. The forms are available in English and Spanish.

Signage is posted in the Emergency Department, registration and Business Office areas to notify patients of our patient financial assistance programs.

Chester River Hospital Center has engaged ROI, a firm which works with patients to help them qualify for medical assistance.

Chester River Hospital Center uses the following guidelines to determine eligibility for uncompensated care (taken from our Charity Care Policy):

1. Patients shall be eligible for financial assistance provided they meet the necessary criteria for both the services provided and their ability to pay. Income guidelines are based on 200% of the Federal Poverty Income Guidelines.
2. Financial Assistance will be considered for those patients who live in the geographical service area of Chester River Hospital Center. This includes the following counties: Kent and Queen Anne's.

3. Patients who apply for financial assistance, who live outside of our geographic area may be eligible for “one time” assistance.
4. Financial Assistance will be granted without regard to age, race, creed or sex.
5. The application for financial assistance should be made as soon as possible in the admission process; however, an application may be taken at any time on open accounts.
6. The Credit and Collections Officer, Business Office Manager and/or Director of Patient Financial Services will determine if a patient is eligible for financial assistance. In making this determination, 200% of the current Federal Poverty Income Guidelines will be used as a base guide.
7. If it is determined that the patient may be eligible for other third party coverage, including Maryland Medical Assistance, that determination must be made before our internal financial assistance policy can be considered.
8. Approval for financial assistance is granted for six months. After that time limit has expired, a new application must be submitted for continuation of assistance.
9. Patients are NOT ELIGIBLE for financial assistance if they do not comply with their insurance coverage requirements and restrictions. This includes services that should have been performed at another provider location, but the patient chooses to have services rendered at Chester River Hospital Center.
10. Financial Assistance will not cover elective or non-emergent services, such as cosmetic surgery, dental procedures or other services as deemed non-covered by Chester River Hospital Center.
11. Financial Assistance will not cover any account that has been referred to a collection agency or referred for legal action.

Chester River Hospital has the following procedure(s) in place:

1. Patients presenting with no insurance will be given an application at the point of registration, or any time when requested.
2. Patients admitted to Chester River Hospital Center without proof of insurance will be referred to an outside agency to determine eligibility for any federal, state or other assistance program. If they are deemed to be ineligible for outside assistance, internal financial assistance is offered.
3. Patients must complete the application and return it within 30 days and provide any or all of the following information:
  - a. Most recent tax return
  - b. Two most recent pay check stubs, if employed
  - c. If not employed, proof of income
  - d. Two bank statements, if self employed
  - e. Documented household expenses
  - f. Letter documenting circumstances if income is slightly above guidelines or unable to document income

- g. Letter of denial from Maryland Medical Assistance
4. Applications will be processed no more than 14 days after receipt of completed application and supporting documentation.
  5. The application and supporting documentation will be reviewed by the Credit and Collections Officer and the Business Office Manager for approval. The Director of Patient Financial Services will review any application with questionable documentation or for amounts over \$5,000.00.
  6. The Credit and Collections Officer will notify the patient by mail of the decision made with regard to financial assistance and will document the reason for approval or denial. If approved, the Credit and Collections Officer will write off all eligible accounts with the appropriate code.
  7. The Credit and Collections Officer will continue to review eligible accounts and complete the write-off for a period of one year.
  8. If a patient does not agree with a denial of financial assistance, they may appeal to the Director of Patient Financial Services who will review the documentation and may request additional information to assist in making the determination. If the Director agrees with the initial determination, the patient may request a final review by the Chief Financial Officer of Chester River Hospital Center.



**APPENDIX 1**

**PAGE: 1 of 3**

**SUBJECT:** Patient Financial Assistance

**SERVICE:** Patient Financial Services - Registration

**MANUAL:** Patient Financial Services

**POLICY:**

A patient's inability to obtain financial assistance does not, in any way, preclude the patient's right to receive and have access to medical treatment at Chester River Hospital Center.

**PURPOSE:**

Chester River Hospital Center is committed to providing excellent medical care to our patients regardless of their ability to pay for those services. This policy has been established to assist patients in obtaining financial aid when it is beyond their financial ability to pay for services received.

**GUIDELINES:**

The following guidelines will be used to determine eligibility for uncompensated care.

1. Patients shall be eligible for financial assistance provided they meet the necessary criteria for both the services provided and their ability to pay. Income guidelines are based on 200% of the Federal Poverty Income Guidelines.
2. Financial Assistance will be considered for those patients who live in the geographical service area of Chester River Hospital Center. This includes the following counties: Kent and Queen Anne's.
3. Patients who apply for financial assistance, who live outside of our geographic area may be eligible for "one time" assistance.
4. Financial Assistance will be granted without regard to age, race, creed or sex.

5. The application for financial assistance should be made as soon as possible in the admission process; however, an application may be taken at any time on open accounts.
6. The Credit and Collections Officer, Business Office Manager and/or Director of Patient Financial Services will determine if a patient is eligible for financial assistance. In making this determination, 200% of the current Federal Poverty Income Guidelines will be used as a base guide.
7. If it is determined that the patient may be eligible for other third party coverage, including Maryland Medical Assistance, that determination must be made before our internal financial assistance policy can be considered.
8. Approval for financial assistance is granted for six months. After that time limit has expired, a new application must be submitted for continuation of assistance.
9. Patients are NOT ELIGIBLE for financial assistance if they do not comply with their insurance coverage requirements and restrictions. This includes services that should have been performed at another provider location, but the patient chooses to have services rendered at Chester River Hospital Center.
10. Financial Assistance will not cover elective or non-emergent services, such as cosmetic surgery, dental procedures or other services as deemed non-covered by Chester River Hospital Center.
11. Financial Assistance will not cover any account that has been referred to a collection agency or referred for legal action.

**PROCEDURE:**

1. Patients presenting with no insurance will be given an application at the point of registration, or any time when requested.
2. Patients admitted to Chester River Hospital Center without proof of insurance will be referred to an outside agency to determine eligibility for any federal, state or other assistance program. If they are deemed to be ineligible for outside assistance, internal financial assistance is offered.
3. Patients must complete the application and return it within 30 days and provide any or all of the following information:
  - a. Most recent tax return
  - b. Two most recent pay check stubs, if employed
  - c. If not employed, proof of income
  - d. Two bank statements, if self employed
  - e. Documented household expenses
  - f. Letter documenting circumstances if income is slightly above guidelines or unable to document income
  - g. Letter of denial from Maryland Medical Assistance
4. Applications will be processed no more than 14 days after receipt of completed application and supporting documentation.

5. The application and supporting documentation will be reviewed by the Credit and Collections Officer and the Business Office Manager for approval. The Director of Patient Financial Services will review any application with questionable documentation or for amounts over \$5,000.00.
6. The Credit and Collections Officer will notify the patient by mail of the decision made with regard to financial assistance and will document the reason for approval or denial. If approved, the Credit and Collections Officer will write off all eligible accounts with the appropriate code.
7. The Credit and Collections Officer will continue to review eligible accounts and complete the write-off for a period of one year.
8. If a patient does not agree with a denial of financial assistance, they may appeal to the Director of Patient Financial Services who will review the documentation and may request additional information to assist in making the determination. If the Director agrees with the initial determination, the patient may request a final review by the Chief Financial Officer of Chester River Hospital Center.

**REVIEWED/REVISED BY AND DATE:** Director, Patient Financial Services  
December, 2008

**APPROVED BY AND DATE:** Chief Executive Officer  
December 2008

**ORIGINAL DATE:** December 2008

**REVIEW CYCLE:** Three Years

**DISTRIBUTION:** Patient Financial Services staffs, Case  
Management, Risk Management

**COMPREF:** S:\Shared\Policies and Procedures\Patient Financial  
Services\Financial Assistance policy



### **APPENDIX 3**

Description of Chester River Health System's Mission, Vision and Values:

Chester River Hospital Center's Mission, Vision and Values Statement was created with input from the Board of Directors, Medical Staff and senior management team during the development of the Chester River Health System's strategic plan which was adopted in December 2002. It was based in large part on the environmental assessment and feedback from a strategic planning retreat.

Prior to this current statement, each of the three members of Chester River Health System (Chester River Hospital Center, Chester River Home Care & Hospice and Chester River Manor) had their own mission statements. The Strategic Planning Committee concluded that as the health system developed, evolved and became more integrated it was important to have a system-wide Mission, Vision and Values Statement.

The mission statement clearly communicates to internal and external constituencies why the organization exists and what important purpose it intends to achieve and includes the purpose of each of the three entities. The vision statement frames strategy direction by stating what the organization's aspirations are for the future planning horizon which was identified as five to ten years. The key vision concepts in this statement (which is attached as Appendix 5) are the following components which were further defined in the strategic plan document: model, rural, integrated, health services and upper Eastern Shore counties. The values statement is the underpinning of the entire strategic direction and plan, describing the character and the culture of the organization. The specific values identified as critical to the success of Chester River are compassion, respect, excellence, collaboration, responsibility and integrity.

The Mission, Vision and Values Statement will be reviewed and likely revised during the next strategic plan exercise which is expected to begin within the next twelve months.



## **APPENDIX 4**

### **Mission Statement**

The mission of Chester River Health System is to improve the health of the communities we serve through an integrated network of services and facilities, including:

- Chester River Hospital Center - inpatient, outpatient and emergency health services
- Chester River Home Care & Hospice - home care, hospice and personal care services
- Chester River Manor - long term and sub-acute health care services

### **Vision Statement**

Chester River Health System is a model rural system providing integrated health services to our upper Eastern Shore communities, including:

- High quality, compassionate acute care services
- Home-based clinical, support and personal care services
- Affordable residential and rehabilitative health services

### **Values Statement**

- **Compassion:** We attend to the needs of those we serve with tender care, empathy and equality.
- **Respect:** We recognize the dignity and value of life in every stage and condition.
- **Excellence:** We strive for the highest of personal and organizational standards.
- **Collaboration:** We build relationships based on cooperation, commitment and teamwork.
- **Responsibility:** We operate in an efficient manner to meet our fiscal and social obligations to the communities we serve.
- **Integrity:** We conduct ourselves in an honest, fair and ethical manner.