



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

FY '10	Licensed Beds	Inpatient Admissions	Inpatient Days
Adult	358	21,789	94,216
Newborn	28	2,154	6,244
Transitional Care Unit (Hospital based skilled nursing facility)	30	822	9,541

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

Peninsula Regional Medical Center is located in Salisbury, Maryland, an approximately 116 mile drive from both Washington D.C. and Baltimore, Maryland. The Medical Center defines its primary service area in general terms as Wicomico County, Worcester County and Somerset County on Maryland's Eastern Shore. Certain primary service area statistics are tabulated not on the basis of county boundaries, but on the basis of the 43 zip codes all or part of which are in those primary service area counties. In fiscal year 2010, approximately 77% of the patients discharged from the Medical Center were residents of the primary service area, which had an estimated population of approximately 172,000 in 2010 and is expected to increase to 177,000 in 2015. The primary service area population has grown by an estimated 10% since 2000.

The secondary service area, accounting for 18% of Peninsula Regional's FY 2010 discharges, consists of 14 zip codes in the southern portion of Sussex County, Delaware and the northern portion of Accomack County, Virginia. These two counties had a population of approximately 242,000 in 2010 and have experienced growth since 2000 of 19%. The primary and secondary service areas combined accounted for 95% of Peninsula Regional's total patient discharges in fiscal year 2010. Additional demographic information indicates the number of elderly (those aged 65+) represent a greater portion of the total population in both the primary and secondary areas as compared to the State of Maryland (17.5% and 21.3% respectively vs. 14.3%). The elderly have additional chronic conditions, consume health care resources at higher rates, and generally require more time and attention than other population segments. Additional demographic characteristics for the Medical Center's population are as follows:

* Demographic information source provided by: Thomson Reuters.



2010 Demographic Information

	<i>Maryland</i>	<i>5 County Service Area</i>	<i>3 Co. Primary Service Area</i>
Median Household Income	\$70,679	\$49,030	\$52,516
Race/Ethnicity			
White	57.1 %	72.7 %	70.5%
Black	28.5 %	18.8 %	23.3%
Hispanic	6.9 %	5.7 %	3.1%
Other	7.5 %	2.8 %	3.1%
Unemployment	7.5 %	8.8%	9.9 %
Uninsured	14.2 %	16.8%	20.2%
Malignant Neoplasm Rates per 100,000	182.1		290.63
Persons Below the Poverty Level (2010)	14.6%	22.3%	22.9%

1) Thomson Reuters 2) MD Dept. of Labor & Licensing 3) MD Vital Statics 2009 Report

Finally, much of the Medical Center's primary service area has been identified as a Health Professional Shortage Area and a Medically Underserved Area by the Health Resources and Services Administration. Peninsula Regional, based upon the findings of a Medical Staff Needs Study requires an additional 86 physicians of varying specialties to meet current and future needs.

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 VI, Question 2).

Peninsula Regional Medical Center in cooperation with the Wicomico, Worcester and Somerset Counties, Health Departments, the Atlantic General Hospital and the Edward W. McCready Memorial Hospital, has been conducting community health surveys of the Tri-County area since 1995. These surveys, administered by Professional Research Consultants (PRC) of Omaha, Nebraska were administered in 1995, 2000, 2004, and 2009. In addition to these adult surveys, a separate adolescent survey was conducted in 2000, 2005 and 2009. The surveys are conducted via the telephone using a random digit dialing technique of households in Wicomico, Worcester and Somerset counties. To ensure accuracy, selected households were weighted in proportion to the actual characteristics of the tri-county population distribution at the zip code level.



All survey administration, data collection and analysis was conducted by PRC. For statistical purposes, the maximum rate of error for our total sample was +/- 3.5% for the adult survey and +/- 3.9% for the adolescent survey at the 95% level of confidence. Survey findings were compared to earlier studies and to national benchmarks.

The goal of this Community Health Assessment is to:

- Improve the residents health status and improve overall quality of life through healthcare
- To reduce the health disparities among the population by identifying segments that are most at risk for various diseases and injuries. Plans for targeting these individuals may then be developed as evidenced in Hospital's participation in many of the local community health organizations.
- Increase accessibility to preventative services for all community residents.

Results of these surveys are used by the participants to plan future services. Of particular note was the development of the Tri-County Diabetes Alliance, which is a cooperative venture between all the partners and community agencies to reduce the incidence of diabetes in the tri-county area. Other outcomes resulting from the survey findings include smoking cessation programs, other early detection and screening programs for heart and cancer as well as health promotion and education with a focus on prevention. Survey results are also used to obtain grants for specific testing and treatment programs.

In addition to the Community Health Assessment, Peninsula Regional uses input from its Health Council (community), local and national community health organizations such as the American Cancer Society, the March of Dimes, and American Diabetes Association, local health departments, and state and national data sources such as the CDC Healthy People 2010 and the Maryland State Vital Statistics reports.

b. In seeking information about community health needs, did you consult with the local health department?

Yes, the three local Lower Shore Health Departments were partners in this community health needs process and were extensively involved in questionnaire design and results reporting and analysis.



4. Please list the major needs identified through the process explained question #3.

Survey responses revealed that many aspects of health status in the Tri-County area are very similar to those recorded nationwide. However, in comparison national benchmarks, health status in the Tri-County area is below average in the following regard:

Chronic Illness. The local prevalence of chronic illness is particularly high in the Tri-County area for diabetes/high blood sugar, arthritis/rheumatism, and skin cancer.

In terms of modifiable health risks as compared to national benchmark data: Residents of the Tri-County area are much more likely than those nationwide to be overweight; further, a full seven in 10 local adults are at an unhealthy weight (including both over-and underweight).

Blood Pressure and Cholesterol. In comparison to the nation as a whole, residents of the Tri-County area exhibit a much higher prevalence of both hypertension and high cholesterol levels.

Substance Abuse. Local adults are more likely to be binge drinkers when compared with adults across the United States.

In terms of prevention, adults in the Tri-County area exhibit higher levels of consistent seat belt usage (including child seats/seats belts for children under 5), and local residents are consistently higher than the nation in certain aspects of cancer screening (colorectal screening and Pap smears). Other measured aspects of prevention in the Tri-County area are similar to findings across the United States.

Access is a key issue for communities across the county and individuals living at the lowest income levels as well. African-American residents were far more likely to indicate cost or lack of insurance has prevented a physician visit for them in the past two years. African-Americans and those living at or near the poverty level were two to four times more likely than residents overall to indicate they have had trouble getting dental care in the past two years. One-third of individuals living at the lowest income levels and one-fifth of African-Americans are without health insurance coverage, both segments being higher than the community overall. One positive finding is that local residents were more likely to have a regular source of care when compared to national findings.



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?

Based on the information gathered through the most recent Community Health Assessment and the guidelines set forth in Healthy People 2010, the following “health priorities” represent a significant opportunity for health improvement:

- Diabetes
- Heart Disease & Stroke
- Nutrition
- Access to Health Care Services
- Mental Health

In addition to these areas, there are multiple other priorities and contributing factors that each partner assessed in conjunction with this survey.

In identifying priorities for community action and designing strategies for implementation, a number of criteria were applied to the consideration process, including:

Impact: The degree to which the issue affects or exacerbates other quality of life and health-related issues.

Magnitude: The number of persons affected, also taking into account variance from benchmark data and year 2010 targets.

Seriousness: The degree to which the problem leads to death, disability or impairs one’s quality of life.

Feasibility: The ability of organizations to reasonably impact the issue, given available resources.

Consequences of inaction: The risk of exacerbating the problem by not addressing at the earliest opportunity.

Each partner was responsible for engaging in activities specific to the geography within which they operate. Each partner used the results of the survey to plan screenings and/or interventions tailored to the needs of their population. Partners shared plans and collaborated where possible.



6. Do any major Community Benefit program initiatives address the needs listed in #4, and if so, how?

In addition to the programs already presented, a number other initiatives from the community health survey have been started including:

- Under the priority area of access to care, access to dental services – particularly for children was identified. As a result, grants and gifts were received to expand dental programs at the local Health Department.
- For heart disease, a state grant supplied the money to do work site wellness programs including screenings.
- For cancer, money from the cigarette restitution fund was used to provide colorectal screenings including prevention, education, diagnosis and treatment. Additionally, funds were obtained from a grant to provide mammograms for low income women. Grant money was also used for smoking cessation programs.
- In terms of obesity, a three year federal grant provided funds targeted at African-American families to participate in a program to make lifestyle changes, quit smoking, control their blood pressure, exercise (through a walking program) and meetings with a nutritionist to modify their eating behavior.
- For substance abuse, a new suboxone (a heroin alternative) clinic was established with great success. This is the only such clinic on the Eastern Shore
- And finally, for mental health care, a new clinic co-located in a primary care site expands care for mental health patients without the stigma of being seen in a Mental Health Clinic.

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

Evaluation of Outreach Services Rendered

In an effort to evaluate our Community Outreach, the Medical Center developed an evaluation postcard so that we can receive feedback regarding services provided to the community



on an ongoing basis (see attached). Cards are distributed to audience members of community programs. It asks two brief questions:

- 1) Overall, how satisfied were you with the information/service provided to you?
- 2) How beneficial to your health was the information/service you received?

FY 10 Results

Based on the evaluation postcards we received, the following average score has been tabulated for each question:

Question #1

On a scale of 1 – 10 (1 = Very dissatisfied; 10 = Very Satisfied)

Our overall satisfaction score was 9.1%

Question #2

On a scale of 1 – 10 (1 = Very dissatisfied; 10 = Very Satisfied)

Our overall “benefit of services rendered” score was 9.5%

Conclusion:

Peninsula Regional Medical Center continues to show high satisfaction scores and high benefit scores for the services and programs we offer to the community. We continually strive to meet the needs of the underserved/underinsured by providing free wellness screenings at local festivals and health fairs on the lower Delmarva Peninsula.

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.

Community Flu Shots

The mission of the Medical Center is to “*Improve the health of the communities we serve.*” In fiscal year 2010, the Medical Center provided over 370 free flu shots to the communities in Wicomico, Worcester, Somerset and Sussex counties.



Lower Shore Enterprises – 59
Salisbury Substance Abuse Center- 30
Laurel King’s Methodist Church – 40
New Macedonia Baptist Church – 30
Village of Hope Clinic – 85
Three Lower Counties (TLC) – 58
Seton Center – 68

**Due to the national shortage, PRMC was not able to give out as many flu shots in 2010*

Wagner Wellness Van

The Wagner Wellness Van has multiple uses. It is on site at local community outdoor festivals with staff providing the following screenings: blood pressure, pulse oximetry, body fat analysis, grip strength, and vision. During FY 10 we screened **415** members of the community with varied “at risk” levels. ***(This only represents our van presence at major community initiatives, and does not represent the multitude of community appearances made by other Medical Center departments at health fairs on the Delmarva Peninsula.)***

In October 2008, in an effort to expand our mobile service to the at-risk and underserved populations, Peninsula Regional Medical Center formed a partnership with the Wicomico Health Department to offer diabetes, stroke and hypertension education and screenings to these populations (sites recommended by the health department). This program continues today.



APPENDIX 1

It is the intention of Peninsula Regional Medical Center to make available to all patients the highest quality of medical care possible within the resources available. If a patient is unable to pay due to financial resources, all efforts will be made to help the patient obtain assistance through appropriate agencies, or, if no help is available, to render care at a reduced or zero cost.

Peninsula Regional Medical Center makes every effort to make financial assistance information available to our patients including but not limited to:

- An annual notice regarding financial assistance will be published in a local, widely circulated newspaper.
- Appropriate notices will be posted in patient registration, financial services, the emergency department, labor and delivery and on the PRMC website.
- Individual notice to patients and other persons regarding our financial assistance policy are available at community outreach events, prenatal services, pre-admission, and admission.
- Information insert is included in every patient bill.
- Information pamphlet is provided to patients at registration.

Further detail information can be found in the attached policy found in Appendix 2.



APPENDIX 2

ADMINISTRATIVE POLICY MANUAL

Subject: Uncompensated Care / Financial Assistance

Effective Date: August 1981

Approved by: Peggy Naleppa, President/CEO

Responsible Parties: Jeff Karns

Revised Date: 12/86, 6/88, 3/90, 3/91, 7/93, 7/94, 8/98, 12/05, 8/08, 5/10, 10/10

Reviewed Date: 8/83, 12/85, 2/88, 6/92, 8/95, 7/96, 9/97, 6/00, 6/01, 10/02, 10/04

POLICY

It is the intention of Peninsula Regional Medical Center to make available to all patients the highest quality of medical care possible within the resources available. If a patient is unable to pay due to financial resources, all efforts will be made to help the patient obtain assistance through appropriate agencies, or, if no help is available, to render medically necessary care at zero cost for patients with income at or below 200% of the Federal Poverty Guideline and reduced cost for patients with income between 201% and 300% of the Federal Poverty Guideline. Financial assistance is considered for patients with income between 301% and 500% of the Federal Poverty Guideline that document a financial hardship as defined by Maryland law.

Patients requiring elective services may, through consultation with their physician, have their procedure postponed until such a time as the patient is able to make full payment or meet the established deposit. Elective procedure patients, who, according to their diagnosis and/or their physician, cannot be postponed, will be helped with obtaining assistance from agencies. If no assistance is available, and the patient requests, the account will be reviewed for possible financial assistance.

In the event that the patient has applied for and kept all necessary appointments and third party assistance is not available, the patient may be eligible for financial assistance.

ELIBILITY DETERMINATION PROCESS

1. Interview patient and/or family
2. Obtain annual gross income
3. Determine eligibility (preliminary eligibility will be made within 2 business days)
4. Screen for possible referral to external charitable programs
5. If the patient and/or family refuse to disclose financial resources or cooperate, the patient will be subject to standard collection efforts
6. The determination of eligibility (approval or denial) shall be made in a timely manner.

PUBLIC NOTIFICATION

- An annual notice regarding financial assistance will be published in a local, widely circulated newspaper.



APPENDIX 2

- Appropriate notices will be posted in patient registration, financial services, the emergency department, labor and delivery and on the PRMC website.
- Individual notice to patients and other persons regarding our financial assistance policy are available at community outreach events, prenatal services, pre-admission, and admission.

ADMINISTRATION OF POLICY

Procedures are maintained in the Finance Division office related to the administration of the uncompensated care/financial assistance to patients' policy. Refer to Finance Division Policies FD-30, FD-53, FD-141, FD-162, and FD-167.

REFERENCE

Board of Trustees

Keywords

Financial Assistance

Federal Poverty Guidelines

Uncompensated

Charity Care

Peggy Naleppa
President/CEO



APPENDIX 2

**Peninsula Regional Medical Center
Policy/Procedure**

Finance Division

Subject: Financial Assistance

Affected Areas: Patient Accounting, Financial Services

**Policy/Procedure
Number:** FD-162

Policy:

Peninsula Regional Medical Center will provide free and reduced-cost care to patients who lack health care coverage or whose health care coverage does not pay the full cost of their hospital bill.

Peninsula Regional Medical Center will provide free medically necessary care to patients with family income at or below 200% of the federal poverty level.

Peninsula Regional Medical Center will provide reduced-cost medically necessary care to low-income patients with family income between 201% and 300% of the federal poverty level.

Peninsula Regional Medical Center will provide reduced-cost medically necessary care to low-income patients with family income between 301% and 500% of the federal poverty level who have a financial hardship, as defined by Maryland law.

Procedure:

If a patient is unable to pay due to financial resources, all efforts will be made to help the patient obtain assistance through appropriate agencies. In the event that the patient has applied for and kept all necessary appointments and third party assistance is not available, Peninsula Regional Medical Center will provide care at reduced or zero cost.

When no third party assistance is available to cover the total bill and the patient indicates that they have insufficient funds, the following procedure will occur.

APPENDIX 2

- 1) The Maryland State Uniform Financial Assistance Application should be completed by staff, in consultation with the patient, to make initial assessment of eligibility.
- 2) Compare patient's income to current Federal Poverty Guidelines (on file with Collection Coordinator). The Collection Coordinator will get new guidelines as published in the Federal Register annually. If patient is not eligible, stop here and pursue normal collection efforts.
- 3) If preliminarily eligible per Guidelines, send Maryland State Uniform Financial Assistance Application to patient/guarantor for completion and signature. Patient should attach appropriate documentation and return to representative within 10 days.

Upon receipt of the financial assistance request, the Representative will review income and all documentation. The patient must be notified within two business days of their probable eligibility and informed that the final determination will be made once the completed form and all supporting documents are received, reviewed, and the information verified. Income information will be verified using the documentation provided by the patient and external resources when available.

A financial assistance discount will be applied to the patient's responsibility in accordance with Attachment 1.

- 4) If ineligible, the Representative will notify the patient and resume normal dunning process and file denial with the account. The denials will be kept on file in the collection office. All denials will be reviewed by the Collection Coordinator level or above.

If household income is under the income criterion but documentation indicates the patient or family member has net assets that indicate wealth, the patient does not qualify for financial assistance. If the balance due is sufficient to warrant it and the assets are suitable, a lien will be placed on the assets for the amount of the bill. Collection efforts will consist of placement of the lien which will result in payment to hospital upon sale or transfer of the asset. Refer account to Collection Coordinator for filing a lien.

5. Collection Coordinator will review documentation.
 - a. If eligible, and under \$2,500, the account will be written off to financial assistance and the "Request for Financial Assistance" form finalized. A copy is retained in the patient's file. The Representative will call the patient and notify them of the final determination of eligibility.

APPENDIX 2

- b. If eligible, and the balance is \$2,500 or above, the Collection Coordinator will obtain the appropriate adjustment signature(s) and continue as per 5.a.
6. Peninsula Regional Medical Center will review only those accounts where the patient or guarantor inquire about financial assistance or in the normal working of the account there is indication that the patient may be eligible. Any patient/customer service representative, financial counselor, or collection representative may begin the request process.

When patients indicate the inability to pay the total bill but will be able to pay a portion, an allowance may be made for the partial amount, if eligible, by following the above guidelines.

Pre-planned service may only be considered for financial assistance when the service is medically necessary. For example, no cosmetic surgery will be eligible. Inpatient, outpatient, emergency, and physician charges are all eligible.

7. Special exceptions:
 - a) Financial assistance will be considered if patient is over income criterion, but have a financial hardship. A financial hardship exists when the amount of medical debt exceeds 25% of the family's income in a year. Financial hardship cases must be reviewed by Manager, Patient Accounts level or higher.
 - b) A patient that has qualified for Maryland Medical Assistance is deemed to automatically qualify for PRMC's Financial Assistance program. The amount due from a patient on these accounts may be written off to Financial Assistance with verification of Medicaid eligibility.
8. Once a request has been approved, service three months before the approval and twelve months after the approval may be included in the adjustment. All encounters included with the application must reference the original encounter number when the electronic image of the application is stored. Service dates outside this fifteen month window may be included if approved by a Supervisor, Manager, or Director. Any amount exceeding \$25 that has already been collected from the patient or guarantor for approved dates of service shall be refunded to the patient.

Note: This policy was formerly part of FD-30 established in 11/85. Name was changed from Charity Care 8/05.



APPENDIX 2

Date: 6/03 Split into policies FD-30 & FD-162.
Reviewed: 7/86, 7/89, 7/91
Revised: 9/88, 4/92, 6/93, 2/95, 8/97, 7/98, 9/99, 6/02, 6/03, 9/04, 4/05, 8/05, 8/07,
3/09, 4/10, 5/10, 10/10



APPENDIX 2

Attachment 1

If your family size is:	And, your family income is at or below:		
Family Size	200% Federal Poverty Guideline	201% up to 300 % Federal Poverty Guideline	301% - 500% Federal Poverty Guideline <u>With Financial Hardship</u>
1	\$21,660	\$32,490	\$54,150
2	\$29,140	\$43,710	\$72,850
3	\$36,620	\$54,930	\$91,550
4	\$44,100	\$66,150	\$110,250
5	\$51,580	\$77,370	\$128,950
6	\$59,060	\$88,590	\$147,650
7	\$66,540	\$99,810	\$166,350
8	\$74,020	\$111,030	\$185,050
You receive a discount off PRMC bills of:	100%	50%	25%



APPENDIX 3

Peninsula Regional Medical Center is committed to the people of Delmarva. We strongly believe it is not just our job to care for you when you are ill but it is our mission to “improve the health of the communities we serve.”



MISSION

Improve the health of the communities we serve.



VALUES

- **Respect for every individual**
- **Delivery of exceptional service**
- **Continuous improvement**
- **Safety, effectiveness**
- **Trust and compassion**
- **Transparency**



VISION

As the Delmarva Peninsula's referral medical center, we will be the leader in providing a system of regional access to comprehensive care that is interconnected, coordinated, safe and the most clinically advanced. We will deliver an exceptional patient and family experience, while fostering a rewarding environment for physicians and employees. Together, Peninsula Regional Medical Center and its physicians will be a trusted partner in improving the health of the region.