

Calvert Memorial Hospital
 FY 2012 Community Benefit Reporting

I. GENERAL HOSPITAL DEMOGRAPHICS AND CHARACTERISTICS:

1.

Table I

Bed Designation:	Inpatient Admissions:	Primary Service Area Zip Codes:	All other Maryland Hospitals Sharing Primary Service Area:	Percentage of Uninsured Patients, by County:	Percentage of Patients who are Medicaid Recipients, by County:
98 acute care	Acute – 7,405 Newborn – 859	20657 20678 20639 20732 20685 20736 20754	None	3.6% - Calvert	12.4% - Calvert

2. For purposes of reporting on your community benefit activities, please provide the following information:

a. Describe in detail the community or communities the organization serves.

Although relatively affluent, Calvert County has pockets of impoverished areas. The median household income varies from \$75, 227 in the southern portion of the county to \$120,119 in the north as compared to an \$89,393 county average. Approximately 10% of the total households earn less than \$25,000 annually. Overall, Calvert County has a poverty rate of 4.2% as compared to a state level of 8.6%. Within census tracts, this poverty rate ranges from 0.3% just north of the county seat in Prince Frederick to 13.9% in an area just east of Prince Frederick.

Caucasian residents comprise 81.3% of the population while African Americans comprise 13.8%. Major sources of employment within the area include education and healthcare, public administration, professional/research, construction and retail trade. The life expectancy in Calvert County is 77.9 years. Heart disease and cancer death rates are significantly higher than the state and national rates at 227.6 and 189.3 deaths per 100,000 respectively.

Given that Calvert County is a nearly 40 mile long peninsula with a single major throughway dissecting the topography, transportation has its own unique

problems. With Calvert Memorial Hospital centrally located and urgent care centers available in the northern and southern regions, access to care is within a 15 minute commute from most places within the county.

b. In Table II, describe significant demographic characteristics and social determinants that are relevant to the needs of the community and include the source of the information in each response. For purposes of this section, social determinants are factors that contribute to a person’s current state of health. They may be biological, socioeconomic, psychosocial, behavioral, or social in nature. (Examples: gender, age, alcohol use, income, housing, access to quality health care, education and environment, having or not having health insurance.) (Add rows in the table for other characteristics and determinants as necessary).

Table II

<p>Community Benefit Service Area(CBSA) Target Population (target population, by sex, race, ethnicity, and average age)</p>	<p>Total Population within the CBSA: 89,256</p> <p><u>Gender</u>: Male: 44,715 – 50.1% Female: 44,541 – 19.9%</p> <p><u>Race</u>: White: 72,602 - 81.3% African Am.: 12,197 – 13.7% Hispanic: 2,618 – 2.9% Asian: 992 – 1.1%</p> <p><u>Average Age</u>: 40.2 years</p> <p><u>Age</u>:</p> <p>0-14: 16,661 15-19: 8,385 20-64: 53,826 65+: 9,200</p> <p>(American Community Survey. 2011)</p>
<p>Median Household Income within the CBSA</p>	<p>\$89,393</p> <p>(American Community Survey. 2011)</p>
<p>Percentage of households with incomes below the</p>	<p>3.2% of families, 4.2% of total</p>

federal poverty guidelines within the CBSA	people (American Community Survey. 2011)
Please estimate the percentage of uninsured people by County within the CBSA This information may be available using the following links:	5.7% (American Community Survey. 2011)
Percentage of Medicaid recipients by County within the CBSA.	13%
Life Expectancy by County within the CBSA (including by race and ethnicity where data are available).	Expected Age by race within the CBSA All Races: 79.2 years White: 79.3 years Black: 78.3 years (Maryland Vital Statistics Annual Report 2011)
Mortality Rates by County within the CBSA (including by race and ethnicity where data are available).	Rates per 100,000 population within the CBSA: All Races: 702.5 White: 720.5 Black: 685.8 Rates for Asian or Pacific Islander and Hispanic are less than 5 events. (Maryland Vital Statistics Annual Report 2011)
Access to healthy food, transportation and education, housing quality and exposure to environmental factors that negatively affect health status by County within the CBSA. (to the extent information is available from local or county jurisdictions such as the local health officer, local county officials, or other resources)	<u>Healthy Food:</u> Calvert County does not contain any food deserts. Prepared public food quality is monitored by the Calvert County health department. Included within these areas are food provided to the target population via the school system and organizations such as Meals on Wheels. Local food pantries also provide perishable and non-perishable foods to their guests.

	<p><u>Transportation:</u> Calvert County is a nearly 40 mile-long peninsula. Md Route 2/4 serves as a spine throughout the county. Public transportation is available but the routes do completely provide access to the secondary areas. As such, public transportation, especially for seniors is very limited in these areas.</p> <p><u>Education:</u> Residents possessing a Bachelor degree increased from 15.7% in 2010 to 19.2% in 2011.</p> <p>Residents with a High School Diploma or higher increased from 91.3% in 2010 to 93.9% in 2011.</p> <p><u>Housing:</u> The Calvert County Housing Authority administers 346 federal Housing Choice Vouchers to supplement 70% of rent cost in privately-owned residences. Household income averages \$15,990 per year. The CCHA also owns 72 scattered site detached homes and charges 30% of household income (\$15,028 average) for rent. The CCHA also oversees 3 senior living complexes with a total of 225 units.</p>
<p>Available detail on race, ethnicity, and language within CBSA.</p>	<p><u>Race:</u> White: 72,602 - 81.3%</p> <p>African Am.: 12,197 – 13.7%</p> <p>Hispanic: 2,618 – 2.9%</p> <p>Asian: 992 – 1.1%</p> <p><u>Language:</u> There is no available data regarding language spoken at home. (American Community Survey. 2011)</p>
<p>Other</p>	

II. COMMUNITY HEALTH NEEDS ASSESSMENT

According to the Patient Protection and Affordable Care Act (“ACA”), hospitals must perform a Community Health Needs Assessment (CHNA) either fiscal year 2011, 2012, or 2013, adopt an implementation strategy to meet the community health needs identified, and perform an assessment at least every three years. The needs assessment must take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health, and must be made widely available to the public.

For the purposes of this report and as described in Health General 19-303(a)(4), a community health needs assessment is a written document developed by a hospital facility (alone or in conjunction with others) that utilizes data to establish community health priorities, and includes the following:

1. Identification of community health needs:

Describe in detail the process(s) your hospital used for identifying the health needs in your community and the resource(s) used.

The Calvert Community Health Roundtable, in collaboration with the Shaefer Center for Public Policy, conducted an update of a community health needs assessment originally conducted in 2007. The roundtable is a community entity composed of multiple agencies and community members. Information is obtained through a variety of statistical databases as well as data derived exclusively from participating agencies. This information is then analyzed by the Shaefer Center and compiled into a usable format.

Following data review, health priority areas are then identified and subsequently targeted for appropriate action. This year, eight priority areas were identified: Adolescent Health, Recruitment and Retention of Primary Care and Specialist Providers, Traffic Safety, Autism, Lyme Disease, Elderly Care and End-of-Life Services, Obesity, and Pediatric Dental Care.

The State Health Improvement Plan (SHIP) also provides an indication of public health needs through its data base(s). Many of the disparities identified through SHIP reflect needs also identified via the community health needs assessment.

2. In seeking information about community health needs, what organizations or individuals outside the hospital were consulted? Include representatives of diverse sub-populations within the CBSA, including racial and ethnic minorities (such as community health leaders, local health departments, and the Minority Outreach & Technical Assistance program in the jurisdiction).

The Roundtable membership is representative of the major community partners for health and human services and includes the leadership from the Calvert County Health Department, Calvert County Public Schools, Calvert County Office on Aging, Calvert County Department of Community Resources, the Calvert County Department of Social

Services, Calvert Hospice, Calvert Alliance Against Drug Abuse, the Calvert County Traffic Safety Council and the ARC of Southern MD with CMH as the primary facilitator of the Roundtable.

Through these agencies and subcommittees, the needs of diverse sub-communities are addressed including minorities such as the African American population. The roundtable solicits and welcomes input from all community members.

3. When was the most recent needs identification process or community health needs assessment completed? (this refers to your *current* identification process and may not yet be the CHNA required process)

Provide date here. 11/01/11

4. Although not required by federal law until 2013, has your hospital conducted a Community Health Needs Assessment that conforms to the definition on the previous page within the past three fiscal years? **Please be aware, the CHNA will be due with the FY 2013 CB Report.

Yes – Please see attached.

No

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

III. COMMUNITY BENEFIT ADMINISTRATION

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

- a. Is Community Benefits planning part of your hospital's strategic plan?

Yes

No

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

- i. Senior Leadership

1. CEO

2. CFO

3. Other (please specify)

ii. Clinical Leadership

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

iii. Community Benefit Department/Team

1. Individual (0.2 FTE)
2. Committee (please list members)
3. Other (Financial Analyst)

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

Spreadsheet yes no
Narrative yes no

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

Spreadsheet yes no
Narrative yes no

IV. HOSPITAL COMMUNITY BENEFIT PROGRAM AND INITIATIVES

1. Please see attachment (Table III).
2. Were there any primary community health needs that were identified through a community needs assessment that were not addressed by the hospital? If so, why not?

Traffic Safety was noted as a high priority for the Calvert County Health Improvement Roundtable. Programs to prevent traffic injuries and death fall do not fall under the purview of Calvert Memorial Hospital and are addressed instead by the Calvert County Traffic Safety Council (CCTSC).

V. PHYSICIANS

1. As required under HG§19-303, 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.

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

2. If you list Physician Subsidies in your data in category C of the CB Inventory Sheet, please indicate the category of subsidy, and explain why the services would not otherwise be available to meet patient demand. The categories include: Hospital-based physicians with whom the hospital has an exclusive contract; Non-Resident house staff and hospitalists; Coverage of Emergency Department Call; Physician provision of financial assistance to encourage alignment with the hospital financial assistance policies; and Physician recruitment to meet community need.

Physician Subsidies.

Hospital Based Physicians

Emergency Psychiatric Services (Includes CMH and Civista Hospital)	\$482,511	Mental Health
Psychiatric Call Coverage	\$ 30,000	Mental Health
Intensive Care Unit Call Coverage	\$ 25,000	Specialist
Hospital Endoscopy Call Coverage	\$ 25,000	Specialist
Hospital Infectious Disease Call Coverage	\$ 1,500	Specialist
Pediatric Orthopedic Practice Subsidy	\$ 6,000	Specialist
Vascular Care Center Subsidy	\$ 28,655	Specialist
Gyn-Oncology Practice Subsidy	\$ 9,468	Specialist
Breast Care Center Subsidy	\$ 67,060	Specialist
Neurosurgery Center Subsidy	\$100,000	Specialist
EKG Professional Reads Subsidy	\$ 65,740	Specialist
Charlotte Hall Veterans Home Subsidy	\$157,426	Primary
Infusion Therapy Subsidy	\$ 25,767	Specialist

Hospitalists

Hospitalist Program	\$567,479	Primary
Pediatric Hospitalist Program	\$596,281	Specialist

Emergency Department Call Coverage	\$221,666	Specialist
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Physician Financial Assistance
Spine Clinic for Med. Asst. and Uninsured \$128,653 Specialist

Total \$2,538,206

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

VI. APPENDICES

To Be Attached as Appendices:

1. Describe your Financial Assistance Policy (FAP):
 - a. Please see Appendix I.
2. Include a copy of your hospital's FAP (label appendix II).
 - a. Please see attached Appendix II
3. Include a copy of the Patient Information Sheet provided to patients in accordance with Health-General §19-214.1(e) (label appendix III).
 - a. Please see attached Appendix III
4. Attach the hospital's mission, vision, and value statement(s) (label appendix IV).
 - a. Please see attached Appendix IV

Table III
082012

Initiative 1.

Identified Need	Hospital Initiative	Primary Objective of the Initiative	Single or Multi-Year Initiative Time Period	Key Partners and/or Hospitals in initiative development and/or implementation	Evaluation dates	Outcome (Include process and impact measures)	Continuation of Initiative	Cost of initiative for current FY? (See Instructions)
Access to Affordable Care	Provide primary and specialty care access for uninsured/underinsured residents	The primary objective is to increase the number of primary and specialty care providers available to treat the underinsured/uninsured population as well as those covered by insurance. The current objective is to recruit needed medical staff as indicated by a bimonthly physician needs survey. CMH continues to support a fulltime hospitalist and fulltime pediatric hospitalist program so that any patient seeking inpatient care at this facility is ensured quality medical services.	Ongoing	Calvert Physician Associates, local physician practices, independent physicians	June 30, 2012	In FY 10, Calvert Health System developed and implemented the non-profit entity Calvert Physician Associates (CPA) as a vehicle to employ physicians and Calvert Medical Management was created to manage the CPA office practices. These CPA-employed physicians are expected to provide medical care to the uninsured. This past fiscal year, CMH successfully recruited 2 general surgeons, 1 primary care physician, 1 primary care nurse practitioner, and 1 physician assistant for gastroenterology. Additionally, a medical director has been recruited for the Breast Center at Calvert Memorial as well as a pulmonologist and behavioral health providers	This initiative will continue as needed.	\$95,163.21

Table III
082012

Initiative 2.

Identified Need	Hospital Initiative	Primary Objective of the Initiative	Single or Multi-Year Initiative Time Period	Key Partners and/or Hospitals in initiative development and/or implementation	Evaluation dates	Outcome (Include process and impact measures)	Continuation of Initiative	Cost of initiative for current FY? (See Instructions)
Disparity of Care for the Uninsured	Provide primary and specialty care access for uninsured residents	Provide access to “medical homes” and needed primary and specialty care including basic lab and x-ray services for the uninsured population. A secondary objective is to decrease inappropriate emergency department utilization by this portion of the population. Through Calvert Physician Associates and Calvert Medical Management, CMH provides primary and specialty care access for Medical Assistance enrollees, Calvert Healthcare Solutions clients (low-income, uninsured adult Calvert County residents) and those residents otherwise eligible for sliding scale discounted care. Care coordination is also provided to help manage chronic disease as well as to access other needed medical and community resources.	Ongoing	Calvert Healthcare Solutions, Inc, Calvert Physician Associates, Calvert Medical Management, other participating local physician offices	June 30, 2012	<p>CMH continues to provide Calvert Healthcare Solutions clients access to no cost basic lab and x-ray services through the hospital as well as discounted physician services through its primary care and specialty care practices. Adult dental care is also provided through grant-funded Calvert Community Dental Program. Following are outpatient services that CMH directly provided to CHS clients in FY 2012:</p> <ul style="list-style-type: none"> • 161 clients received 1,414 lab and x-ray services valued at \$160,379 • 240 clients received 1,210 office visits valued at \$229,000 for discounted organizational cost of \$30,091 	CMH has partnered with and provided board-level representation with CHS since 2001 and intends to continue proactively assisting Calvert County’s adult low-income, uninsured population through this vehicle.	\$160,379 in-kind services

Table III
082012

Initiative 3.

Identified Need	Hospital Initiative	Primary Objective of the Initiative	Single or Multi-Year Initiative Time Period	Key Partners and/or Hospitals in initiative development and/or implementation	Evaluation dates	Outcome (Include process and impact measures)	Continuation of Initiative	Cost of initiative for current FY? (See Instructions)
Lack of Pediatric Dental Care for the Pediatric Population	Provide direct care dental services targeting Medical Assistance and uninsured populations	To increase pediatric dental care for pediatric Medical Assistance enrollees. This initiative will also provide a “dental home” for adult Medical Assistance, Primary Adult Care (PAC), Calvert Healthcare Solutions clients, and sliding scale-eligible patients. Access is also provided to an oral surgeon as needed for complicated or emergent extractions.	Ongoing	Maryland Department of Oral Health; Oral Health Task Force which includes CMH, Board of Education, Judy Center, Head Start, College of Southern Maryland; local dental providers – volunteers and contracted.	June 30, 2012	<p>In FY 2012, this initiative:</p> <ul style="list-style-type: none"> • Provided basic dental care to over 833 adults and children • Partnered with Head Start and the Judy Center to provide dental screenings for 150 children. • Continued use of permanent site acquired in previous fiscal year. • Medicaid reimbursement provides for daily dental operations but does not cover a needed case management component <p>Initial results of the program demonstrated a 15% reduction in dental-related cases receiving care in CMH’s Emergency Department.</p>	Status of program beyond FY 2012 is to continue as grant funding is available.	\$178,935

Table III
082012

Initiative 4.

Identified Need	Hospital Initiative	Primary Objective of the Initiative	Single or Multi-Year Initiative Time Period	Key Partners and/or Hospitals in initiative development and/or implementation	Evaluation dates	Outcome (Include process and impact measures)	Continuation of Initiative	Cost of initiative for current FY? (See Instructions)
Obesity	Decrease incidence of obesity across the population	Through a collaborative effort with community partners, CMH established the program Calvert Can: Eat Right, Move More. The objective of this initiative is to provide free and low-cost fitness and nutrition programs to populations most at risk	Ongoing	United Way of Calvert County, The ARC, Office on Aging, Calvert County Health Dept, Calvert County Parks and Recreation, Calvert Healthcare Solutions	6/30/2012	As of the reporting date, the following outcomes have been reported: <ul style="list-style-type: none"> o 39 residents have participated in a health risk assessment o 136 residents have participated in a healthy lifestyle class o 39 residents received health coaching o 12 residents received biometric measurements through various locations o 36 residents utilize the Vitabot program 	This program is partially grant-funded and will likely extend through the 5 year grant period.	\$3,763.00

Calvert Memorial Hospital

FY 2012 Community Benefit Narrative Report

Appendix 1:

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

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

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

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

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

FINANCIAL ASSISTANCE

I. PURPOSE

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

II. SCOPE

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

III. POLICY

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

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

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

VI. DEFINITIONS:

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

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

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

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

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

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

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

V. PROCEDURES

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

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

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

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

C. Determination of Financial Need:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

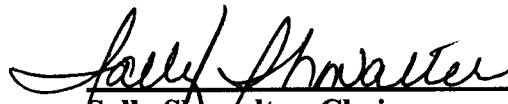
F. Communication of the Financial Assistance Program to Patients and the Public: Notification about the availability of financial assistance from Calvert Memorial Hospital, which shall include a contact number, shall be disseminated by Calvert Memorial Hospital by various means, which may include, but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

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

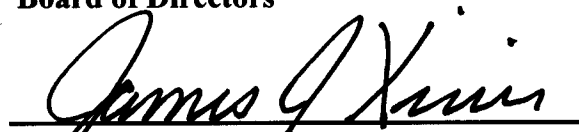
G. Relationship to Collection Policies: Calvert Memorial Hospital's management shall develop policies and procedures for internal and external collection practices that take into account the extent to which the patient qualifies for financial assistance, a patient's good faith effort to apply for a governmental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

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

APPROVED:



Sally Showalter, Chair
Board of Directors



James J. Xinis, President & CEO



Robert Kertis, Vice President of Finance

Original: 6/27/88
Reviewed/Revised

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

Exhibit A

Documentation Requirements

Verification of Income:

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

Size of family unit:

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

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

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

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

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

Services Not Billed by Calvert Memorial Hospital

During your stay at CMH, you may receive treatment from providers who will bill you separately for their services. If you have questions about their bills, contact them directly. Contact information for some of the providers is as follows:

Emergency Room Physicians

Emergency Management Associates, PA, PC
240-686-2310

Anesthesia

Chesapeake Anesthesia / 908-653-9399

Radiology

American Radiology Associates / 1-800-255-5118

Pathology

Nancy I. Ulanowicz, MD / 1-866-264-2821

Hospitalist Services

Maryland Inpatient Care Specialists
443-949-0814

All American Ambulance / 301-952-1193

Durable Medical Equipment

Grace Care, LLC / 410-586-3126

Laboratory

LabCorp / 1-800-859-0391

Quest Diagnostics / 1-800-638-1731

You may also receive bills from physician practices who participate in your care. The invoices should have correct information on them. To obtain contact information for individual physicians, please call our physician referral line at **1-888-906-8773**.

If you have further questions, please call the CMH Patient Financial Services Team and we will do our best to advise you.

NOTICE TO PATIENTS

Calvert Memorial serves all patients regardless of ability to pay. Financial assistance for essential services is offered based on family size and income. You can apply by calling **410-535-8268**.

Billing Questions: **410-535-8248**

Financial Assistance: **410-535-8268**

Credit/Collections: **800-691-3685**

This facility is accredited by The Joint Commission. If you would like to report a concern about the quality of care you received here, you can contact The Joint Commission at 1-800-994-6610.

Calvert Memorial Hospital does not discriminate with regard to patient admissions, room assignment, patient services or employment on the basis of race, color, national origin, gender, religion, disability or age.

Patient Financial Information

What You Need to Know About Paying for Your Health Services



Calvert Memorial Hospital
Tradition. Quality. Progress.

100 Hospital Road, Prince Frederick, MD 20678

410-535-4000 301-855-1012

Maryland Relay Service 1-800-735-2258

www.calverthospital.org



Calvert Memorial Hospital
Tradition. Quality. Progress.

Hospital billing practices can be confusing. We are here to help.

Our Patient Financial Services Team can help you with payment options including payment plans, grants and financial assistance programs as well as answer general questions about payment of your medical services.

How Does Health Insurance Billing Work?

When you receive services at Calvert Memorial Hospital, we will bill your health insurance provider. In order to be sure the claim is properly submitted, we need a copy of your insurance card. HIPAA regulations require that we supply insurance providers complete information on the person that carries the coverage. This includes the name, address, phone number, date of birth and social security number. Incomplete information could mean a denial from your insurance provider. When your insurance provider delays, denies or makes partial payment, you are responsible for the balance. Your insurance company may also require that you make a co-payment at the time of service.

If you refuse or are unable to provide complete insurance and subscriber information, CMH will not be able to submit your bill. In this case, you will be a self-pay patient and will be asked to make a deposit for your visit today.



What If My Visit Involves Worker's Compensation?

If we do not receive worker's compensation information from your employer within 30 days of service, you will be responsible for your bill. If worker's compensation is denied, we need a copy of the denial in order to bill your insurance provider.



What If My Visit Is Due to a Motor Vehicle Accident?

CMH does not bill auto insurance providers. MVA patients are responsible for payment of services provided. Payment in full is due upon receipt of the bill. Please contact our Patient Financial Services Team if you need to make payment arrangements.



Why is Outpatient Observation billed differently?

Outpatient observation is different than being admitted and is not billed the same as an inpatient stay. This means that your responsibility will be different than your inpatient hospital benefit depending on your insurance plan. If you have any questions, we encourage you to check with your carrier to determine your specific coverage.



What Happens If I Can't Pay On Time?

If your account becomes past due, CMH will take action to recover the amount owed. We understand that certain circumstances may make it difficult to pay your bill on time.



What Does Medicare Cover?

"Medical necessity" is a term used by Medicare to describe the procedures that your doctor feels are necessary to manage your health. In most cases, Medicare provides payment for "medically necessary" services.

If your doctor prescribes a service that may not be covered by Medicare, you will be asked to sign an Advance Beneficiary Notice (ABN). The ABN informs you in advance that Medicare is not likely to pay for the service. By signing the ABN, you are agreeing to be responsible for payment.



What Are My Options Under Medicare?

If you are asked to sign an ABN, you can sign it and agree to pay for the services yourself or you can refuse the service or treatment. If you refuse, we encourage you to talk with your doctor about alternative options that would be covered under Medicare.

You have a right to appeal a Medicare decision of non-coverage. If you would like to file an appeal or have other Medicare related questions, please call the [Medicare Beneficiary Hotline](tel:1-800-633-4227) at 1-800-633-4227.

Call 410-535-8248 from 8:30 a.m.- 4:30 p.m. Monday-Friday if you need to discuss.

Calvert Memorial Hospital

FY 2012 Community Benefit Narrative Report

Appendix IV

Hospital's Mission, Vision and Value Statement

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

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

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

QUALITY

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

SERVICE

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

PEOPLE

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

INNOVATION

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

FINANCE

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

Approved CMH Board of Directors

Approved: 11/28/95

Revisions: 2001, 2002, 2005, 2008