



Applicant's Completeness Number One

June 2017



MARYLAND HEALTH CARE COMMISSION

4160 PATTERSON AVENUE – BALTIMORE, MARYLAND 21215
TELEPHONE: 410-764-3460 FAX: 410-358-1236

BAYADA Home Health Care’s Completeness Number One

Part I – Project Identification and General Information

1. **Project Implementation Target Dates.** COMAR 10.24.01.21 states that, “Home health agencies have up to 18 months from the date of the CON to ... (ii) begin operations in the jurisdictions for which the CON was granted.” The applicant’s CON application states that it will initially service Frederick and Washington counties with the gradual entry into Allegany and Garrett counties (p.7). Please provide an estimated timeline for the expansion into Allegany and Garrett counties.

BAYADA Home Health Care estimates its expansion into Allegany and Garrett Counties one year after expanding into Washington County. More specifically, BAYADA anticipates expanding into Allegany and Garrett Counties in the first quarter of the second year after approval and subsequent rollout.

Part II – Consistency with Review Criteria at COMAR 10.24.01.08G(3)

B) Populations and Services

2. The instructions provided to applicants that detailed MHCC expectations regarding documentation that the review standards are met asked the applicant to, “Provide current and projected population for proposed service area by age group.” This was not done, and instead Bayada submitted outdated population data stated in terms of percentages by cohort. So, please provide current and projected population data for the proposed service area by age group.

County	Home Health Eligible (age 18+) as of 2016	Older adult, higher risk population (age 65+) est. April 2017	Ages 18-49 (2016)	Ages 50-64 (2016)	Ages 65-79 (2016)	Ages 80+ (2016)
Frederick	247,591	25,176	99,813	45,672	18,214	6,587
Washington	150,292	20,790	59,435	27,827	14,521	7,054

Allegany	72,130	13,204	26,925	14,160	9,034	3,607
Garrett	24,891	6,842	11,472	6,577	3,828	3,014

Data gathered from www.census.gov and www.suburbanstats.org for 2015 and 2016, age 65+ column is estimate as of April 2017.

County	Medicare certified population, estimated population 2020	Medicare certified population, estimated population 2025	Medicare certified population, estimated population 2030
Allegany	15,277	16,420	17,356
Frederick	42,335	53,261	64,110
Garrett	6,581	7,413	8,078
Washintgon	27,427	31,939	36,543

These population projections were taken from the Department of Planning Maryland State Data Center website on www.Maryland.gov

BAYADA Home Health Care intends to provide care to any individual who is 18 years of age or older and who meets the criteria of homebound status. The individual can be a resident of a private home or of a senior living community as long as it can be justified that leaving their living environment requires a taxable effort. The charts above demonstrate current population size as well as future projections of the growing class of Medicare eligible individuals. BAYADA Home Health Care intends to coordinate with area hospitals, skilled nursing facilities and other healthcare agencies in order to meet the needs of this growing cohort.

3. **The applicant should also cite the source of the data provided in the column labeled “Total percentage of individuals with activity limitations, fair or poor health, and those experiencing unhealthy days.” In addition, please further explain the significance of this data.**

The source of data provided in said column was the Demographics & Social Determinants of Health” (2005-2009) chart on www.Maryland.gov. The significance of this data is to note the high percentage in each county of individuals who may benefit from health services of any kind, some of which would be home health care services. By reaching out to local hospitals, SNFs and other healthcare agencies, BAYADA strives to reach the needs of these individuals with activity limitations or fair or poor health in order to restore some of their lost function.

C) Financial Accessibility

4. **The standard states that, “An applicant shall be or agree to become licensed and Medicare- and Medicaid-certified, and agree to maintain Medicare and Medicaid certification and to accept clients whose expected primary source of payment is either or both of these program.” The applicant did not agree to maintain either or both Medicare and Medicaid certification, or to accept clients whose primary source of payment is either Medicare or Medicaid. Please address.**

Yes, the applicant agrees to maintain both Medicare and Medicaid certification and to accept clients whose primary source of payment is either Medicare or Medicaid.

5. **The instructions provided to applicants that detailed MHCC expectations regarding documentation that the review standards are met asked the applicant to “provide documentation of their current license and certifications”. The**

applicant failed to provide proof of Medicaid certification. Please submit documentation of Medicaid certification.

Please see ATTACHMENT A for documentation of BAYADA Home Health Care's current Medicaid certification.

E) Charity Care and Sliding Fee Scale

6. **The instructions provided to applicants that detailed MHCC expectations regarding the review standards documenting the applicant's provisions for charity care asked applicants to 1) provide a copy of the policy; 2) to quote the specific language; and 3) provide a citation to the location within the policy that addresses the specific provision identified in the standard. Alternatively, an applicant could submit a copy of the policy with the relevant passage(s) highlighted or otherwise flagged. Please do this for:**

- a) **Determination of Eligibility for Charity Care and Reduced Fees**

- Per Financial hardship Policy 0-3682 (ATTACHMENT B), BAYADA Home Health Care determines eligibility for charity care and reduced fees if, per procedure 1.5 "the total family income is below 200% of the Federal Poverty Guidelines for their family size or if the client's total yearly medical bills after all applicable insurance reimbursement are greater than 50% of their total yearly income."

- b) **Notice of Charity Care and Sliding Fee Scale Policies**

- Per BAYADA policy 0-7657, Uncompensated Care Form (ATTACHMENT C), all clients are notified of our uncompensated care procedure upon admission. "Upon receiving a request for charity care, BAYADA will make an initial determination of probable eligibility within two business days," as noted on BAYADA's Charity Care policy 0-8407 (ATTACHMENT D).

- c) **Discounted Care Based on a Sliding Fee Scale and Time Payment Plan**

- Once the client completes the Financial Hardship Form (ATTACHMENT E) to determine eligibility, they are "informed of the rates he/she will qualify for as per the Federal Poverty Guidelines and a sliding fee scale used for per diem rates." The office director will then "submit a Biller Information coordination note to the Billing and Collections Office indicating the client's payor source as private pay and billing rate as per diem based on a sliding scale (Charity Care Policy 0-8407). BAYADA office directors recognize these accounts during their first 270 days to develop a payment plan that works for both parties.

7. **Under Policy Provisions, the instructions provided to the applicants that detailed MHCC expectations regarding documentation that the review standards are met asked that the applicant "commit to and show in its projected budget, an amount of charity care equivalent to the average amount of charity care provided by home health agencies in the jurisdiction or multi-jurisdictional region it proposes to serve. If an existing HHA, show track record of charity care. Discuss the plan for achieving the charity care proposed." The applicant failed to commit to and identify the amount of charity care it plans to provide going forward. The applicant also failed to provide a specific plan for achieving the committed level of charity care. Please submit.**

BAYADA Home Health Care commits to achieving the amount of charity care submitted in original application (see below). BAYADA will do so by engaging local hospitals and local facilities and will review all cases per our charity care policy as needed. BAYADA has full intention to continue addressing the needs of all individuals, regardless of their payor source.

	Two Most Current Actual Years		Projected years -- ending with first year at full utilization			
	2015	2016	2018	2019	2020	2021
CY or FY	CY	CY	FY	FY	FY	FY
1. Revenue						
Charity Care	(2,577)	(3,345)	(4,930)	(7,148)	(8,426)	(9,699)

Within this plan, BAYADA estimates the following percentages of total revenue for each county based on the history available for 2014:

County	Charity Care as a Percentage of Total Revenue
Allegany	0.3%
Garrett	0.3%
Washington	0.5%
Frederick	0.1%

- 8. Commission staff are skeptical that both the past and projected charity care levels in Table 3 show an identical percentage of revenues. Though understandable for the projected levels, it would be extremely coincidental for this to have been true for prior years. Please document the level of charity care provided in 2015 and 2016.**

In 2015 and 2016 BAYADA's home health practice provided identical percentages of charity care. However, without revealing specific dollar amounts, it should be noted that while the percentage stayed the same, the total dollar amount increased from 2015 to 2016 as our total revenue grew. Additionally, in the original application BAYADA did not claim all uncollectable care provided as charity care despite the fact that BAYADA took on many cases with full knowledge that services provided would not be fully reimbursed. This is a coincidence that the percentage remained the same between the two years.

Additionally, BAYADA Inc. will be transitioning from a privately owned company to that of non-profit status in the next three years. While we do not know how this change will be reflected in our policies, we are confident that we will continue to meet the needs of all of our clients and that charity care will continue to be of the utmost importance moving forward.

F) Financial Feasibility -

- 9. Provide a complete description of all assumptions that "fed" the utilization and revenue and expense tables, and the rationale behind those assumptions.**

Patient Mix

We estimated our payer mix based on our current experience in this provider in Maryland.

We estimated that we would have a recertification rate similar to our existing experience in this provider. The timing of the recertification would be two months after the initial admission based upon a 60 day episodic period.

Visits per episode by discipline were taken from our history with this provider.

Revenue Assumptions

- Our episodic mix (% of LUPA episodes, % of therapy episodes, etc) was estimated based upon our experience with this provider.
- Our episodic values were estimated based on the Case Mix Weight for and our experience with this provider.
- Our net billing rates were estimated by discipline based on our contract experience in Maryland. We calculated contractual allowances based on the difference between our standard charge rate and our net billing rate.

Inflation

We assumed no inflation in either revenue or expenses. Some of our expenses are contractually flat. We anticipate purchasing any required equipment up-front and the depreciation would not be influenced by inflation. We negotiate with our payors to address the need for higher charge rates should inflation exceed anticipated rates. We assumed that the wage index adjustment in Medicare reimbursement would offset increases in pay rates for our clinicians.

Labor

Pay rates for employees or contracted workers were based upon our experience in this provider.

Employer portions of income taxes were estimated based on rates experienced in other offices in Maryland.

Benefits expenses were estimated based upon typical participation rates for employees in this provider for participation in medical, dental, and 401(k) benefits.

PTO expense was estimated based on our formulaic calculation of PTO earned for our clinicians.

Medical Supplies

Medical supplies were estimated based upon historical run rates in this provider based upon a percentage of revenue.

Allocation of General and Administrative Expenses

We estimated our general and administrative expenses based on our experience running this provider and other providers in Maryland as well as our experience with home health offices across the country.

Office Personnel Expenses

Office personnel expenses were estimated based upon our planned staffing levels for this office. Office personnel expenses include an office director, clinical management, client services management, and marketing staff.

Advertising, Recruiting and On-Boarding

Expenses were estimated based upon our need to recruit staff, train the staff and to solicit new referrals for the office.

Printing and Office Supplies

Printing and office supplies were estimated as a percentage of revenue based our experiences in other home health offices. This includes the cost of our admission booklets for each new client.

Equipment Expenses

We estimated depreciation and maintenance expenses for the office based on our run rates in this provider.

Occupancy Expenses

Occupancy expenses were calculated based on our current lease agreement and our awareness of the Maryland markets.

Telephone Expenses

We estimated telephone expenses for the office based upon our current run rate for our existing offices.

Taxes and Fees

Taxes and fees were estimated for the office based upon our experience for this provider. Taxes and fees include sales and use taxes, professional fees, and cost report preparation fees.

Miscellaneous Expenses

These were estimated for the office based upon similar size home health offices. These expenses include unallocated credit card charges and employee appreciation expenses.

Bad Debt and Collection

We estimated bad debt based upon our experience in our Maryland offices.

Medical Records Software & Devices

This was estimated for the office based upon run rates for this provider. This includes software licenses, costs of tablets, and tablet software.

Home Office Allocations

Home Office allocations include 6% for central support services (payroll, IT, billing, legal, etc.) plus allocations for centralized authorization management and insurance confirmations. In addition, each office is charged based upon a percentage of revenue for practice and division support. Total expenses were estimated based upon a percentage of revenue for other offices in the planned division.

10. For CY 2015, the applicant reported that 0.1% of total revenues and 0.2% of total patient visits were from Medicaid (pp. 33-34). However, future projections reported 0.0%, please explain.

The chart has since been adjusted to reflect a more accurate prediction of total revenue and total patient visits from Medicaid in the future. The changes have been highlighted for your

review. As noted, BAYADA Home Health Care estimates .5% payor mix of total revenue and total visits for years 2018-2021.

4A. - Payor Mix as Percent of Total Revenue						
Medicare (a)	87.0%	89.0%	87.2%	86.2%	85.7%	86.7%
Medicaid	0.1%	0.0%	0.5%	0.5%	0.5%	0.5%
Blue Cross	5.5%	5.1%	6.0%	6.2%	6.4%	6.0%
Commercial Insurance	5.5%	4.6%	4.9%	5.6%	5.8%	5.4%
Self-Pay	0.7%	0.2%	0.3%	0.3%	0.3%	0.3%
Other	1.2%	1.0%	1.2%	1.2%	1.3%	1.2%
TOTAL REVENUE	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
4B. - Payor Mix as Percent of Total Visits						
Medicare (a)	79.8%	81.1%	82.3%	81.1%	80.4%	81.6%
Medicaid	0.2%	0.0%	0.5%	0.5%	0.5%	0.5%
Blue Cross	8.5%	8.8%	8.2%	8.8%	9.1%	8.6%
Commercial Insurance	8.5%	7.9%	6.9%	7.4%	7.7%	7.2%
Self-Pay	1.1%	0.4%	0.4%	0.4%	0.4%	0.4%
Other	1.9%	1.7%	1.6%	1.7%	1.8%	1.7%
TOTAL REVENUE	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

G) Impact

11. The applicant's response was extremely general and lacked quantitative analysis to describe the impact on existing agencies' caseloads, staffing and payor mix in both this Impact on Existing Providers Standard and the Impact on Existing Providers Review Criterion 10.24.0108G(3)(f). Please discuss current volumes in the region and the impact Bayada's expansion will have on existing home health agencies' caseloads, staffing and payor mix, including its own.

County	2015 Billing History	Current Home Health Utilization of all Medicare costs	Medicare Advantage Penetration Rate
Allegany	\$3.56 million	2.05%	5.35%
Frederick	\$10.99 million	3.92%	6.71%
Garrett	\$1.51 million	2.18%	8.49%
Washington	\$6.26 million	2.57%	10.92%

This information was gathered from the Medicare claims data from 2015.

BAYADA Home Health Care will not negatively impact currently existing home health agencies in the proposed jurisdictions. In fact, BAYADA Home Health Care intends to meet the growing needs of the population and work alongside other home health agencies rather than against them being that the market share of need is so great. As seen above, the average home health utilization against total Medicare billing across all four proposed jurisdictions is 2.68%

which is lower than the state average of 3.01%. Therefore, BAYADA will not negatively impact current caseloads as there are individuals currently needing care who are not receiving it. Additionally, BAYADA Home Health Care employs individuals who reside in both Frederick and Washington Counties who are available to meet the needs of individuals where they live and assist with the expansion into these underserved areas. We further believe that by looking at the wage index by county, there are individuals in these territories that could be attracted to a new incoming agency such as BAYADA with a proven track record of positive employee satisfaction results, financial stability and proven opportunities for career growth.

Traditional Medicare fee-for-service continues to be the dominant insurance for our target market of individuals who are aged 65 years and greater. As the population continues to grow, we do not foresee a shift in Medicare Advantage penetration in said territories but rather a proportionate growth in both commercial insurance and traditional fee-for-service Medicare. Therefore we do not project disturbing the payer mix of any rival agencies but rather note a healthy mix that will support the growing needs of its recipients. BAYADA Home Health Care goal is to be payer agnostic and serve individuals with all payer sources as we accept most major commercial insurance plans in addition to traditional Medicare.

I) Linkages with Other Service Providers.

- 12. MHCC's "linkages" standard requires a Maryland home health agency that is already licensed and operating to not only "provide documentation of these linkages in its existing service area" (which Bayada did), but also to "document its work in forming such linkages before beginning operation in each new jurisdiction it is authorized to serve." That part of the required response was missing; please provide evidence of progress in developing such linkages with other service providers in Frederick County.**

BAYADA Home Health Care currently services Frederick County from another BAYADA office in Maryland. Thus, we currently have active linkages with several service providers in the county including Sunrise Senior Living, Country Meadows Retirement Community, Genesis Rehab and Frederick Memorial Hospital.

J) Discharge Planning

- 13. Please provide examples (i.e. list) of current or potential providers that Bayada will make referrals to during the discharge planning process.**

Please see below for examples of current providers BAYADA will make referrals to during the discharge planning process:

- Genesis Rehab
- Baker Rehab
- Fox Rehab
- Home Instead
- Visiting Angels
- Life Matters
- Ballenger Creek Center
- Hospice of Frederick County
- Hospice of Washington County

10.24.01.08G(3)(d). The Viability of the Proposal

14. Please note that part b. of this criterion directs an existing agency to “provide an analysis of the probable impact of the project on its costs and charges for the services it provides.” Bayada spoke to the impact it expected to make on other agencies, but neglected to respond to this part of the criterion.

BAYADA Home Health Care’s analysis of the probable impact of the project on its costs and charges for the services it provides is that there will be no impact. Medicare, Medicaid and our commercial insurance payers have set payment schedules for BAYADA Home Health Care. Thus, BAYADA Home Health Care will not be raising rates in order to accommodate for the cost of the project.

From the original application, please see below for BAYADA Home Health Care’s resubmission of forecasted financials that reflect the modifications made in *BAYADA Home Health Care’s Completeness Number One*.

TABLE 3: REVENUES AND EXPENSES – HISTORIC AND PROJECTED HOME HEALTH AGENCY SERVICES IN MARYLAND (including proposed project)

	Two Most Current Actual Years		Projected years -- ending with first year at full utilization			
	2015	2016	2018	2019	2020	2021
CY or FY	CY	CY	FY	FY	FY	FY
1. Revenue						
Gross Patient Service Revenue	2,576,910	3,344,985	4,941,774	7,166,362	8,447,607	9,724,132
Allowance for Bad Debt	(13,617)	(72,572)	(65,177)	(93,504)	(110,791)	(128,683)
Contractual Allowance - Medicare	606,400	740,180	480,262	636,722	808,978	996,569
Contractual Allowance - non Medicare	(167,150)	(185,239)	(195,991)	(304,042)	(371,105)	(400,867)
Charity Care	(2,577)	(3,345)	(11,869)	(18,728)	(22,172)	(25,162)

Net Patient Services Revenue	2,999,967	3,824,010	5,148,998	7,386,811	8,752,516	10,165,988
Other Operating Revenues (specify)	2,070	327	-	-	-	-
Net Operating Revenue	3,002,037	3,824,337	5,148,998	7,386,811	8,752,516	10,165,988
2. Expenses						
Salaries, Wages and Professional Fees (including fringe benefits)	1,794,603	2,268,074	3,806,133	5,238,324	6,590,317	7,119,215
Contractual Services (please specify)	192,009	123,932	19,922	28,346	33,341	38,370
Interest on Current Debt	-	-	-	-	-	-
Interest on Project Debt	-	-	-	-	-	-
Current Depreciation	5,121	5,307	-	-	-	-
Project Depreciation	-	-	-	1,000	2,000	3,000
Current Amortization	-	-	-	-	-	-
Project Amortization	-	-	-	-	-	-
Supplies	41,308	43,751	91,248	130,906	155,108	180,157
Other Expenses (Specify)	631,990	853,054	1,007,810	1,420,254	1,260,960	1,971,094
Other expenses include rent plus corporate allocations for shared services (accounting, collections, billing, IT, etc.)						
Total Operating Expenses	2,665,030	3,294,117	4,925,113	6,818,829	8,041,727	9,311,836

3. Income						
Income from Operations	337,008	530,219	223,885	567,982	710,790	854,152
Non-Operating Income	-	-	-	-	-	-
Subtotal	337,008	530,219	223,885	567,982	710,790	854,152
Income Taxes	\$0 - entity is an S-Corp; taxes are paid by shareholders via personal taxes					
Net Income (Loss)	337,008	530,219	223,885	567,982	710,790	854,152
4A. - Payor Mix as Percent of Total Revenue						
Medicare (a)	87.0%	89.0%	87.2%	86.2%	85.7%	86.7%
Medicaid	0.1%	0.0%	0.5%	0.5%	0.5%	0.5%
Blue Cross	5.5%	5.1%	6.0%	6.2%	6.4%	6.0%
Commercial Insurance	5.5%	4.6%	4.9%	5.6%	5.8%	5.4%
Self-Pay	0.7%	0.2%	0.3%	0.3%	0.3%	0.3%
Other	1.2%	1.0%	1.2%	1.2%	1.3%	1.2%
TOTAL REVENUE	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
4B. - Payor Mix as Percent of Total Visits						
Medicare (a)	79.8%	81.1%	82.3%	81.1%	80.4%	81.6%
Medicaid	0.2%	0.0%	0.5%	0.5%	0.5%	0.5%
Blue Cross	8.5%	8.8%	8.2%	8.8%	9.1%	8.6%
Commercial Insurance	8.5%	7.9%	6.9%	7.4%	7.7%	7.2%
Self-Pay	1.1%	0.4%	0.4%	0.4%	0.4%	0.4%
Other	1.9%	1.7%	1.6%	1.7%	1.8%	1.7%
TOTAL REVENUE	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

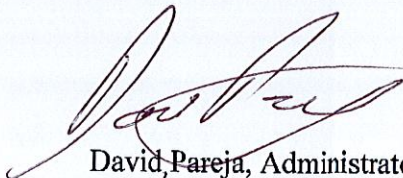
(a) includes all episodic payors

TABLE 4: REVENUES AND EXPENSES – PROJECTED HOME HEALTH AGENCY SERVICES FOR PROPOSED PROJECT

	Projected years -- ending with first year at full utilization			
	2018	2019	2020	2021
	FY	FY	FY	FY
1. Revenue				
Gross Patient Service Revenue	819,884	2,627,838	3,810,381	4,383,396
Allowance for Bad Debt	(10,779)	(34,284)	(49,960)	(57,996)
Contractual Allowance	46,070	124,527	199,315	270,795
Charity Care	(3,642)	(9,669)	(12,916)	(14,502)
Net Patient Services Revenue	851,533	2,708,412	3,946,819	4,581,693
Other Operating Revenues (specify)	-	-	-	-
Net Operating Revenue	851,533	2,708,412	3,946,819	4,581,693
2. Expenses				
Salaries, Wages and Professional Fees (including fringe benefits)	621,531	1,918,818	2,779,598	3,208,579
Contractual Services	3,278	10,387	15,033	17,292
Interest on Current Debt	-	-	-	-
Interest on Project Debt	-	-	-	-
Current Depreciation	-	-	-	-
Project Depreciation	-	1,000	2,000	3,000
Current Amortization	-	-	-	-
Project Amortization	-	-	-	-
Supplies	15,089	47,998	69,944	81,196
Other Expenses (Specify)	165,880	519,821	759,213	886,700
Other expenses include rent plus corporate allocations for shared services (accounting, collections, billing, IT, etc.)				

Total Operating Expenses	805,778	2,498,024	3,625,788	4,196,767
3. Income				
Income from Operations	45,755	210,388	321,031	384,926
Non-Operating Income	-	-	-	-
Subtotal	45,755	210,388	321,031	384,926
Income Taxes				
Net Income (Loss)	45,755	210,388	321,031	384,926
4A. - Payor Mix as Percent of Total Revenue				
Medicare (a)	87.2%	86.2%	85.7%	86.7%
Medicaid	0.5%	0.5%	0.5%	0.5%
Blue Cross	6.0%	6.2%	6.4%	6.0%
Commercial Insurance	4.9%	5.6%	5.8%	5.4%
Self-Pay	0.3%	0.3%	0.3%	0.3%
Other	1.2%	1.2%	1.3%	1.2%
TOTAL REVENUE	100.0%	100.0%	100.0%	100.0%
4B. - Payor Mix as Percent of Total Visits				
Medicare (a)	82.3%	81.1%	80.4%	81.6%
Medicaid	0.5%	0.5%	0.5%	0.5%
Blue Cross	8.2%	8.8%	9.1%	8.6%
Commercial Insurance	6.9%	7.4%	7.7%	7.2%
Self-Pay	0.4%	0.4%	0.4%	0.4%
Other	1.6%	1.7%	1.8%	1.7%
TOTAL REVENUE	100.0%	100.0%	100.0%	100.0%
(a) includes all episodic payors				

"I hereby declare and affirm under the penalties of perjury that the facts stated in this application and its attachments are true and correct to the best of my knowledge, information, and belief."

A handwritten signature in black ink, appearing to read "David Pareja", written in a cursive style.

David Pareja, Administrator

A handwritten signature in black ink, appearing to read "Karen Rosenthal", written in a cursive style.

Karen Rosenthal, Director

Please submit four copies of the responses to the additional information requested in this letter within ten working days of receipt (Note: extensions are routinely available upon request). Also submit the response electronically, in both Word and PDF format, to Ruby Potter (ruby.potter@maryland.gov).

All information supplementing the application must be signed by person(s) available for cross-examination on the facts set forth in the supplementary information, who shall sign a statement as follows: "I hereby declare and affirm under the penalties of perjury that the facts stated in this application and its attachments are true and correct to the best of my knowledge, information, and belief."

Should you have any questions regarding this matter, feel free to contact me at (410) 764-3371.

Sincerely,

Angela R. Clark, MPA
Health Policy Analyst Advanced

ATTACHMENT

A



STATE OF MARYLAND

DHMH

Office of Health Services
Medical Care Programs

Maryland Department of Health and Mental Hygiene

Larry Hogan, Governor - Boyd Rutherford, Lt. Governor - Dennis Schrader, Secretary

June 6, 2017

To Whom It May Concern,

This letter confirms that the Maryland Medicaid agency's survey team conducted a site visit for the provider listed below. Maryland has approved this provider to begin/continue to provide services to Maryland Medicaid participants at the address specified below.

Provider Name: Bayada Home Health Care Inc

Provider NPI: 1902149891

Provider Type: 41

Provider Address: 352 A Christopher Ave, Gaithersburg, MD, 20879

Date of Site Visit: 5/8/2017

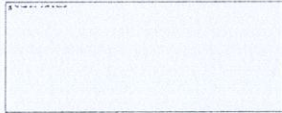
Maryland will visit this provider again at this location in five years. If you require further information or should have any questions regarding this approval, please contact the Department's provider enrollment survey team at the following email address:
dhmh.providerrevalidation@maryland.gov.

Regards,

Janis Verderamo
Manager, Provider Enrollment and Compliance Survey Team

ATTACHMENT

B



0-3682 FINANCIAL HARDSHIP POLICY

This policy was adopted on Feb. 18, 2008.

Our Policy:

BAYADA Home Health Care does not routinely waive insurance deductibles or co-payments, but may do so due to extreme financial hardship.

Our Procedure:

- 1.0 BAYADA recognizes that occasionally a client may not be able to meet their financial obligation due to extreme financial hardship. If a client states that they are unable to satisfy their obligation due to a financial hardship, the following procedure will be initiated.
 - 1.1 Client or guardian will be requested to complete [policy 0-3683].
 - 1.2 The client must provide the total family income and the number of family members.
 - 1.3 If the client is declaring a financial hardship due to excessive medical bills, the client must provide a complete listing of their current medical bills.
 - 1.4 The client must provide documentation of their monthly income and/or their medical expenses.
 - 1.5 The client will be granted a financial hardship write off if:
 - a. the total family income is below 200% of the Federal Poverty Guidelines (as published in the Federal Register) for their family size, or
 - b. the client's total yearly medical bills after all applicable insurance reimbursement are greater than 50% of their total yearly income.
 - 1.6 Should the client qualify for a Financial Hardship write off under this policy, the collection office will prepare an Accounts Receivable Adjustment Form according to [policy 0-407] and will forward it to the appropriate parties for approval. A copy of the Financial Hardship Documentation form will be attached.

ATTACHMENT

C

UNCOMPENSATED CARE FORM – MARYLAND HOME HEALTH OFFICES



Client Name: _____

Client # _____

It is the policy of BAYADA Home Health Care that any client who cannot pay for non-reimbursable services in full is eligible to request uncompensated care.

Upon request, uncompensated care will be considered by the Administrator or Designee on a case by case basis.

I acknowledge BAYADA has given me information about uncompensated care.

Signature of Client

Date

Witness

Representative, Relationship & Reason Client Unable to Sign

Date

Witness

ATTACHMENT

D



0-8407 CHARITY CARE - MARYLAND HOME HEALTH AND HOSPICE

This policy was adopted on Jan. 11, 2017 and last revised Jun. 13, 2017.

Our Standard:

We believe our clients come first.

Our Policy:

BAYADA Home Health Care provides uncompensated, charity care to our clients with financial hardship and in accordance with Maryland regulation.

Our Procedure:

- 1.0 This policy is in furtherance of FINANCIAL HARDSHIP POLICY, #0-3682. BAYADA ensures access to services regardless of an individual's ability to pay.
- 2.0 Upon receiving a request for charity care, BAYADA will make an initial determination of probable eligibility within two business days.
 - 2.1 The office director will review and approve a request for charity care as follows:
 - 2.1.1 The director will review the FINANCIAL HARDSHIP POLICY, #0-3682 and gather all required data from the client/representative to determine eligibility.
 - 2.1.1.1 Clients who qualify are informed of the rates he/she will qualify for as per the Federal Poverty Guidelines and a sliding fee scale used for per diem rates.
 - 2.1.1.2 Clients who do not qualify are informed and BAYADA assists the client with seeking alternative payment arrangement.
 - 2.1.2 The director will submit a Biller Information Coordination Note to the Billing and Collections Office indicating the client's payor source as private pay and billing rate as per diem based on a sliding scale.
- 3.0 The provision of charity care is tracked in order to demonstrate commitment to achieving a planned annual level of charity care.
- 4.0 Public notice is disseminated annually regarding BAYADA charity care, and notice of the charity care policy is posted in the BAYADA Hospice office and on the website.
- 5.0 **RELATED POLICIES.**
 - a. ADMISSION CRITERIA AND PROCEDURE - MEDICARE CERTIFIED OFFICES, #0-672
 - b. UNCOMPENSATED CARE FORM - MARYLAND HOME HEALTH OFFICES, #0-7657

0-8407 - CHARITY CARE - MARYLAND HOME HEALTH AND HOSPICE

Version: 9.0 (4608)

Author(s): JOY STOVER (2016)

Owner:

Manual, Section: MARYLAND, MEDICARE CERTIFIED POLICIES

ATTACHMENT

E

FINANCIAL HARDSHIP FORM



Please complete the top section and return to the Director of your service office.

Date: _____

Client Name: _____ Client Number: _____

Client Address: _____

Number of family members residing in the household: _____

Household Income*	Client Salary	
	Spouse Salary	
	Disability Payments	
	Other Income	
	Total Income	

Outstanding Medical Bills*	Facility	Amount	Insurance Payment	Balance due from Client
	Total			

I understand that the information provided above is required by law and will be used by BAYADA Home Health Care solely to determine my ability to pay a co-payment or deductible. I certify that the above information is true, complete, and correct as of the date written above. If any of the above information changes I will notify BAYADA immediately.

Client Signature: _____ Date: _____

POA Signature (if client unable to sign): _____ Date: _____

For BAYADA Use Only

Upon approval of the Office Director, the client is eligible for a Hardship write off if their total household income is less than 200% of the Federal Poverty level for the size of the household, OR their outstanding medical bills are greater than 50% of their yearly income.

Total household income multiplied by .50		
Federal Poverty level for Household size**	Multiply by 2	

* Documentation must be provided for these amounts

** as published by the Federal Government (<http://aspe.hhs.gov/poverty/07poverty.shtml>)

Director Signature: _____ Date: _____