



# Applicant's Completeness Number Two

---

**July 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 Two

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

1. The original question 3 requested that the applicant, “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.” Commission staff clicked on link and was unable to retrieve the data. Please provide a direct link to data.

Below is the referenced information with breakdown as well as the links to each county profile with said information:

County	Total percentage of individuals with either activity limitations, fair or poor health, or experiencing unhealthy days)	Activity Limitations	Fair or Poor Health	Those Experiencing Unhealthy Days
Frederick	53.1%	22.5%	11.9%	18.7%
Washington	62.7%	22.2%	16.2%	24.3%
Allegany	76.3%	30.9%	20.9%	24.5%
Garrett	55.7%	22.5%	14.8%	18.4%
Maryland National Average		20.5%	12.5%	22.5%

Please see the attached links:

Allegany County, page 2:

[https://phpa.health.maryland.gov/OEHFP/EH/tracking/Shared%20Documents/County-Profiles/AlleganyCounty\\_Final.pdf](https://phpa.health.maryland.gov/OEHFP/EH/tracking/Shared%20Documents/County-Profiles/AlleganyCounty_Final.pdf)

Garrett County, page 2:

[https://phpa.health.maryland.gov/OEHFP/EH/tracking/Shared%20Documents/County-Profiles/GarrettCounty\\_Final.pdf](https://phpa.health.maryland.gov/OEHFP/EH/tracking/Shared%20Documents/County-Profiles/GarrettCounty_Final.pdf)

Washington County, page 2:  
[https://phpa.health.maryland.gov/OEHFP/EH/tracking/Shared%20Documents/County-Profiles/WashingtonCounty\\_Final.pdf](https://phpa.health.maryland.gov/OEHFP/EH/tracking/Shared%20Documents/County-Profiles/WashingtonCounty_Final.pdf)

Frederick County, page 2:  
[https://phpa.health.maryland.gov/OEHFP/EH/tracking/Shared%20Documents/County-Profiles/FrederickCounty\\_Final.pdf](https://phpa.health.maryland.gov/OEHFP/EH/tracking/Shared%20Documents/County-Profiles/FrederickCounty_Final.pdf)

## E) Charity Care and Sliding Fee Scale

2. The original question 6 requested that the applicant, “*submit a copy of the policy with the relevant passage(s) highlighted or otherwise flagged areas of the Charity care and Sliding Fee Scale standard. E(2) of the Charity Care and Sliding Fee Scale policy requests that the applicant provide a copy of the public notice and information regarding the home health agency’s charity care and sliding fee scale that will be disseminated on an annual basis, through methods designed to best reach the population...*”. In response, the applicant provided a copy of its Uncompensated Care Form. Please provide a copy of the information that will be disseminated to potential clients and state how the information will be disseminated annually (i.e. via newspaper, website, etc.) or a copy of the information published annually in one of Bayada’s current home health jurisdictions.

Below you will note the relevant passage from BAYADA’s 0-8407 Charity Care Policy that notes how the information is disseminated annually:

**4.0** Public notice is disseminated annually regarding BAYADA charity care, and notice of the charity care policy is posted in the BAYADA office and on the website.

Please see ATTACHMENT A for a copy of the posting that is located online as well as in the BAYADA offices.

4. The original question 7 requested that the applicant document the projected average amount of charity care provided by the home health agency in the proposed jurisdiction or region. In response, the applicant provided the estimated dollar amount for charitable services. In reference to (4) Policy Provisions, the *How To Satisfy* handout states that, “The metric is the number of charity care visits divided by the number of total visits (to arrive at a percentage of charity care visits) compared to that cumulative percentage in the jurisdictions you are applying to serve”. Please provide the number of charity care visits so that we can calculate the percentage.

Please see the below table for number of charity care visits per year for the noted jurisdictions.

Indigent Visits	Year One	Year Two	Year Three	Year Four	Year Five
Allegany	-	13	25	25	30

Garrett	-	-	-	-	-
Washington	19	42	51	58	63
Frederick	1	4	6	8	10
Total	20	59	82	91	103

5. The original number 11 requested that the applicant, “*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*”. In response, the applicant made statements regarding population, caseloads, and wage indexes but provided no supplemental information to support the statements. Commission staff expects applicants to project impact that this project is expected to have on home health use rates, area demand, and explain how that combined increase in demand with Bayada’s expected market penetration will impact existing home health agencies.

Based on the HHI index (Herfindahl-Hirschman Index) scores below, the noted jurisdictions score highly, showing they are closer to monopolies in each market than fair competition.

County	Index Score
Allegany	1.0
Garrett	.859
Washington	.514

[http://mhcc.maryland.gov/mhcc/pages/hcfs/hcfs\\_homehealth/documents/con\\_hhag\\_table1\\_market\\_concentration\\_jurisdiction\\_20150318.pdf](http://mhcc.maryland.gov/mhcc/pages/hcfs/hcfs_homehealth/documents/con_hhag_table1_market_concentration_jurisdiction_20150318.pdf)

In the “State Health Plan For Facilities and Services: Home Health Agency Services Proposed Permanent Regulations COMAR 10.24.16,” it is stated that the “Herfindahl-Hirschman Index (HHI) is a measure of the size of firms (HHAs) in relation to the overall HHA industry and an indicator of the amount of competition among them. It is defined as the sum of the squares of the market shares of all the HHAs authorized and actually serving a jurisdiction. Results can range from 0 to 1.0; a competition index of 1.0 indicates a monopoly or a totally concentrated market. Conversely, a competition index close to 0 generally indicates a fair share of the market among an increasing number of HHA providers and, thus, an HHA market offering greater access to a variety of HHA providers. (Note: the competition index is divided by 10,000 for ease of interpretation.)”.

As you can see, all of the above markets meet the criteria the commission laid out to bring competitive Home Health services to the residents of this jurisdiction. This commission’s goal was to bring access to care in markets with an HHI score higher than .5 and entice providers to the market by adding a CON for a county below the .5 mark (Frederick County in this case).

BAYADA Home Health Care projects raising home health usage in the noted jurisdictions as they have been identified as being underserved with access to care. We believe by offering another quality option we will be able to help provide access to another care option that is currently not in the market. The proposed project will not represent unnecessary duplication of services and will not adversely affect existing agencies in the service area. As described above, the proposed project will serve to address the need for additional home health agencies in the service areas. The projected home health patient population can fully support the proposed project, and existing providers will not be adversely impacted as evidenced by the above noted

deficits. It should be noted that the one county in this jurisdiction, Frederick County, is not considered underserved. However, BAYADA Home Health Care already has a presence and is serving clients in that jurisdiction and thus will have no change in impact as expanding in the remaining three counties will not change the way we currently do business in Frederick.

The proposed project will not represent unnecessary duplication of services and will not adversely affect existing agencies in the service area. As mentioned, the proposed project will serve to address the need for additional home health agencies in the service areas. The projected home health patient population can fully support the proposed project, and existing providers will not be adversely impacted as evidenced by the above noted deficits. It should be noted that BAYADA Home Health Care already has a presence in Frederick County and is currently serving clients in that jurisdiction and thus will have no change in impact whatsoever as expanding in the remaining three counties will not change the way we currently do business in Frederick.

#### **I) Linkages with Other Service Providers.**

- 6. In the initial question 12, the applicant was asked to, “document Bayada’s work in forming linkages before beginning operation in each new jurisdiction it is authorized to serve.” In response, the applicant re-stated its current linkages in Frederick County. The applicant should describe efforts towards building new linkages in Washington, Allegany and Garrett counties.**

In order to ensure a smooth transition of care, BAYADA Home Health Care intends to make referrals as indicated during the discharge planning process. BAYADA intends to use currently employed Marketing Managers, Transitional Care Managers, Program Managers and Directors to aid in the establishment of these new relationships in Washington, Garrett and Allegany Counties to name a few:

Williamsport Nursing Home  
Twin Oaks-Williamsport Retirement Village  
Devlin Manor Nursing Home  
Egle Nursing Home  
Dennett Road Manor  
Garrett County Memorial Hospital  
Hagerstown Outpatient Clinic  
Washington County Hospital

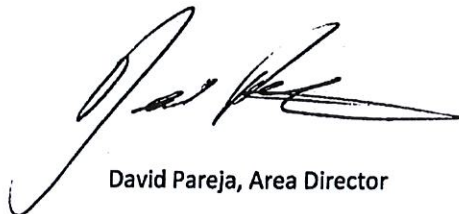
BAYADA’s focus will always be educating these resources on our current programming and capabilities and what our clients may need once beginning/graduating from our services. We intend to directly admit to skilled nursing facilities to avoid hospitalizations when possible and transition to outpatient care or implement home care as indicated. Bayada also has strong relationships with Maryland insurance companies that are asking for our continued expansion in the state to provide their beneficiaries in the proposed jurisdictions with access to high quality home health care. We plan on using these insurance contacts to help us open relationships within each jurisdiction. Lastly, BAYADA Home Health Care is the preferred provider for a large physician-led Accountable Care Organization that has requested that we continue to

David Pareja  
July 12, 2017  
Page 5

increase our service area in order to provide care to their patients. BAYADA will use its relationship with these physicians to assist in our expansion and gain footing in the new jurisdictions.

1

"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", with a long horizontal flourish extending to the right.

David Pareja, Area Director

"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 "Karen Rosenthal", with a long horizontal flourish extending to the right.

Karen Rosenthal, Director

# ATTACHMENT

A



# BAYADA Home Health Care Charity Care Policy

BAYADA Home Health Care provides uncompensated charity care to our clients with financial hardship and in accordance with state-specific regulation through our charity care policy and procedures. BAYADA ensures access to services regardless of an individual's ability to pay.

This policy is aligned with BAYADA's Financial Hardship Policy, where BAYADA may waive insurance deductibles or copayments for client experiencing extreme financial hardship.

## **How the charity care policy works:**

Upon receiving a request for charity care, BAYADA will make an initial determination of probable eligibility in accordance with BAYADA policy and applicable law. The office director will review BAYADA's Financial Hardship Policy, and gather all required data from the client/representative to determine eligibility. Clients who qualify are informed of the rates he/she will qualify for as per the Federal Poverty Guidelines with a sliding fee scale used for per diem rates. Clients who do not qualify are informed, and BAYADA will assist the client with seeking alternative payment arrangement.

## **For more information:**

On BAYADA's Charity Care or Financial Hardship policies, contact your local BAYADA office.

