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October 16, 2017

E-mail and USPS Mail

Folashade Green
176 Leeds Creek Circle
Odenton, MD 21113

Re: CON Application for a Home Health
Agency in Calvert and St. Mary's Counties
Docket No.: 17 – R3 – 2402

Dear Ms. Green:

Commission staff has reviewed the above referenced application for Certificate of Need ("CON") for a home health agency in the jurisdictions of Calvert and St. Mary's Counties. Staff found the application incomplete and accordingly, request that you provide responses to the following questions:

POPULATIONS AND SERVICES

1. Question 2 in the MHCC staff's completeness questions dated August 24, 2017 requested a non-duplicated client count of Minerva's current client base. In Minerva's response, Minerva confirmed that it had 369 clients when the project was submitted, and that the non-duplicated number of clients was submitted as part of the application at Attachment 1, Worksheet D1. However, MHCC staff found that the sum of the figures in Attachment

I totals more than 400 clients in each year of the past three years of data submitted. Please further explain what the figures in Attachment 1 represent and re-submit a non-duplicated client count for these services, so that MHCC staff has an accurate summary of Minerva's RSA clients.

Our answer was based on the statement that we currently had 369 patients at the time of our submission. This was reflective of this fiscal year 2017 with 369 currently. The previous years were 2014 - 402 patients; 2015 - 469 patients; and 2016 - 455 patients respectfully for those years were included in the attachment previously submitted.

CHARITY CARE AND SLIDING SCALE FEE

2. MHCC finds the application and completeness response material deficient in the following ways:
 - a. COMAR 10.24.16.08E(1). Determination of Eligibility for Charity Care and Reduced Fees states that, *"Within two business days following a client's initial request for charity care services, application for medical assistance, or both, the home health agency shall make a determination of probable eligibility for medical assistance, charity care, and reduced fees, and communicate this probable eligibility determination to the client"*. MHCC staff appreciates that Minerva supplied the specific language from its policy. Staff was unable to locate specific language in this policy that adheres to the substandard referenced above. Please provide a policy that includes language to make a determination of probable eligibility within two business days, and communicate this probably eligibility to the client. In Minerva's response, please also highlight the specific location of this language within the policy.

I. POLICY:

Minerva Home Health Care is committed to providing charity care 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. Minerva home health care strives to ensure that the financial capacity of people who need health care services does not prevent them from seeking or receiving care. Minerva home health care will provide, without discrimination, care for medical necessary conditions to individuals regardless of their eligibility for financial assistance or for government assistance.

Accordingly, this written policy:

- Includes eligibility criteria for financial assistance – free and discounted (partial

charity) care

- Describes the basis for calculating amounts charged to patients eligible for financial assistance under this policy
- Describes the method by which patients may apply for financial assistance
- Describes how Minerva home healthcare will widely publicize the policy within the community served.
- Limits the amounts that MHH will charge for medically necessary care provided to individuals eligible for financial assistance to amount generally billed (received by) MHH for commercially insured or Medicare patients.

Charity is not considered to be a substitute for personal responsibility. Patients are expected to cooperate with Minerva home healthcare's procedures for obtaining charity or other forms of payment or financial assistance, and to contribute to the cost of their care based on 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 Minerva home healthcare 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 patient charity.

II. DEFINITIONS

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

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

Family: Using the Census Bureau definition, a group of two or more people who reside together and who are related by birth, marriage, or adoption. According to Internal Revenue Service rules, if the patient claims someone as a dependent on their 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.

Gross charges: The total charges at the organization's full established rates for the provision of patient care services before deductions from revenue are applied.

Emergency medical conditions: Defined within the meaning of section 1867 of the Social Security Act (42 U.S.C. 1395dd).

Medically necessary: As defined by Medicare (services or items reasonable and necessary for the diagnosis or treatment of illness or injury).

III. PROCEDURES

A. Services Eligible Under This Policy: "charity" or "financial assistance" refers to healthcare services provided by Minerva home healthcare without charge or at a discount to qualifying patients. The following healthcare services are eligible for charity: Medically necessary services, evaluated on a case-by-case basis at Minerva home healthcare's discretion.

B. Determination of Eligibility for Charity: Eligibility for charity 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. Within two business days following a client's initial request for charity care services, application for medical assistance, or both, Minerva home health care shall make a determination of probable eligibility for medical assistance, charity care, and reduced fees, and communicate this probable eligibility determination to the client. The granting of charity 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. Minerva home healthcare shall determine whether or not patients are eligible to receive charity for deductibles, co-insurance, or co-payment responsibilities.

C. Method by Which Patients May Apply for Charity Care:

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 is required to cooperate and supply personal, financial and other information and documentation relevant to making a determination of financial need;
 - b. Include the use of external publicly 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 Minerva home healthcare to explore

appropriate alternative sources of payment and coverage from public and private payment programs, and to assist patients to apply for such 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 charity and a determination of financial need occurs prior to rendering of non-emergent medically necessary services. However, the determination may be done at any point in the collection cycle. The need for financial assistance shall be re-evaluated at each subsequent time of services if the last financial evaluation was completed more than a year prior, or at any time additional information relevant to the eligibility of the patient for charity becomes known.

3. Minerva home healthcare's values of human dignity and stewardship shall be reflected in the application process, financial need determination and granting of charity. Requests for charity shall be processed promptly and Minerva home healthcare shall notify the patient or applicant in writing within 30 days of receipt of a completed application.

D. Presumptive Financial Assistance Eligibility: There are instances when a patient may appear eligible for charity care 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 charity care assistance. In the event there is no evidence to support a patient's eligibility for charity care, Minerva home healthcare could use outside agencies in determining estimate income amounts for the basis of determining charity care eligibility and potential discount amounts. Once determined, due to the inherent nature of the presumptive 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 clinic;
- 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; and
8. Patient is deceased with no known estate.

E. Eligibility Criteria and Amounts Charged to Patients: 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 the determination. Once a patient has been determined by Minerva home healthcare to be eligible for financial assistance, that patient shall not receive any future bills based on undiscounted gross charges. The basis for the amounts Minerva home healthcare will charge patients qualifying for financial assistance is 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 75% but not more than 50% of the FPL are eligible to receive services at amounts no greater than the amounts generally billed to (received by Minerva home healthcare for) commercially insured [or Medicare] patients; [Minerva home healthcare may want to consider a sliding fee schedule as an alternative within this section]; and
3. Patients whose family income exceeds 25% 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 Minerva home healthcare; however the discounted rates shall not be greater than the amounts generally billed to (received by Minerva home healthcare for) commercially insured [or Medicare] patients.

1. An assessment of a patient's financial status may be initiated by the patient requesting financial assistance or by a financial counselor as he or she routinely inquires about the patient's resources and plans for absolving his or her account balance. To facilitate the determination of a patient's financial status, the following procedures will be followed.
 - The financial counselor will have the patient, guarantor, or a member of the patient's immediate family complete a financial assistance application. The financial counselor will discuss the information with the person completing the application. The purpose of the application will be to work out a monthly payment schedule that will be mutually agreeable to Minerva home healthcare and the patient, referral to a federal agency such as the Department of Human Services or grant financial assistance based on the Minerva home healthcare Policy.
2. Clients that are not able to make payment at time of care, must contact Minerva's Social Worker who will render assistance in setting up a monthly payment plan based on

income. Minerva will accept payments in the form of check payable to: Minerva Home HealthCare Inc. or Credit Card payment. Payment plans will be made in accordance with the sliding scale below.

3. Notification of Minerva's Charity Services will be published in the patient booklet, and on the company website, with instructions on how to apply for charity services. Application for charity services may be made prior to initiation of services for all new patients. However, patient's who have a hardship during the service period may also apply through Minerva's Social Workers. Proof of hardship must be provided.

F. Communication of the Charity Program to Patients and Within the Community: Notification about charity available from Minerva home healthcare, which shall include a contact number, shall be disseminated by Minerva home healthcare by various means, which may include, but are not limited to, the publication of notices in patient bills and by posting notices in the Conditions of Admission form, and at other public places as Minerva home healthcare may elect.

Minerva home healthcare also shall publish and publicize a summary of this charity care policy on agency websites, in brochures available in patient access sites and at other places within the community served by Minerva home healthcare as Minerva home healthcare may elect. Such notices and summary information shall be provided in the primary languages spoken by the population serviced by Minerva home healthcare. Referral of patients for charity may be made by any member of the Minerva home healthcare staff or medical staff, including physicians, nurses, financial counselors, social workers, case managers, chaplains, and religious sponsors. A request for charity 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: Minerva home healthcare management shall develop policies and procedures for internal and external collection practices (including actions MHH may take in the event of non-payment, including collections action and reporting to credit agencies) that take into account the extent to which the patient qualifies for charity, a patient's good faith effort to apply for a governmental program or for charity from Minerva home healthcare, and a patient's good faith effort to comply with his or her payment agreements with Minerva home healthcare. For patients who qualify for charity and who are cooperating in good faith to resolve their discounted hospital bills, Minerva home healthcare may offer extended payment plans, will not send unpaid bills to outside collection agencies, and will cease all collection efforts. Minerva home healthcare will not impose extraordinary collections actions such as wage

garnishments; liens on primary residences, or other legal actions for any patient without first making reasonable efforts to determine whether that patient is eligible for charity care under this financial assistance policy. Reasonable efforts shall include:

1. Validating that the patient owes the unpaid bills and that all sources of third-party payment has been identified and billed by MHH;
2. Documentation that Minerva home healthcare has or has attempted to offer the patient the opportunity to apply for charity care pursuant to this policy and that the patient has not complied with MHH's application requirements;
3. Documentation that the patient does not qualify for financial assistance on a presumptive basis;
4. Documentation that the patient has been offered a payment plan but has not honored the terms of that plan.

H. Regulatory Requirements. In implementing this Policy, Minerva home healthcare management and facilities shall comply with all other federal, state, and local laws, rules, and regulations that may apply to activities conducted pursuant to this Policy.

- b. COMAR 10.24.16.08E (4). Policy Provisions also requires *"an applicant proposing to establish a home health agency ... shall make a commitment to, at a minimum, provide than 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 during the most recent year for which data is available."* In this case, *"the applicant shall demonstrate that ... it has a specific plan for achieving the level of charity care to which it is committed."* MHCC staff analyzes data from the MHCC HHA Annual Survey to arrive at this metric, by dividing the number of total charity care visits by total visits. According to data reported on the MHCC HHA Annual Survey for Fiscal Year 2014, the percentage of HHA visits in FY 14 which were charity care visits in Calvert County was 0.20%, and in St. Mary's was 0.11%, with a multi-jurisdictional percentage of 0.15%. In order for staff to assess whether Minerva's application meets this standard, please provide the projected number of charity care visits for 2018 to 2021, and provide a specific plan for achieving that level of charity care.

**Minerva Home Health
 Agency
 CHANGE IN Revenue
 Estimation from previous
 submission**

	2018	2019	2020	2021
Client Visits By Discipline				
Skilled Nursing Visits	30	51	114	207
Home Health Aide Visits	60	164	226	260
Physical Therapy Visits	15	32	70	85
Occupational Therapy Visits	0	28	55	60
Speech Therapy Visits	0	18	28	42
Medical Social Services Visits	0	12	18	25
Other Visits - Infusions	6454	6754	7342	7828

Billing Rates By Discipline

Skilled Nursing	102	105	107	110
Home Health Aide	17	17	18	18
Physical Therapy	135	138	142	145
Occupational Therapy	135	138	142	145
Speech Therapy	135	138	142	145
Medical Social Services	135	138	142	145
Other Visits - Infusions	125	128	131	135

Revenue By Discipline

Skilled Nursing Visits	3,060	5,210	15,112	22,206
Home Health Aide Visits	1,020	2,788	3,842	4,680
Physical Therapy Visits	2,025	4,320	9,660	12,070

Occupational Therapy Visits	0	3,780	7,590	8,520
Speech Therapy Visits	0	2,430	3,864	5,964
Medical Social Services Visits	0	1,620	2,484	3,550
Other Visits - Infusions	806,750	844,250	940,694	1,028,037
Total	812,855	864,398	983,246	1,085,027

CY or FY (Circle)	Projected Years (ending with first full year at full utilization)			
	2018	2019	2020	2021
1. Revenue				
# of Clients and Visits By Disciplines				
Charity Care (Based on 15% of total Visits by discipline)				
Total charity visit for the year	90 Visits	45.75 Visits	76.65 Visits	101.85 Visits
2018 – There is no charity However, in acquiring our certification, we will be providing care to 10 patients before inspection and funding of these services will be coming from the provision from working start up capital.				

Our Charity policy is going to be based on total visits by discipline from the previous year as such in 2018, we will not be able to provide charity aside from the charity work provided in acquiring the CON. However, in 2019, charity care will be based on 15% of total visits by discipline from 2018 will go towards charity care and our projection is based on that calculation.

The specific plan for achieving that level of charity care:

Minerva home healthcare has a specific plan for achieving the level of charitable care provision to which it is committed. MHHC is committed to providing home healthcare services at reduced fees or bill forgiveness to persons with financial

hardship. The Financial Assistance Policy and Program, is noted in the previous corrected application submitted August 24, 2017.

Plan for Achieving the Level of Charitable Care Provision MHHHC has a specific plan for achieving the level of charitable care provision to which it is committed. These activities include direct outreach, indirect outreach, community-based outreach, and relationship or collaboration building. While outreach is an ongoing effort, some of the activities accomplished, planned for, or currently underway are described below.

Direct Outreach: The first indication that a patient may demonstrate financial hardship is at the hospital, when a patient arrives for initial treatment. Therefore, all patients receive a copy of the Financial Assistance FAQ sheet, from the receptionist, along with other general patient registration materials. If home healthcare is deemed necessary, a trained coordinator personally reviews fee estimates with the patient and discusses financial concerns. At this time, the written Financial Assistance Program and application are provided when it appears the patient may benefit from the program, or if the patient requests an application. One-on-one counseling about the Financial Assistance Program and support completing the application are available upon request. Medicare, private insurance and other patient billing and payment history are currently documented in the facility's secured electronic billing system.

The system provides the opportunity to record and archive relevant financial information provided by persons who meet the eligibility requirements, and or who have applied for financial assistance. Some patients present as self-pay (meaning they pay for services with cash or credit card) and many are uninsured or underinsured. Effective January 2018, all patients identified as self-pay are provided information about the program and enrolled, if they meet eligibility qualifications.

Indirect Outreach Notices about the program and policy are listed on our website. Printed Financial Assistance Program FAQ sheets are available throughout to the hospital case managers and discharge planners. All associate providers with MHHHC are provided the same materials and encouraged to post and provide the materials in the same manner.

Direct and paid advertisement about the program will also be included in this resource guide, that is made available free of charge throughout St. Charles and St. Mary's counties. MHHHC will continue to identify local publication sources in which to publish the program and policy, and in languages appropriate for the service area population. Public notice and information regarding MHHHC's financial assistance program is provided on the MHHHC website (<http://www.minervahomehealthcare.com>).

Community-Based Outreach MHHHC is collaborating with Mountain of Fire Ministries Church located in PG County to connect with uninsured and undocumented persons. This collaboration aligns MHHHC services with persons who are otherwise underserved and at risk for permanent and debilitating

conditions. Many members of this church identify as “self-pay” and are assumed eligible for the Financial Assistance Program. The program was discussed with church leaders and written information was provided for dissemination to their membership. MHHC continues to work with church leadership to ensure translators are present throughout the patient care experience and to strengthen outreach efforts. This outreach effort is being replicated and will expand to other faith-based organizations in MHHC’s service area. MHHC plans to participate in the St. Charles and St. Mary’s County sponsored Senior Expo, when scheduled. Attendance at this event is usually small. With Medicare approximately 40% of MHHC’s payer-mix, this provides the opportunity to reach members of the community and connect with those needing home health care. In the service area, MHHC made contact with Maryland Health Connection to enroll their provider’s as resources under “Find a Home Health”. For other outreach, associate providers have their practices around the MHHC service area. This casts a wide net for reaching persons living in areas with higher poverty levels.

Relationship and Collaboration Building MHHC is in the early stages of outreach to St. Charles and St. Mary’s County Office of Veterans and Military Families, to ease access to care for veterans and their families. Letters describing the Financial Assistance Program will be mailed to the veterans’ office, with instructions to circulate among the veteran community. Veterans that meet the program income requirements will receive care for free or reduced fee care. MHHC will be connecting with St. Charles and St. Mary’s County Social Services. While direct promotion is not permitted in a government organization, materials about the Financial Assistance Program can appropriately be provided as a resource to case managers and social workers. Materials will be circulated to case managers by the end of 2017. MHHC is contacting individual geriatric case managers who work outside of the government system. Networks are being created to promote the program and provide opportunities that ensure persons requiring quality scheduled care are connected directly with a provider. Each month, MHHC’s office will prepare a report of charity care provided to the targeted population, (persons living at or below the poverty level). Quarterly, a summary report will be provided to MHHC’s Board of Directors, responsible for monitoring and ensuring MHHC is meeting, at minimum, the obligation for charitable contributions per Maryland Health Plan and facility policy and requirements. Annually, charitable contributions will be recorded in the annual report. MHHC commits to meeting the minimum charity requirements and will report annually on MHCC survey. Information will also be made available to the public, upon request.

c. Regarding Table 2B:

- i. Please confirm that the sum of billable and non-billable figures listed in rows 4 and 5 equal Minerva’s projected number of non-duplicated total clients.

The sum of billable and non-billable figures in rows 4 and 5 equals to Minerva’s projected number of visits, not total amount of clients. Total amount of projected number of non-duplicated total clients are on row 8.

- ii. Please confirm to what the “non-billable” clients listed in Table 2B refers. Does this refer to charity care?
 Non-billable clients listed in Table 2B refers to charity care, visits provided exclusively to perform OASIS assessments, visits provided exclusively for supervisory or administrative purposes and therapy visits provided prior to the required re-assessments.

TABLE 2B: STATISTICAL PROJECTIONS - PROJECTED HOME HEALTH AGENCY SERVICES IN THE PROPOSED PROJECT

Instructions: All applicants should complete Table 2B for the proposed project, showing projected utilization *only for the jurisdiction(s) which is the subject of the application. As in Table 2A above, this table should report an unduplicated count of clients, and should indicate whether the reporting period is Calendar Year (CY) or Fiscal Year (FY).*

CY or FY (circle)	Projected years – ending with first year at full utilization			
	2018	2019	2020	2021
Client Visits				
Billable	6,454	7,059	7,853	8,507
Non-Billable	105	48	55	62
TOTAL	6,559	7,107	7,908	8,569
# of Clients and Visits by Discipline				
Total Clients (Unduplicated Count)	300	324	384	413
Skilled Nursing Visits	30	51	114	207
Home Health Aide Visits	60	164	226	260
Physical Therapy Visits	15	32	70	85
Occupational Therapy Visits	0	28	55	60
Speech Therapy Visits	0	18	28	42

Medical Social Services Visits	0	12	18	25
Other Visits (Pharmaceutical Infusion)	6,454	6,754	7,342	7,828

Pharmaceutical Infusion are 6,754 visits for 2018, there are 300 clients under these categories. Each patient has an average of one visit per month which takes 4 hours an equivalent to 2 visits. For instance, a patient has IVIG infusion monthly for 4 hours, this is calculated at per visit rate which will equal to 2 visits for the month. Please note that this is an average because other patients may have more or less hours monthly. Also, some patients are one time infusion with no additional visit needed as ordered. There are no charity cases in these infusion cases as we accept patients directly from Pharmaceutical companies and those companies would have cleared these patients or received assistance from the drug company before dispensing those medication.

Please submit six copies of the responses to the completeness information 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 a person(s) available for cross-examination on the facts set forth in the supplementary information, and 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."

11/21/17



Date

Signature of Owner or Authorized Agent of Applicant

Should you have any questions regarding this matter, feel free to contact me at (410) 764-5982.

Sincerely,

Kevin McDonald
Chief, Certificate of Need