

ADDENDUM A: ADDRESSING THE CHARITY CARE STANDARD

<p>(3) Charity Care Policy. (a) Each hospital and ambulatory surgical facility shall have a written policy for the provision of charity care that ensures access to services regardless of an individual's ability to pay and shall provide ambulatory surgical services on a charitable basis to qualified indigent persons consistent with this policy. The policy shall have the following provisions:</p> <p style="color: red;">It is the policy of Johns Hopkins Medicine to provide financial assistance based on indigence or high medical expenses for patients who meet specified financial criteria and request such assistance. The WMSC provides medically necessary care, free of charge or at a reduced rate, for patients who meet the Johns Hopkins Surgery Center Series ("JHSCS") Financial Assistance Policy criteria (Exhibit 8).</p>	<p>Provide a copy of the policy</p>
<p>(i) Determination of Eligibility for Charity Care. Within two business days following a patient's request for charity care services, application for medical assistance, or both, the facility shall make a determination of probable eligibility.</p> <p style="color: red;">The policy requires, and WMSC provides, a determination of probable eligibility within two business days.</p> <p style="color: red;">Please see Charity Care POLICY, Page 1, <i>Procedures</i>, 3, a: "All Financial Assistance applications will be processed within two business days and a determination will be made as to probable eligibility..."</p>	<p>Quote the specific language from the policy that describes the determination <u>of probable eligibility</u> within 2 business days (as well as a citation to the location within the policy).</p> <p>Provide a copy of your policy regarding a determination of probable eligibility within two business days of request for charity/reduced fee care or application for Medicaid</p> <p>Quote the specific language from the policy that describes the determination <u>of probable eligibility</u> (and give a citation to the location within the policy).</p> <p>Provide copies of any application and/or other forms involved in the process for making a determination of probable eligibility within two business days.</p> <p>Provide a copy of your procedures, if any, and other documents that detail your process for making a determination of probable eligibility and your procedures, if any, for making a final determination.</p>

	<p><i>Note that requiring a completed application with documentation does not comply with this standard, which is intended to ensure that a procedure is in place to inform a potential charity/reduced fee care recipient of his/her probable eligibility within two business days of initial inquiry or application for Medicaid based on a simple and expeditious process.</i></p> <p><i>A two-step process that allows for a probable determination to be communicated within two days based on an abridged set of information, followed by a final determination based on a completed application with the required documentation is permissible. But the policy must include the more easily navigated determination of probable eligibility.</i></p>
<p>(ii) Notice of Charity Care Policy. Public notice and information regarding the facility's charity care policy shall be disseminated, on an annual basis, through methods designed to best reach the facility's service area population and in a format understandable by the service area population. Notices regarding the facility's charity care policy shall be posted in the registration area and business office of the facility. Prior to a patient's arrival for surgery, the facility shall address any financial concerns of the patient, and individual notice regarding the facility's charity care policy shall be provided.</p> <p>Please see Charity Care POLICY, Page 1, <i>Purpose</i>, paragraph 2:</p> <p>“Ambulatory Surgery Centers that are part of the JHSCS will provide notice and information of the facility's charity care policy through methods designed to reach the service area's population. Notice will be posted at all patient registration sites and in the business office of the facility. Prior to a patient's arrival for surgery, facilities shall address any financial concerns of patients, and individual notice regarding the facility's Financial Assistance policy shall be provided to the patient.”</p>	<p>Quote the specific language from the policy that describes the method of implementing, and provide a sample for each communications vehicle(s).</p>

<p>(iii) Criteria for Eligibility. A hospital shall comply with applicable State statutes and Health Services Cost Review Commission (“HSCRC”) regulations regarding financial assistance policies and charity care eligibility.</p> <p>An ASF, at a minimum, shall include the following eligibility criteria in its charity care policies.</p> <ul style="list-style-type: none"> • Persons with family income below 100 percent of the current federal poverty guideline who have no health insurance coverage and are not eligible for any public program providing coverage for medical expenses shall be eligible for services free of charge. • At a minimum, persons with family income above 100 percent of the federal poverty guideline but below 200 percent of the federal poverty guideline shall be eligible for services at a discounted charge, based on a sliding scale of discounts for family income bands. <p>A health maintenance organization, acting as both the insurer and provider of health care services for members, shall have a financial assistance policy for its members that is consistent with the minimum eligibility criteria for charity care required of ASFs described in these regulations.</p> <p>Please see Charity Care POLICY, Page 2, 8:</p> <p>“8. Patients who have health coverage and are at or below 200% of Federal Poverty Guidelines can ask for help with out of pocket expenses (co-payments and deductibles) for medical costs resulting from medically necessary care and shall be required to submit a Financial Assistance Application.”</p> <p>Please see Charity Care POLICY, Page 2, 9:</p> <p>“9. The JHSCS Financial Assistance Policy is consistent with the current policy for The Johns Hopkins Hospital (JHH), Johns Hopkins Bayview Medical Center, Inc. Acute Care Hospital and Special Programs (JHBMC), and the Chronic Specialty Hospital of the Johns</p>	<p>Quote the specific language from the policy that describes the provisions for the sliding fee scale and time payment plans...also provide a citation to the location within the policy where the language can be found.</p>
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<p>Hopkins Bayview Care Center (JHBCC), with respect to the determination of financial assistance allowances. If a patient is determined eligible for financial assistance at JHH, JHBMC, or JHBCC and is at or below 200% of the Federal Poverty Line, he or she is deemed eligible for JHSCS Financial Assistance.”</p> <p>Please see Charity Care POLICY, Page 4, 4:</p> <p>“4. Patients will be eligible for Financial Assistance if their maximum family (husband and wife, same sex married couples) income (as defined by Medicaid regulations) level does not exceed 200% of the Federal poverty guidelines that are currently in effect.”</p>	
<p>(b) A hospital with a level of charity care, defined as the percentage of total operating expenses that falls within the bottom quartile of all hospitals, as reported in the most recent HSCRC Community Benefit Report, shall demonstrate that its level of charity care is appropriate to the needs of its service area population.</p> <p>Standard does not apply.</p>	<p>Offer a complete explanation describing why its level of charity care is appropriate to the needs of its service area population.</p>
<p>(c) A proposal to establish or expand an ASF for which third party reimbursement is available, shall commit to provide charitable surgical services to indigent patients that are equivalent to at least the average amount of charity care provided by ASFs in the most recent year reported, measured as a percentage of total operating expenses. The applicant shall demonstrate that:</p>	
<p>(i) Its track record in the provision of charitable health care facility services supports the credibility of its commitment; and</p> <p>The applicant commits to provide charitable surgical services to indigent patients that is equivalent to at least the average amount of charity care provided by ASFs in Maryland in the most recent year reported, measured as a percentage of total operating expenses.</p> <p>The most recently reported average level of charity care by ASFs in</p>	<p>Provide data on history of charity care provision.</p>

Maryland is 0.52% of total operating expenses.¹

The White Marsh Surgery Center's track record in the provision of charitable health care facility services is as follows:

	FY2015	FY2016	FY2017	FY2018
Total Operating Expenses	\$ 2,421,484	\$ 2,683,111	\$ 3,012,485	\$ 3,617,225
Charity Care	\$ 5,196	\$ 21,581	\$ 7,002	\$ 30,484
% Charity Care	0.21%	0.80%	0.23%	0.84%

The applicant exceeded the statewide average of 0.52% in FY18 and FY16.

Prior to the beginning of FY18, the WMSC evaluated its internal processes regarding the provision of charity care. As a result, the following were actions taken:

- When scheduling patients, the WMSC accepts charity approval from other Johns Hopkins entities (provided by the patient) and treats the case as a charity case;
- The WMSC sends its third billing statement (for outstanding balances that have not been paid) with information in the form of a letter noting the availability of the charity program and an application.
- The WMSC calls patients with large, outstanding balances. During that call, the WMSC makes the patient aware of the charity program and offers to send an application.

As a result of these actions, WMSC provided more charity care in

¹ In the MHCC's "In The Matter Of Innovations Surgery Center, P.C. - Docket No. 18-15-EX001 - Staff Report & Recommendation - Exemption From Certificate Of Need To Establish An Ambulatory Surgical Facility" (Available here: http://mhcc.maryland.gov/mhcc/pages/hcfs/hcfs_con/documents/2018_decisions/chcf_innovations_exemption_20180621.pdf), MHCC staff notes the following: "... the 2016 statewide reported average level of charity care by ASFs (0.52% of total operating expenses)" [Page 4, paragraph 1]

<p>FY18 than any previous year. Through the mid-point of FY19, the WMSC has provided \$31,540 of charity care, already surpassing its previous historical high for the provision of charity care.</p> <p>At the end of FY19, the WMSC will have exceeded the statewide average in three of the previous four years. WMSC's recent track record and the success of the FY18 action plan for increasing charity care suggest that WMSC will meet or exceed the statewide average for charity</p>	
<p>(ii) It has a specific plan for achieving the level of charitable care provision to which it is committed.</p> <p>See answer to (c)(i) above.</p>	<p>Describe the plan to meet the charity care commitment. An "ideal" response for demonstrating a serious <i>"specific plan for achieving the level of charitable care provision to which it is committed"</i> would:</p> <ul style="list-style-type: none"> a) name the specific social service organizations/agencies that an applicant has contacted or plans to contact to inform them of the availability of charity care, and; b) incorporate a real-time reporting mechanism that will alert management regarding its progress toward its charity care commitment, and a statement of what actions will then be taken.
<p>(iii) If an existing ASF has not met the expected level of charity care for the two most recent years reported to MHCC, the applicant shall demonstrate that its historic level of charity care was appropriate to the needs of the service area population.</p> <p>See answer to (c)(i) above.</p>	
<p>(d) A health maintenance organization, acting as both the insurer and provider of health care services for members, if applying for a Certificate of Need for a surgical facility project, shall make a commitment to provide charitable services to indigent patients. Charitable services may be surgical or non-surgical and may include charitable programs that subsidize health plan coverage. At a minimum, the amount of charitable services provided as a percentage of total operating expenses for the health maintenance organization will be equivalent to the average amount of charity care provided statewide by ASFs, measured as a percentage of total ASF expenses, in the most recent year reported. The applicant shall demonstrate</p>	

that:

(i) Its track record in the provision of charitable health care facility services supports the credibility of its commitment; and

(ii) It has a specific plan for achieving the level of charitable care provision to which it is committed.

(iii) If the health maintenance organization's track record is not consistent with the expected level for the population in the proposed service area, the applicant shall demonstrate that its historic level of charity care was appropriate to the needs of the population in the proposed service area.

Standard does not apply.