GALLAGHER
GALLAGHER EVELIUS & JONES
ATTORNEYS AT LAW

February 28, 2023

VIA EMAIL & U.S. MAIL

Ms. Ruby Potter
Health Facilities Coordination Officer
Maryland Health Care Commission
4160 Patterson Avenue
Baltimore, Maryland 21215

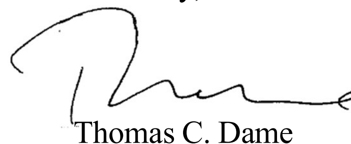
Re: Certificate of Need Application
Dimensions Health Corporation
d/b/a University of Maryland Capital Region Health, Inc.
Recommencement of Level III Neonatal Intensive Care Unit Services at
University of Maryland Capital Region Health

Dear Ms. Potter:

On behalf of applicant Dimensions Health Corporation *d/b/a* University of Maryland Capital Region Health, Inc., we are submitting four copies of its Response to MHCC Additional Information Questions Dated February 1, 2023 in the above-referenced matter. A searchable PDF file of the application and exhibits, WORD version of the application and available exhibits, and native EXCEL spreadsheets of the MHCC tables and available exhibits will be provided to Commission staff via email.

We hereby certify that a copy of this submission has also been forwarded to the appropriate local health planning agencies as noted below.

Sincerely,



Thomas C. Dame

Alison Best Lutich

TCD:blr
Enclosures

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cc: Wynee Hawk, Chief, Certificate of Need
Paul Parker, Director, Center for Health Care Facilities Planning & Development, MHCC
Alexa Bertinelli, Esq., Assistant Attorney General, MHCC
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Bob Gallion, Associate Director, Revenue & Regulation Compliance, HSCRC
Dr. Sanmi Areola, Acting Health Officer, Prince George's County Health Department
Jay Mittal, VP Business Strategy and Development, UM Capital Region Health
Michael Brozic, Chief Financial Officer, UM Capital Region Health
Sandra Benzer, Esq., General Counsel, UM Capital Region Health
Andrew Solberg

**Did University of Maryland Capital Region Health
Introduce Neonatal Intensive Care Unit (Level III) Services
at University of Maryland Capital Region Medical Center
Matter No. 23-16-2464**

**Responses to MHCC Additional Information Questions
Dated February 1, 2023**

Background Information

1. **Did University of Maryland Prince George's Hospital Center (PGHC) provide care to newborns with a birth weight less than 1,500 grams and/or a gestational age of less than 32 weeks in the period between the October 2020 suspension of Level III neonatal intensive care services and the June 2021 initiation of general hospital services at University of Maryland Capital Region Medical Center (CRMC)?**

Applicant Response

Several of the questions posed by MHCC Staff in these Additional Information Questions involve the use of the terms "NICU" and "Special Care Nursery" throughout the CON Application. University of Maryland Capital Region Health ("UM CRH") previously provided Level III neonatal intensive care services at the neonatal intensive care unit ("NICU") located at PGHC. In October 2020, UM CRH voluntarily requested a temporary suspension of its provision of Level III services from MIEMSS. MIEMSS accepted this request on October 23, 2020. UM CRH and MIEMSS jointly agreed that any babies currently in the NICU when the temporary suspension took effect could remain at University of Maryland Prince George's Hospital Center ("UM PGHC") until discharge. Following MIEMSS' acceptance of the request to temporarily suspend Level III perinatal services, UM PGHC entered a brief transition period to operationalize the changes. UM PGHC's neonatal unit began operating as a Level II Special Care Nursery on November 1, 2020.

Since temporarily suspending its Level III perinatal center designation with MIEMSS, UM CRH has not provided Level III neonatal intensive care services. References to any newborn care provided by UM PGHC or University of Maryland Capital Region Medical Center ("UM CRMC"), the replacement hospital, since the temporary suspension of Level III services began are to Level II Special Care Nursery services, only.

During the period between November 1, 2020 through June 11, 2021 (the eve of the hospital's relocation to Largo), the only babies cared for at UM PGHC with a birth weight under 1500g and/or a gestational age of less than 32 weeks were babies born at (or already on route to) UM PGHC. While the hospital operated as a Level II Special Care Nursery, babies in these categories were cared for until they were able to be transferred to another hospital for NICU care.

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A. **If the answer to Question 1 is yes, please provide the number of such newborns for this approximate nine-month period and specify how many were transferred to PGHC after delivery at another hospital.**

Applicant Response

Table 8 below presents the number of babies cared for at UM PGHC during this period:

Table 8
Babies Cared for Under 1500g and/or 32 Weeks Gestational Age
November 1, 2020 through June 11, 2021

	BW <1500g but GA >32 weeks	BW >1500g but GA <32 weeks	Both BW <1500g and GA <32 weeks
# of babies cared for at hospital	1	2	6

No infants with a birth weight less than 1500g and/or a gestational age under 32 weeks were transferred to UM PGHC immediately after delivery from another hospital.

B. **If the answer to Question 1 is yes, were payors billed for the care of these newborns under the NICU rate center (code NEO)? If so, please identify the number of newborn discharges for which charges were billed under this rate center.**

Applicant Response

During the period of November 2020 through June 11, 2021, UM PGHC was in the process of transitioning from, and decommissioning, its antiquated electronic health record ("EHR") system to its new EHR system, Epic. The transition in EHR and billing systems complicates this analysis. UM CRH is in the process of evaluating how care of the newborns identified in 1.A were billed.

C. **If the answer to Question 1 is yes, please identify the number of such newborns who were born at a hospital other than PGHC and then transferred to PGHC for neonatal intensive care.**

Applicant Response

No infants were born at another hospital and then transferred to UM PGHC for neonatal intensive care during the period of Nov 1, 2020 through June 11, 2021. Four infants were born at University of Maryland Medical Center ("UMMC") during this period and were then transferred to UM PGHC when they reached an appropriate weight and/or gestational age with care needs that were appropriate under the Maryland Perinatal Standards for Level II perinatal services. These infants were transferred between day of life 11 through 24.

D. **During this same approximate nine-month period, please provide the number of newborns served at PGHC with a birth weight of 1,500 grams or higher and/or a gestational age of 32 weeks or higher.**

Applicant Response

From the period between November 1, 2020 through June 11, 2021, UM PGHC served 773 infants with a birth weight of 1,500 grams or higher and 771 infants with a birth gestational age of 32 weeks or higher.

E. **During this same approximate nine-month period, identify the number of low birth weight (less than 1,500 grams) and premature (gestational age less than 32 weeks) newborns delivered at PGHC and subsequently transferred to another hospital for neonatal intensive care services.**

Applicant Response

Table 9 below demonstrates the number of low birth weight and/or premature newborns delivered at UM PGHC and subsequently transferred to another hospital for neonatal intensive care services during this period:

Table 9
Babies under 1500g and/or 32 Weeks Gestational Age
Transferred out of UM PGHC
November 1, 2020 through June 11, 2021

	BW <1500g but GA >32 weeks	BW >1500g but GA <32 weeks	Both BW <1500g and GA <32 weeks
# of babies delivered at hospital and transferred to another hospital for NICU services	0	2	5

Babies who were unable to be transferred prior to reaching birth weight over 1500g or who died following delivery were not transferred to other hospitals for NICU care.

F. **Did PGHC notify the Health Services Cost Review Commission in October 2020 that it was suspending operation of its neonatal intensive care services?**

Applicant Response

UM PGHC did not notify the HSCRC of the voluntary suspension of the Level III NICU designation.

2. Did CRMC provide care to newborns with a birth weight less than 1,500 grams and/or a gestational age of less than 32 weeks in the period between the June 2021 initiation of general hospital services at CRMC through January 31, 2023.

During the period between June 12, 2021 through January 31, 2023, the only babies cared for at UM CRMC with a birth weight under 1500g and/or a gestational age of less than 32 weeks were babies born at (or already on route to) UM CRMC. While the hospital's unit operated as a Level II Special Care Nursery, babies in these categories were cared for until they were able to be transferred to another hospital for NICU care.

A. If the answer to Question 2 is yes, please provide the number of such newborns for this approximate nineteen-month period and specify how many were transferred to CRMC after delivery at another hospital.

Applicant Response

Table 10 below presents the number of babies cared for at UM CRMC during this period:

Table 10
Babies Cared for Under 1500g and/or 32 Weeks Gestational Age
June 12, 2021 through January 31, 2023

	BW <1500g but GA >32 weeks	BW >1500g but GA <32 weeks	Both BW <1500g and GA <32 weeks
# of Babies cared for at hospital	4	3	22

No infants with a birth weight less than 1500g and/or a gestational age under 32 weeks were transferred to UM CRMC immediately after delivery from another hospital.

B. If the answer to Question 2 is yes, were payors billed for the care of these newborns under the NICU rate center (code NEO)? If so, please identify the number of newborn discharges for which charges were billed under this rate center.

Applicant Response

UM CRMC did not bill payors for the care of the newborns identified in 2.A under the NICU rate center.

C. If the answer to Question 2 is yes, please identify the number of such newborns who were born at a hospital other than CRMC and then transferred to CRMC for neonatal intensive care.

Applicant Response

There were no infants born at another hospital and transferred to UM CRMC for neonatal intensive care. Infants that were born at another hospital were only transferred to UM

CRMC when they reached an appropriate weight and/or gestational age and required care that was appropriate under the Maryland Perinatal Standards for Level II perinatal services.

D. During this same approximate nineteen-month period, please provide the number of newborns served at CRMC with a birth weight of 1,500 grams or higher and/or a gestational age of 32 weeks or higher.

Applicant Response

From the period of June 12, 2021 through January 31, 2023, UM CRMC served 2,555 infants with a birth weight of 1500g or greater and 2,561 infants with a gestational age of 32 weeks or older.

E. During this same approximate nineteen-month period, identify the number of low birth weight (less than 1,500 grams) and premature (gestational age less than 32 weeks) newborns delivered at CRMC and subsequently transferred to other hospitals for neonatal intensive care services.

Applicant Response

Table 11 below demonstrates the number of low birth weight and/or premature newborns delivered at UM CRMC and subsequently transferred to another hospital for neonatal intensive care services:

Table 11
Babies under 1500g and/or 32 Weeks Gestational Age Transferred out of UM CRMC
June 12, 2021 through January 31, 2023

	BW <1500g but GA >32 weeks	BW >1500g but GA <32 weeks	Both BW <1500g and GA <32 weeks
# of babies delivered at hospital and transferred to another hospital for NICU services	4	3	21

Babies who died following delivery were not transferred to other hospitals for NICU care.

3. With respect to the "Note" accompanying Table 3 on page 28, and as also found in other parts of the application, what is a "Level II NICU admission."

Applicant Response

Table 3 is intended to present historical and projected *neonatal services* utilization instead of only "NICU" utilization. A revised Table 3 is attached as **Exhibit 13** with updated footnotes clarifying that historical NICU utilization is captured in the fiscal years prior to the temporary suspension of Level III NICU services, and that the remaining historical period as well as fiscal year 2023 reflects special care nursery utilization. The projection period of fiscal year 2024 through 2028 reflects projected NICU utilization, corresponding to the resumption of Level III NICU services.

COMAR 10.24.10

Information Regarding Charges

4. **Staff was unable to locate a representative list of services and charges on the CRMC website. Please note that this is defined as "at a minimum, a list containing: (a) The average charge per case for the ten most frequently occurring inpatient diagnoses (determined by DRG) for discharged medical/surgical patients, and also for discharged obstetric patients, discharged pediatric patients, and discharged acute psychiatric patients, if the hospital operates an inpatient unit for any of these latter three services; and (b) The average charge per procedure for the ten most frequently occurring outpatient procedures (defined by CPT codes) in three clinical areas: diagnostic imaging; outpatient surgery; and laboratory services. This list should be updated, with respect to DRGs, CPT codes, and charges, at least quarterly.**

   Please provide directions to finding the representative list of services and charges on the CRMC web site.

Applicant Response

The current list of representative services and charges for inpatient and outpatient services is readily available to the public, both in written form at UM CRMC and on the hospital's website under the section titled "Average Charges by Type of Patient Group." The link to access the Average Charges by Type of Patient Group is available at the following website: https://www.umms.org/capital/patients-visitors/hospital-charges by scrolling down to the "Average Charges by Type of Patient Group" heading and clicking on the "average charges by procedure type" link. A copy of the current representative list of charges is also attached for convenience as **Exhibit 14**.

Charity Care Policy

5. **Please provide a copy of the application used to determine probable eligibility for charity care.**

Applicant Response

Attached as **Exhibit 15** is the UMMS Financial Assistance Application that is used as part of its financial clearance process to make final eligibility determinations.

The determination of probable eligibility for financial assistance is made within two business days of receipt of a patient's request. This occurs during the screening process for both state medical assistance and UMMS' Financial Assistance program. The financial assistance application, which is used to obtain information in writing or verbally, is used as part of the probable eligibility and financial clearance process. In addition, UMMS' third-party vendors screen patients for presumptive eligibility prior to any bad debt collection activity, utilizing proprietary software.

6. **The Charity Care policy states that "within two business days of receipt of a patient's request for financial assistance or an application for medical assistance, UMMS may provide determination of probable eligibility." Please clarify the apparent inconsistency between this policy statement and the requirements of the standard.**

Applicant Response

UMMS has amended its Financial Assistance Policy to correct this issue. The policy now reads on page 4: "Within two business days of receipt of a patient's request for financial assistance or an application for medical assistance, UMMS must make a determination of probable eligibility." (emphasis added). The revised policy is posted to UM CRH's Financial Assistance website (see https://www.umms.org/capital/patients-visitors/financial-assistance) and is attached as **Exhibit 16.**

7. **Please describe how the charity care policy is disseminated to the public and provide a copy of the most recent public notice.**

Applicant Response

Information about the hospital's financial assistance policy and application process is available to the public on its website (https://www.umms.org/capital/patients-visitors/financial-assistance). Also, notices are posted in various locations throughout the hospital, including the following locations: admissions and business offices, outpatient check-in desk, ED waiting area, the radiology department, surgical services waiting area, cardiac rehabilitation area, pulmonary rehabilitation area, and physical medicine.

8. **Please provide copies of notices posted in the hospital (English and Spanish).**

Applicant Response

English and Spanish language notices of the financial assistance policy and application process are attached as **Exhibit 17.**

Quality of Care

9. **Please provide a copy of the "fall of 2020:"document in which MIEMSS "identified certain programmatic improvement opportunities."**

Applicant Response

Areas for improvement were not provided by MIEMSS in writing. These opportunities were identified during a site survey conducted at UM PGHC.

10. **Please provide a copy of the UMCRH 30-day "comprehensive action plan" prepared in response to the MIEMSS surveyor's findings in the fall of 2020.**

Applicant Response

Please see the Action Plan attached hereto as **Exhibit 18**.

11. Table 3 is titled "UM Capital Region Health Historical and Projected NICU Utilization." It appears to identify an average of 117 "NICU" discharges at PGHC for the three fiscal years (FYs) of 2018-2020, fiscal years in which PGHC operated a NICU service. In FY 2022, the first year, approximately, in which CRMC was operational, in which it did not provide NICU services, the table identifies 168 NICU discharges. How can these numbers be correct if provision of NICU services was suspended in October 2020? (See related questions 1-3.)

Similarly, the tables provided at Exhibit 1 identify "NICU" revenues and expenses in FY 2022 and FY 2023 and identify NICU staff full-time-equivalents. How can these numbers be correct if provision of NICU services was suspended in October 2020? (See related questions 1-3.)

Please provide clarification with respect to the utilization and financial information provided in the CON application that is consistent with the narrative provided by the applicant, i.e., that the provision of NICU services was suspended by PGHC in October 2020, that CRMC opened as a replacement hospital for PGHC without implementing provision of the authorized NICU services, and that NICU services have not, to date, been provided at CRMC.

Applicant Response

UM CRMC has not provided Level III NICU services after the voluntary suspension of those services in late 2020. For the period following voluntary suspension (November 1, 2020) until the Level III NICU program is reinstated (projected to be later this year), the references to NICU discharges and NICU revenues in Table 3 and the tables included in Exhibit 1 refer to Level II special care nursery services. These references are clarified with a replacement Table 3 (attached as **Exhibit 13**) and replacement MHCC table set, including revised Tables I, J, K, and L (attached as **Exhibit 19)**.

UM CRH voluntarily suspended Level III NICU services in late 2020 at a time when the hospital and the unit were still operating at UM PGHC in Cheverly, Maryland. The replacement hospital, UM CRMC, was designed, approved, and constructed to include a Level III designated NICU. The physical move to UM CRMC occurred during the period of voluntary suspension of Level III services. During this time, patients requiring Level III NICU clinical care were transferred to other hospitals. However, UM CRH did not reduce the operational state of readiness for Level III services at UM CRMC. UM CRH continued to maintain the maternal fetal medicine ("MFM") and neonatology coverage through contracted providers to ensure their input into process assessment and skills assessment. Further, the department was staffed and budgeted for positions using a similar approach as a Level III NICU, and to ensure as much continuity of staff in a very tight labor market.

References within the application to NICU revenues and expenses in FY 2022 and FY 2023 relate to the physically designed department which has been operating as a Level II perinatal special care nursery.

12. Does the applicant project that neonatal intensive care services at CRMC will ever generate revenue sufficient to cover its projected operating expenses? If so, please provide a discussion of this forecast.

Applicant Response

Pursuant to COMAR 10.24.10.04B(13) (financial feasibility), UM CRMC need only establish that the hospital will generate excess revenue over total expenses within five years. Tables G and H show that UM CRH will do so.

The financial projections set forth in Tables J and K relate to the neonatal intensive care unit. As a stand-alone unit, the NICU is not expected to generate excess revenue over expenses within a reasonable planning horizon. However, the NICU is not a stand-alone service line, but is included within the "Women's Services" service line.

13. What was the referral base for the NICU service operated at PGHC prior to October 2020? Identify the number of newborns transferred to PGHC for NICU services in the last pre-pandemic fiscal year, FY 2019, by referring hospital.

Applicant Response

The vast majority of infants served in the UM PGHC NICU were born at UM PGHC. Historically, UM PGHC did not have a large volume of infants transferred in for NICU care because it did not have a neonatal transport team. Neonatal transport teams require significant support, personnel, and money to operate. In Maryland, most infants born at hospitals without NICUs are transported for neonatal intensive care services by the Maryland Regional Neonatal Transport Program ("MRNTP"), a team jointly run by UMMC and Johns Hopkins Hospital ("JHH").

Historically, MRNTP has transferred babies from outside hospitals to one of four hospitals: UMMC, Mercy Medical Center ("MMC"), JHH, or Johns Hopkins Bayview, depending on certain factors such as the sending hospital, diagnosis, bed availability, and others. Infants in need of Level IV care are transferred to UMMC or JHH, and babies who need only Level III care may be transferred to MMC or JH Bayview if the Level IV units have few available beds. UMMC's division of neonatology recently assumed care of the UM St. Joseph's NICU. As a result, UM St. Joseph's has begun to receive infant transfers as well.

Prior to the temporary suspension of Level III services at UM PGHC, UM PGHC had engaged in discussions with MRNTP about whether it would transport infants to UM PGHC from lower level units that are closer to UM PGHC than Baltimore. At that time, no decision was reached. During the last pre-pandemic fiscal year (7/1/18 to 6/30/19), seven infants were transferred to UM PGHC for NICU services: two from UMMC at one week of life; two from UM Shore Medical Center; one from UM Laurel Regional Hospital; one from UM Bowie Health Center; and one from Doctor's Community Hospital.

14. What hospitals will serve as the referral base for NICU services operated at CRMC? Please provide the number of projected newborn transfers to CRMC for NICU services in FY 2024 by referring hospital.

Applicant Response

UM CRMC expects that the vast majority of infants served in the NICU will be infants born at UM CRMC. As discussed in the response to Question 13 above, UM CRMC does not have a neonatal transport team. As a result, it does not anticipate a significant volume of primary transports of newborns requiring neonatal intensive care unless there are extenuating circumstances, such as bed shortages at other Level III or IV centers. UM CRMC may receive primary transports of newborns who are delivered at nearby hospitals without obstetrics units, but does not expect that volume to be significant.

UM CRMC does expect to receive secondary transfers in need of NICU care (babies born at UM CRMC, transferred out for a higher level of care, and then re-transferred to UM CRMC for NICU services). It anticipates that it may receive one to two transfers from Mt. Washington Pediatric Hospital for NICU services per year as well as secondary transfers from UMMC. In calendar year 2022, UM CRMC received 25 secondary transfers from UMMC for Level II Special Nursery Care. Once Level III services resume, UM CRMC anticipates that it will receive secondary transfers from UMMC at an earlier point when infants still require neonatal intensive care services but do not require Level IV care.

Neonatal Intensive Care Standards

15. In the MIEMSS application two weaknesses were identified; lack of a program for mothers who need diabetic care and lack of a maternal medicine/fetal medicine specialist. What is the status of addressing these weaknesses?

Applicant Response

With respect to the maternal fetal medicine ("MFM") specialist, UM CRH recently recruited and hired a full-time MFM specialist to join the MFM team of Drs. Lewis and Broth. Donna Neale, M.D. has signed a contract to provide MFM specialty services at UM CRMC and its ambulatory locations in Largo, Suitland and Laurel. She is scheduled to begin on or around April 1, 2023.

With respect to the program for mothers who need diabetic care, the UM CRH Perinatal Diagnostic Centers provide consultation and obstetric ultrasound services for high risk pregnant patients with pre-existing diabetes and gestational diabetes. Approximately 30% of UM CRH's high-risk patients have pregnancies complicated by diabetes mellitus. UM CRH is committed to serving these patients with comprehensive nutritional and dietary services in an effort to reduce adverse pregnancy outcomes associated with uncontrolled diabetes, including cesarean deliveries, preterm birth, NICU admissions and fetal/neonatal death. UM CRH is in the process of recruiting for a Certified Diabetic Educator in an effort to establish and expand a comprehensive diabetic program for pregnant women. Dr. Neale, UM CRH's incoming MFM specialist, has previously developed such a Center at a different hospital, and UM CRH supports her and the MFM team in establishing a similar program to serve residents of Prince George's County.

16. **Exhibit 9, p. 19, identifies two obstetrical maternal-fetal medicine physicians. Are both physicians currently on staff full time. If not, please identify when CRMC will have the full complement of required staff?**

Applicant Response

Dr. Kerry M. Lewis is full-time maternal-fetal medicine physician at UM CRMC. Dr. Richard Broth is a part-time, contracted maternal-fetal medicine physician who works a regular 0.2 FTE schedule on-site at UM CRMC and also provides telephone coverage. Dr. Broth is able to arrive on-site within thirty minutes to provide coverage when necessary. In addition to these two physicians, Dr. Donna Neale will join UM CRMC as a full-time MFM specialist on or about April 1, 2023.

17. **Please include all supporting documentation to the MIEMSS application.**

Applicant Response

Supporting documentation was submitted via the MHCC's secure portal.

Minimum Unit Volume

18. **MHCC has determined that this application involves the introduction of NICU services at CRMC (a hospital that has never provided NICU services) and the applicant describes CRMC as a hospital that does not provide NICU services. Rather, it provides Level II perinatal services. However, echoing other confusing and contradictory elements of this application, on page 29, the application states, "UMCRH currently operates a neonatal intensive care unit …" and, on this basis, it declines to respond to COMAR 10.24.18D(2)(b). This is non-responsive, at best.**

    Please document compliance with the obstetric volume requirements at COMAR 10.24.12.03B(1) and (4).

Applicant Response

This CON Application does not seek the introduction of Level III NICU services at a hospital. Rather, it seeks the recommencement of Level III NICU services at UM CRMC, the replacement hospital facility of the UM PGHC.[1] Pursuant to the CON granted by the MHCC in 2016 to replace and relocate UM PGHC to UM CRMC, hospital operations transferred to UM CRMC on June 12, 2021. UM CRMC cannot be considered a separate or distinct facility from UM PGHC. Other than a minor and unrelated corporate restructure that occurred months after the replacement hospital opened, the ownership has not changed from when the hospital was

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[1] As explained in oral and written communication with MHCC Staff prior to filing the CON Application, UM CRH asserts that a CON is not required to resume Level III NICU services because MIEMSS had regulatory authority, pursuant to COMAR 30.08.02.09, to authorize the temporary suspension and resumption of services. MHCC Staff disagreed. Without conceding its position that a CON is not required, rather than litigate the matter with the MHCC, UM CRH determined to seek a CON as the quickest way to secure approval to resume a needed service in Prince George's County.

formerly known as UM PGHC. UM CRMC maintains the same NPI number and Tax ID as UM PGHC. Services could not be initiated at UM CRMC until they officially ceased at UM PGHC, given that the hospital could not be operated in two different places at the same time. As a result, this CON Application does not involve the establishment of a new perinatal program at UM CRMC. Rather, it concerns the continuation of services previously offered when the hospital operations were physically located at UM PGHC.

UM CRMC is a continuation of UM PGHC in all legal and practical senses. This continuation and integration is further evidenced by the MHCC Tables, which present historical data prior to June 12, 2021 that derives from services provided at UM PGHC as well as historical and projected data deriving from services provided at the replacement UM CRMC. The Tables present the historic and projected experience of the hospital as one operating entity, rather than beginning anew on the date that hospital operations transferred to UM CRMC. The difference in physical location between PGHC and its replacement UM CRMC facility does not change that the facilities have and continue to be considered the same acute care hospital operation.

The MHCC has previously approved the continuation of Level III NICU services at UM CRMC following the transfer of hospital operations from UM PGHC. UM CRH operated a Level III NICU at UM PGHC. The CON Application to replace and relocate UM PGHC to UM CRMC included plans to "continue to provide this level of service in the relocated hospital." See MHCC Decision, p. 74. To obtain approval to provide Level III neonatal intensive care services at the replacement hospital, the application addressed all applicable perinatal services standards for an existing hospital. The MHCC Decision approving the CON expressly acknowledged that the Applicants were not required to respond to COMAR 10.24.12.04 standards (7) through (14) because none of them were applicable to the review, "since each addresses a proposed new program." MHCC Decision, p. 76 (emphasis added). The Commission recognized that, as a replacement hospital facility for UM PGHC, UM CRMC was not a separate facility establishing a new program, and that continuing NICU services at the replacement facility did not result in the establishment of a "new" perinatal program.

Pursuant to the MHCC's approval of the CON Application for the replacement and relocation of UM PGHC, the neonatal unit at UM CRMC was designed and constructed to include a Level III designated NICU. Although the physical move to UM CRMC occurred during the period of the temporary suspension of Level III services at the hospital, the physically designed department at UM CRMC has always been equipped to offer that level of services. The hospital has also maintained operational readiness to resume Level III NICU services, such as MFM and neonatology coverage, staffing, and departmental budgeting. The hospital does not seek to establish a new Level III perinatal center through this CON Application. Instead, it proposes to resume the Level III NICU services that it has previously operated.

Because this Application involves the continuation of Level III services at UM CRMC, the replacement hospital of UM PGHC, following a temporary and voluntary suspension of the Level III designation, the obstetric volume requirements set forth at COMAR 10.24.12.03B(1) and (4) are not applicable to this review. This interpretation is consistent with the Commission's review of the 2016 CON application for the replacement and relocation of UM PGHC.

While the obstetric volumes do not apply to this application, UM CRMC has consistently met the annual minimum volume of at least 1,000 obstetric cases per year for hospitals located in a metropolitan area, as set forth in COMAR 10.24.12.03B(4). *See* Revised Table I, attached as **Exhibit 19**. UM CRH is currently focused on meeting community demand for its obstetrics services. UM CRH's recent obstetric volumes are presented in Table 12 below.

Table 12
UM CRMC Obstetric Volumes
Sept. 2022 to Jan. 2023

Sept. 2022	Oct. 2022	Nov. 2022	Dec. 2022	Jan. 2023
170	169	174	214	206

Further, Table 12 demonstrates that during the most recent five months, UM CRMC has experienced average obstetric volumes of 187 per month. If annualized, this results in annual births of 2,239 per year, which would qualify the program as a "High" level program (2,000-4,000 cases per year), as referenced in COMAR 10.24.12.03B(1).

Other Review Criteria

Need

19. Is the last row in Table 4, page 34, showing transfers to Level IV NICU programs? If so, why would this number be so low in CY 2018 through CY 2020. If not, what is "specialty care" being referenced? Please clarify.

Applicant Response

The data presented in Table 4 mirrors data provided in the MIEMSS Perinatal Referral Center Level III Designation Application (*see* **Exhibit 9**, p. 12). The instructions by MIEMSS in this section of the Designation Application request the number of "maternal admissions transferred into your hospital from another hospital for a higher level of care" and the number of "maternal patients transferred out of your hospital to another hospital for specialty care." UM CRH used the same terminology for purposes of the CON Application to maintain consistency across the two applications.

The reasons underlying transfer of a maternal patient out of UM CRH to another hospital for specialty care differ depending on the level of perinatal center operated by UM CRH in the applicable year. When UM CRH operated a Level III NICU, it rarely needed to transfer pregnant mothers to another facility, unless the fetus required pediatric surgical interventions or had major congenital cardiac lesions that required immediate pediatric cardiology care after delivery. Once UM CRH paused Level III NICU status, during which time it operated as a Level II Special Care Nursery, UM CRH began to transfer pregnant women at risk of delivering babies under 32 weeks gestational age or under 1500 grams, both of which require treatment in a Level III or higher NICU. The number of maternal transfers was very low in calendar years 2018 through 2020 because the hospital was operating as a Level III NICU until October of 2020. Following the temporary suspension of Level III services, the number of mothers requiring transfer out of

the hospital has increased. As discussed in the CON Application, UM CRH anticipates that the number of maternal transfers out of the hospital will decrease following resumption of Level III NICU services.

Tables

20. It appears that several tables are comparing actual utilization ("recent") of special care nursery patients with projected use of the hospital by NICU patients. Please clarify. Why are there NICU discharges reported in years in which NICU services are not being provided? (See earlier related questions.)

Applicant Response

Please see the responses to Questions 3 and 11.

21. Table A was described on page 8 but not completed as part of the tables package. Please complete the table.

Applicant Response

In his December 28, 2022 letter addressing requests made by attorneys with Gallagher, Evelius & Jones LLP on behalf of UM CRH to waive the requirement to complete Part I, Question 9 (Table A) of the CON Application, Mr. Ben Steffen stated, "[i]n terms of CRMC's request to waive Part I, Question 9, confirmation by CRMC that its current physical bed capacity is fully consistent with that authorized by MHCC in 2016 will be sufficient." A copy of this letter is attached as **Exhibit 20**.

Per this letter, UM CRH confirmed that its physical bed capacity is fully consistent with that authorized by the Commission in 2016, plus 16 MSGA beds for which UM CRMC received an emergency CON in May of 2022.

22. For Table E, Budget, no project budget estimate was submitted because there are no construction costs associated with the project. However, the project budget form includes other project-related project costs. Please provide an accounting of all costs associated with this project review.

Applicant Response

The NICU at UM CRMC was physically designed to be an improvement over the NICU at UM PGHC, and the building was fully opened and functional as of June 2021. As such there are no further capital improvements or equipment necessary to reinstate Level III NICU services. The only project-related project costs for this project are the legal and healthcare advisory costs for pursuing the CON Application. Those projected costs are reflected in Table E, which is attached as **Exhibit 19**.

23. In Table H, what are the assumptions supporting the projection that the hospital will have net income by FY 2025?

Applicant Response

The specific assumptions supporting Table H are included in the page following Table H in Exhibit 1 to the application.

These assumptions, which support the projection of the entity returning to generate positive net income by 2025 are driven primarily by continued performance improvement initiatives lead by the new CEO and administrative team. These initiatives are centered on revenue cycle improvements, improvements in labor management and productivity, improvements in supply chain, improvements in operational efficiency as measured by length-of-stay, improvements in QBR performance as measured through reductions in QBR penalties, and other decisions to right size the organization. These performance improvements are not merely aspirational, but rather are already having a favorable impacts on operating performance.

24. Is the projected average length of stay (ALOS) for NICU patients based on experience at PGHC when NICU services were provided? Please document. How does this ALOS assumption compare with the ALOS at other Level III NICU programs?

Applicant Response

Projected average length of stay for NICU patients at UM CRMC (16.1 days) for FY 2024 – FY 2028 is calculated based on the mean of UM PGHC actual ALOS for NICU patients in FY 2018 (17.2 days) and FY 2019 (15.0 days), when NICU services were provided.

The projected ALOS for 2024- 2028 at UM CRMC is 16.1 days. As seen below in Table 13, this falls between the FY 2018 – FY 2022 mean ALOS for neonatal admissions at UM St. Joseph's Medical Center ("UM-SJMC") (11.4 days) and UMMC (24.9 days). Both facilities have operated Level III NICUs throughout this time period.

#819796
013849-0010

Table 13
UM-SJMC & UMMC NICU Level III ALOS
FY 2018 – FY 2022

	FY2018	FY2019	FY2020	FY2021	FY2022	FY18 - FY22 Average
UM-SJMC						
Admissions	244	245	240	231	245	
Total Patient Days	2,887	3,189	2,720	2,329	2,611	
ALOS	**11.8**	**13.0**	**11.3**	**10.1**	**10.7**	**11.4**
UMMC						
Admissions	620	642	750	747	698	
Total Patient Days	16,850	17,152	17,423	16,901	17,366	
ALOS	**27.2**	**26.7**	**23.2**	**22.6**	**24.9**	**24.9**

Source: FY 2018 - FY 2022 HSCRC Statewide Data Tapes

25. With respect to Table K, what payors are included under "Other?"

Applicant Response

The payers included in the "Other" category in Table K are HMO, Other, Other Government Payment, Worker's Comp, and Unknown. From FY 2022 through FY 2028 "Other" payers represent 2.8% of neonatal charges.

#819796
013849-0010

TABLE OF EXHIBITS

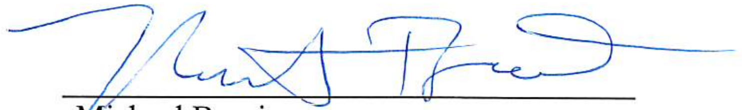
Exhibit	Description
13.	***Revised*** Table 3
14.	List of representative services and charges for inpatient and outpatient services
15.	UMMS Financial Assistance Application
16.	Amended Financial Assistance Policy
17.	Notices of financial assistance policy and application process (English and Spanish)
18.	Action Plan
19.	Replacement MHCC Tables
20.	Steffen 12/28/22 letter addressing requests to waive requirement to complete Part I

TABLE OF TABLES

Table **Description**

Table 8 Babies Cared for Under 1500g and/or 32 Weeks Gestational Age November 1, 2020 through June 11, 2021 2
Table 9 Babies under 1500g and/or 32 Weeks Gestational Age Transferred out of UM PGHC November 1, 2020 through June 11, 2021 3
Table 10 Babies Cared for Under 1500g and/or 32 Weeks Gestational Age June 12, 2021 through January 31, 2023 4
Table 11 Babies under 1500g and/or 32 Weeks Gestational Age Transferred out of UM CRMC June 12, 2021 through January 31, 2023 5
Table 12 UM CRMC Obstetric Volumes Sept. 2022 to Jan. 2023 13
Table 13 UM-SJMC & UMMC NICU Level III ALOS FY 2018 – FY 2022 16

I hereby declare and affirm under the penalties of perjury that the facts stated in this Response to Additional Information Questions Dated February 1, 2023 and its attachments are true and correct to the best of my knowledge, information, and belief.



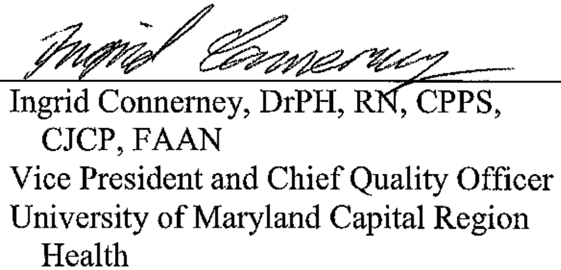
February 15, 2023
Date

Michael Brozic
Chief Financial Officer
University of Maryland Capital Region Health

#817376
013849-0010

I hereby declare and affirm under the penalties of perjury that the facts stated in this Response to Additional Information Questions Dated February 1, 2023and its attachments are true and correct to the best of my knowledge, information, and belief.

February 15, 2023
Date



Ingrid Connerney, DrPH, RN, CPPS, CJCP, FAAN
Vice President and Chief Quality Officer
University of Maryland Capital Region Health

#817377
013849-0010

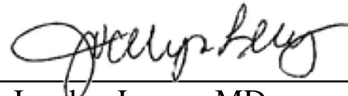
I hereby declare and affirm under the penalties of perjury that the facts stated in this Response\s to Additional Information Questions Dated February 1, 2023 and its attachments are true and correct to the best of my knowledge, information, and belief.

February 15, 2023
Date

Kerry Lewis, M.D.
Medical Director Women's and Infants Services
University of Maryland Capital Region Health

#817374
013849-0010

I hereby declare and affirm under the penalties of perjury that the facts stated in this Response to Additional Information Questions Dated February 1, 2023 and its attachments are true and correct to the best of my knowledge, information, and belief.



February 15, 2023
Date

Jocelyn Leung, MD
Associate Professor
Division of Neonatology, Department of Pediatrics
University of Maryland School of Medicine

#821118
013849-0010

EXHIBIT 13

UM Capital Region Health

Historical and Projected Discharges - Neonatal Services

FY2018 - FY2028

	Actual					Projected						Key Assumptions
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	
Population *(Females Ages 15 - 44)*	179,361	178,568	177,778	176,992	176,209	176,122	176,034	175,947	175,860	175,773	175,686	Based on Claritas spotlight projections for CRH's newborn
% Change		*-0.4%*	*-0.4%*	*-0.4%*	*-0.4%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	service area (zip codes w/ top 85% of newborn discharges)
Use Rate	4.8	4.5	5.0	5.0	4.6	4.4	4.6	4.6	4.6	4.6	4.6	
% Change		*-5.0%*	*10.5%*	*-0.7%*	*-8.0%*	*-3.8%*	*5.7%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	Use rates return to FY2018 / FY2019 average in FY2024
Service Area Discharges	855	809	890	880	806	775	818	818	818	817	817	
% Change		*-5.4%*	*10.0%*	*-1.1%*	*-8.4%*	*-3.9%*	*5.6%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	
CRH RMC Market Share	11.6%	13.1%	8.8%	9.0%	16.8%	14.3%	14.3%	14.3%	14.3%	14.3%	14.3%	
% Change		*13.2%*	*-32.8%*	*2.2%*	*87.2%*	*-15.1%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	Market share remains at FY2023 level through projection
CRH RMC Discharges												
Service Area	99	106	78	79	136	111	117	117	117	117	117	
Out of Service Area % of Service Area	*20.2%*	*27.4%*	*23.9%*	*23.9%*	*23.9%*	*23.9%*	*23.8%*	*23.8%*	*23.8%*	*23.8%*	*23.8%*	Out of SA % remains at FY2018 / FY2019 average
Out of Service Area	20	29	19	19	32	26	28	28	28	28	28	
Total	119	135	97	98	168	137	145	145	144	144	144	
% Change		*13.4%*	*-28.1%*	*1.0%*	*71.4%*	*-18.5%*	*5.5%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	
Average Length of Stay (ALOS)	17.2	15.0	12.7	12.7	6.0	6.2	16.1	16.1	16.1	16.1	16.1	ALOS returns to FY2018 / FY2019 average in FY2024
% Change		-12.5%	-15.1%	0.0%	-53.1%	3.5%	100.0%	0.0%	0.0%	0.0%	0.0%	
Patient Days	2,043	2,027	1,237	1,249	1,004	847	2,327	2,326	2,324	2,323	2,322	
% Change		-0.8%	-39.0%	1.0%	-19.7%	-15.6%	174.7%	0.0%	0.0%	0.0%	0.0%	
Average Daily Census	5.6	5.6	3.4	3.4	2.7	2.3	6.4	6.4	6.4	6.4	6.4	
% Change		-0.8%	-39.0%	1.0%	-19.7%	-15.6%	174.7%	0.0%	0.0%	0.0%	0.0%	
Occupancy	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	State Health Plan does not specify an occupancy % for NICU
Bed Need	8	8	5	5	4	3	9	9	9	9	9	
% Change		0.0%	-37.5%	0.0%	-20.0%	-25.0%	200.0%	0.0%	0.0%	0.0%	0.0%	

Source: FY2018 through FY2022 HSCRC statewide inpatient data tapes

Note: November 1, 2020 - FY2023 UM CRH volumes represent Level II admissions based on UM CRH internal data provided by Mike Brozic. These births are charged the NUR rate and thus cannot be separated from normal births in the HSCRC statewide data tapes

Timeline:

-FY2018 - FY2020: Historical NICU utilization

-FY2021 - FY2022: Historical SCN unitilization

-FY2024 - FY2028: Projected NICU unitilization

EXHIBIT 14

UNIVERSITY of MARYLAND MEDICAL SYSTEM

Reimbursement and Revenue Advisory Services

UM Capital Region Top 10 Average Cost per Case - **INPATIENT**

FY 2023 - YTD November 30, 2022

Category	APR DRG	APR Description	Average Charge
Med Surg	720	Septicemia and disseminated infections	35,885.21
	194	Heart failure	20,744.14
	133	Respiratory failure	27,029.40
	45	CVA and precerebral occlusion with infarct	29,677.27
	55	Head trauma with coma > 1 hour or hemorrhage	25,936.89
	420	Diabetes	16,709.14
	201	Cardiac arrhythmia and conduction disorders	20,448.82
	137	Major respiratory infections and inflammations	24,752.71
	313	Knee and lower leg procedures except foot	43,249.68
	912	Musculoskeletal and other procedures for multiple significant trauma	75,628.12
Behavioral Health	750	Schizophrenia	15,487.78
	753	Bipolar disorders	3,390.41
	751	Major depressive disorders and other/unspecified psychoses	8,920.38
	775	Alcohol abuse and dependence	9,211.32
	770	Drug and alcohol abuse or dependence, left against medical advice	8,817.11
	756	Acute anxiety and delirium states	16,457.27
	776	Other drug abuse and dependence	7,310.10
	754	Depresson except major depressive disorder	4,025.30
	774	Cocaine abuse and dependence	17,692.69
	760	Other mental health disorders	4,989.86
Obstetrics	560	Vaginal delivery	15,559.14
	540	Cesarean section without sterilization	18,498.25
	539	Cesarean section with sterilization	13,214.36
	566	Antepartum without O.R. procedure	11,745.44
	561	Postpartum & post abortion diagnoses wtihout procedure	10,366.43
	541	Vaginal delivery with sterilization and/or D&C	16,705.22
	542	Vaginal delivery with O.R. procedure except sterilization and/or D&C	18,925.19
	547	Antepartum with O.R. procedure	22,111.64
	564	Abortion without D&C, aspiration curettage or hysterotomy	8,690.11
	548	Postpartum & post abortion diagnosis with O.R. procedure	20,132.27
Pediatrics	640	Neonate birth weight > 2499g, normal newborn or neonate with other problem	3,380.79
	626	Neonate birth weight 2000-2499g, normal newborn or neonate with other problem	4,110.30
	634	Neonate birth weight > 2499g with respiratory distress syndrome or other major respiratory condition	10,290.57
	581	Neonate, transferred < 5 days old, born here	5,243.55
	560	Vaginal delivery	15,559.14
	622	Neonate birth weight 2000-2499g with respiratory distress syndrome or other major respiratory condition	20,169.70
	614	Neonate birth weight 1500-1999g with or without other significant condition	18,503.63
	639	Neonate birth weight > 2499g with other significant condition	6,048.14
	633	Neonate birth weight > 2499g with major anomaly	8,346.63
	863	Neonatal aftercare	15,418.32

UNIVERSITY of MARYLAND MEDICAL SYSTEM

Reimbursement and Revenue Advisory Services

UM Capital Region Top 10 Average Cost per Case - **OUTPATIENT**

FY 2023 - YTD November 30, 2022

Category	CPT Code	CPT Description	Average Charge
Outpatient Surgery	45378	COLONOSCOPY FLX DX W/COLLJ SPEC WHEN PFRMD	2,601.35
	43239	EGD TRANSORAL BIOPSY SINGLE/MULTIPLE	3,779.06
	47562	LAPAROSCOPY SURG CHOLECYSTECTOMY	11,566.43
	44970	LAPAROSCOPIC APPENDECTOMY	12,470.51
	45385	COLSC FLX W/RMVL OF TUMOR POLYP LESION SNARE TQ	3,916.81
	45380	COLONOSCOPY W/BIOPSY SINGLE/MULTIPLE	4,842.85
	49505	RPR 1ST INGUN HRNA AGE 5 YRS/> REDUCIBLE	7,684.27
	31624	Bronchoscopy, rigid or flexible, including fluoroscopic guidance, when performed	6,409.67
	57260	Combined anteroposterior colporrhaphy	17,861.86
	G0121	Colorectal cancer screening; colonoscopy on individual not meeting criteria for high risk	2,576.17
Laboratory	85025	BLOOD COUNT COMPLETE AUTO&AUTO DIFRNTL WBC COUNT	36.74
	80053	COMPREHENSIVE METABOLIC PANEL	54.20
	83735	MAGNESIUM	21.94
	84484	TROPONIN QUANTITATIVE	115.94
	87636	Infectious agent detection by nucleic acid (DNA or RNA); SARS-CoV-2, COVID-19 and influenza virus types A and B, multiplex amplified probe technique	143.36
	81001	URNLS DIP STICK/TABLET REAGENT AUTO MICROSCOPY	32.72
	87635	Infectious agent detection by nucleic acid (DNA or RNA); severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) (Coronavirus disease [COVID-19]), amplified probe technique	73.63
	80048	BASIC METABOLIC PANEL CALCIUM TOTAL	40.29
	84100	PHOSPHORUS INORGANIC	7.26
	85610	PROTHROMBIN TIME	28.99
Diagnostic Imaging	71045	RADIOLOGIC EXAM CHEST SINGLE VIEW	86.28
	70450	CT HEAD/BRAIN W/O CONTRAST MATERIAL	73.14
	71046	RADIOLOGIC EXAM CHEST 2 VIEWS	141.82
	74177	CT ABDOEN & PELVIS W/CONTRAST MATERIAL	214.94
	72125	CT CERVICAL SPINE W/O CONTRAST MATERIAL	128.09
	71260	Computed tomography, thorax	160.38
	73562	RADIOLOGIC EXAMINATION KNEE 3 VIEWS	226.35
	72126	Computed tomography, cervical spine	159.76
	73030	RADEX SHOULDER COMPLETE MINIMUM 2 VIEWS	155.45
	71275	CT ANGIOGRAPHY CHEST W/CONTRAST/NONCONTRAST	204.64

EXHIBIT 15

UNIVERSITY of MARYLAND MEDICAL SYSTEM

Financial Assistance Program Application

Please complete, sign, and return this application with the following required documentation:

- **Income (Including all of the following documents you currently receive):**
  - ☐ Copy of last 2 pay stubs or copy of W-2 form from current tax year filed including patient, patient spouse and/or patient guarantor (parents/legal guardians of children under 18 yrs old) living in the household.
  - ☐ If self-employed, a copy of your current Federal Tax form 1040.
  - ☐ Documentation of Social Security/Social Security Disability or any other additional household income.
- **Copy of Mortgage/Rent Bill, or copy of Property Tax statement if home is no longer mortgaged**
- **If you applied for Medical Assistance, a copy of your approval or denial letter.**

If you are unable to supply any of the required documents above, please complete form FAF 116, page 3 below.

Patient Information		
Last Name:	First:	M.I.:
Social Security #:	Date of Birth:	

Guarantor (Legal Parent, Guardian, or Power of Attorney) If same as Patient skip to Part II; complete all fields.			
Last Name:		First:	M.I.:
Social Security #:	Date of Birth:	Relationship to Patient:	
Part II (Patient/Guarantor Information)			
Street Address:			Apt:
City:	State:	ZIP:	
Home Phone: ( )	Cell Phone: ( )	Marital Status:	
Employers Name and Address:			
Monthly Gross Income: $		Monthly Net Income: $	
Position/Title:		Length of Current Employment:	
Are you a Legal Resident of the United States: Yes ☐		No ☐	

Spouse		
Last Name:	First:	M.I.:
Employer Name/Address:		Phone #:
Position/Title:	Length of Employment:	
Monthly Gross Income: $	Monthly Net Income: $	

Household Information (Name and Date Of Birth of all persons in household, excluding self or spouse)		
Name:	DOB:	Relation to Patient:
Name:	DOB:	Relation to Patient:
Name:	DOB:	Relation to Patient:
Name:	DOB:	Relation to Patient:
Name:	DOB:	Relation to Patient:

Additional Household income	
Checking Account Balance:	Monthly Unemployment Amount:
Savings Account Balance:	Monthly Social Security Amount:
Public Assistance/ Food Stamps:	Monthly Workers Compensation Amount:
Monthly/Annual Pension Amount:	Any Other:

Mortgage/Rent (Copy of Mortgage/Rent payment required)	
Mortgage/Rent Payment:	

Health Insurance Information (Copy of Medical Assistance Approval or Denial letter you received is required)		
Name Of Company:		Effective Date:
Have you applied for Medical Assistance: Yes ☐ No ☐	When:	
Where:	Name of Caseworker & phone #:	
Outcome/Reason for Denial:		

Disability Information	
Is the Patient Disabled: Yes ☐ No ☐	Length Of Disability:
Name of Physician:	Physician Phone Number:

Third Party Liabilities (Auto Accident, Workers Compensation, Bodily Injury, or other legal claim)			
Injuries/Illness result of an Auto Accident	Yes ☐	No ☐	Date of Incident:
Injuries/Illness occuring at your workplace?	Yes ☐	No ☐	Date of Incident:
Injuries/Illness result of a Crime?	Yes ☐	No ☐	Date of Incident:
Injuries/Ilness resulting in legal action?	Yes ☐	No ☐	Date of Incident:

Third Party Liability Claims are ineligible for Financial Assistance until all means of payment are exhausted. Failure to disclose information pertaining to any third party liability claim will deem patient ineligible for Financial Assistance.

I declare that I have examined this application and to the best of my knowledge all information in it or otherwise provided to UMMS and it's practices is true, correct, and complete. I understand that misrepresentation of this information may cancel any financial assistance I may be provided and that I will then be liable for all medical charges. By signing and submitting this request, I give UMMS, and it's facility practices permission to determine my need for financial assistance; including review of my credit file. I also give permission to UMMS to release or disclose this information to University Physicians Inc. for the purpose of evaluating my financial status in response for assistance with my physician bills. I understand that it is my responsibility to advise UMMS of any changes in status in regards to my income or assets while this application is in process.

Patient/Guarantor Signature (required) Date

Spouse's Signature (required) Date

If you have any questions or need assistance completing this application, please call the Financial Assistance Dept. (410) 821-4140, Extension 2003, Monday through Friday, 8:00am - 4:30pm.

You may mail, email or fax this application along with required documents to:

Mail: UMMS
11311 McCormick Road, Suite 230
Hunt Valley, MD 21031

Email: CBOService@umm.edu

Fax: 410-630-5341

UNIVERSITY of MARYLAND MEDICAL SYSTEM

Verification of Living, Financial, and Income Statement

This form will need to be completed by a Financial Assistance applicant who:

- Receives assistance with food and/or shelter
- Currently unemployed
- Hospital bills due to injuries from an auto accident, workers compensation, personal injury, or any other third party liability claim

Patient Information:

Name: ______________________________ Date: ______________

Phone Number: ____________________ Cell Phone Number: ____________________

Date of Birth: ______________________ Patient Signature: ____________________

If receiving assistance with food and shelter, complete the following:

I have been receiving assistance from __________________, who has been assisting me with food and shelter. Relationship to patient: __________________.

(Check one)

_____ Providing room and board free

_____ I have been paying $ _______ per month for room and board

_____ Other, please explain below:

____

____

____

If unemployed and receiving no income, complete the following:

(Check one) __ I have been unemployed since ___/___/___ and receiving assistance with food and shelter per above. Expected date to return to work? ______________

___ I have been unemployed since ___/___/___ and living off of savings or other monetary assets.

Please explain in detail: ____

____

Expected date to return to work? ____

Why are you not receiving unemployment income?

(Check one) ___ Eligibility Expired - Patient has exhausted all eligible unemployment benefits.

___ Not Eligible, reason: ____

If you have a third party liability claim (Auto accident, workers compensation, personal injury) complete the following:

Attorney: : Name: ____

Address

Phone Number: ____________________

Insurance Company: Name: ____

Address: ____

Phone Number: ____________________

Expected Settlement Date: _____/_____/_____

(Form FAF 116)

La adjunta solicitud de asistencia financiera en respuesta a su solicitud de asistencia con su factura del hospital (s). Todos los servicios de facturación otros como médico, radiología, anestesiología, etc ... no se incluyen en este acuerdo.

Por favor envíe su solicitud de asistencia financiera, junto con los siguientes documentos, **a UMMS, 11311 McCormick Rd Ste 230 Hunt Valley, MD 21031, Attn: Financial Assistance**. O bien, puede enviar por **fax** la solicitud a **410-630-5341.** En el caso de que usted está teniendo dificultades para obtener estos documentos o completar esta solicitud, por favor no dude en contactar con @ 410-821-4140 para obtener ayuda.

- **Carta de la Seguridad Social premio (si procede)**
  → Esto sólo se aplicará a las personas que están actualmente recibir ingresos del Seguro Social

- **Copia de la hipoteca / factura de alquiler**
  → Si usted está viviendo con la familia o amigo(s)/ propietario, y **no pagar** a su hipoteca / alquiler proyecto de ley, por favor escriba una carta de explicación de la situación de la vivienda.
  → Si usted está viviendo con la familia o amigo (s) / propietario, y **está pagando** hacia su Hipoteca / Alquiler proyecto de ley, por favor, escribir un carta de explicación de la situación de la vivienda, indicando la cantidad pagada cada mes, a quién, y tienen todas las partes signo de verificación.

- **Copia de los dos últimos talones de pago o declaración de impuestos más reciente con (W-2)**
  → Si no está trabajando actualmente, por favor, escribir una carta de explicación de su desempleo y la situación financiera, firmada y fechada por usted, el paciente.
- **Copiar / prueba de cualquier ingreso adicional**

- **Copia de la Asistencia Médica Negación / carta de aprobación** – (Si procede)
  → Si usted ha sido considerado no elegible para Asistencia Médica por Nuestro hospital o el Departamento de Servicios Sociales, sin llegar a la aplicación, no será necesario para obtener o proporcionar esta carta.

Solicitud para el Programa de Asistencia Financiera

Por favor complete, firme y devuelva esta solicitud con la siguiente documentación requerida:

Los ingresos (incluyendo todos los siguientes documentos que recibe actualmente):

Copia de los últimos 2 talones de cheque o copia del formulario W-2 del año fiscal mas reciente,para todas las personas,incluyendo el paciente, cónyuge del paciente, garantor del paciente (padre (s) de los niños menores de 21 años de edad) que viven en el hogar.

Documentación del Seguro Social / Incapacidad del Seguro Social o de cualquier otro ingreso adicional del hogar

Documentación del Hipoteca /renta

Si usted es incapaz de suministrar cualquiera de los documentos requeridos, por favor complete el formulario adjunto FAF 116.

Información del paciente	
Apellidos:	Nombre completo:
# Seguro Social:	Fecha de nacimiento:

Garantor (persona responsable)Si ese es el paciente ,pase a la parte II ,sino complete todos los campos.		
Apellidos:	Nombre completo:	
# Seguro Social:	Fecha de nacimiento:	Relación con el paciente:
Parte II (Copia de la forma(S) W-2 del ultimo año reportado o los dos últimos talones de cheques)		
Dirección:		Apt:
Ciudad:	Estado:	Código Postal:
Teléfono casa: ( )	Celular: ( )	Estado Marital:
Nombre del empleo y dirección:		
Ingreso mensual bruto: $	Ingreso mensual neto:$	
Posición/Titulo:	Tiempo de empleo:	
¿Es usted residente legal de los Estados Unidos?	Si o	No o

Esposo/a	
Apellidos:	Nombre completo:
Nombre del empleo y dirección:	Teléfono #
Titulo/posición:	Tiempo de empleo:
Sueldo mensual	Sueldo neto:

Información del hogar (excluyéndose usted y su pareja)		
Nombre:	Fecha de nacimiento:	Relación con el paciente:
Nombre:	Fecha de nacimiento:	Relación con el paciente:
Nombre:	Fecha de nacimiento:	Relación con el paciente:
Nombre:	Fecha de nacimiento:	Relación con el paciente:
Nombre:	Fecha de nacimiento:	Relación con el paciente:

Ingreso adicional del hogar

Balance de la cuenta de corriente:	Cantidad mensual de desempleo:
Balance de la cuenta de ahorros:	Cantidad mensual del seguro social:
Asistencia Publica/estampillas de comida:	Cantidad mensual de la compensación del trabajo:
Cantidad mensual de la manutención de los hijos:	Otro:

Gasto mensuales

Hipoteca /renta:	Cable:
Servicios:	Visa:
Teléfono:	Mastercard:
Teléfono Celular:	Tarjeta de almacén de departamentos:
Pago del carro:	Otro:

Información de seguro médico (Se requiere la copia de la aprobación o negación de la carta de Asistencia Medica)

Nombre de la compañía:			Fecha de elegibilidad:
Ha solicitado asistencia Medica?	Si o	No o	Cuando:
Donde:	Nombre de la trabajadora social y teléfono:		
Resultado/motivo de la negación:			

Iinformación de discapacidad

Es el paciente discapacitado?	Si o	No o	Duracion de la discapacidad:
Nombre del Medico:			Telefono del medico:

Obligaciones a Terceros

lesiones / enfermedades resultado de un accidente de auto	Si o	No o	Fecha del incidente:
Las lesiones / enfermedad que ocurre en su lugar de trabajo?	Si o	No o	Fecha del incidente:
Lesiones / enfermedades resultado de un crimen?	Si o	No o	Fecha del incidente:
Las lesiones / enfermedad resulta en una acción legal?	Si o	No o	Fecha del incidente:

Las reclamaciones a daños a terceros no son elegibles para la ayuda financiara ,hasta que no se hayan agotado todos lo medios de pago.La falta de revelar informaciona pertinente a la reclamacios a daños a terceros , hace al paciente inelegible para ayuda financiera

Yo declaro que he examinado esta solicitud y tengo conocimiento de toda la información en ella, o de otra forma proveída por UMSJMC Sus prácticas son ciertas, correctas y completas. Entiendo que la falsificación de esta información puede cancelar cualquier ayuda financiera que me puedan proporcionar y entonces seré responsable de todos los gastos médicos. Al firmar y presentar esta solicitud, doy a UMSJMC, y su centro de prácticas permiso para determinar mi necesidad de asistencia financiera, incluyendo la revisión de mi estado de crédito. También doy permiso para que UMSJMC pueda divulgar o revelar esta información al grupo de Médicos del SJMC con el propósito de evaluar mi estado financiero para obtener ayuda con mis cuentas médicas. Entiendo que es mi responsabilidad de informar a UMSJMC de cualquier cambio en lasituación con respecto a mis ingresos o activos, mientras que esta solicitud está en proceso.

Paciente/firma del garantor　　　　Fecha

Firma del esposo/a　　　　Fecha

Si usted tiene alguna pregunta o necesita ayuda para llenar esta solicitud, por favor llame al Departamento de Asistencia Financiera (410) 821-4140, de lunes a viernes de 8:00 am - 4:30 pm. Envíe esta solicitud, junto con los documentos requeridos a: UMSJMC, 11311 McCormick Rd., Suite 230, Hunt Valley, MD 21031.

Verificación de la declaración de estar, financieros, y los ingresos

Este formulario deberá ser completado por el solicitante de Asistencia Financiera UMMS que:

- Recibe asistencia con alimentos y / o refugio
- Actualmente en paro
- Hospital debido a lesiones causadas por un accidente de auto, compensación de trabajadores, lesiones personales, o cualquier otro reclamo de responsabilidad civil cuentas

Paciente: Nombre: ______________________ Fecha: __________
número de teléfono: __________ Número de teléfono móvil: __________
Fecha de Nacimiento: __________ Firma del paciente: __________

Si recibe asistencia con alimentos y abrigo, completa los siguientes:

He estado recibiendo ayuda de ______________, que me ha estado ayudando con comida y refugio. Relación con el paciente: __________.

(Marque uno)
_____ Proporcionar alojamiento y comida gratis
_____ He estado pagando $ _______ por mes para alojamiento y comida
_____ Otros, por favor explique:
____
____
____

Si no está trabajando y que no reciben ingresos, complete lo siguiente:

(Marque uno)_____ He estado desempleado desde ___/___/___ y recibir ayuda con la comida y la vivienda por encima de. Fecha prevista para volver al trabajo __________
_____He estado desempleado desde ___/___/___ y viviendo de los ahorros o de otro tipo activos monetarios.
Por favor, explique en detalle: ______________________
____

Fecha prevista para volver al trabajo ? ______________________

Por qué no está recibiendo ingresos por desempleo ?
(Marque uno) _____ elegibilidad caducados - Paciente ha agotado todos los beneficios de desempleo elegibles.
_____ No elegibles, razón: ______________________

Si usted tiene una demanda de responsabilidad civil (accidente de auto, compensación de trabajadores, lesiones personales) completar el siguiente:

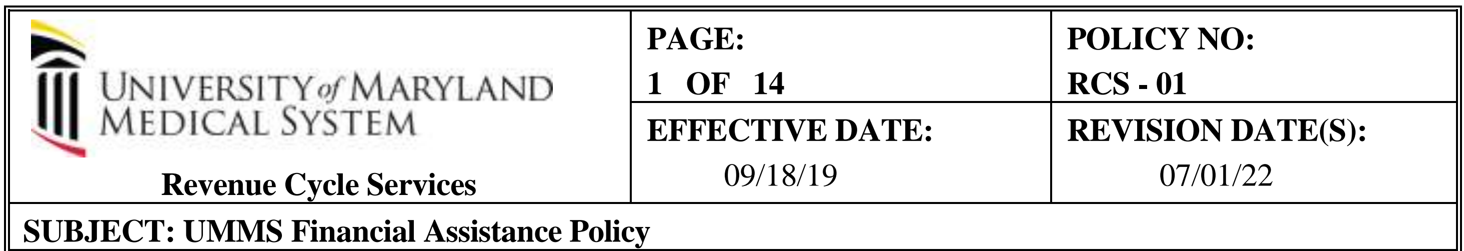
Abogado: Nombre: ______________________
Dirección: ______________________
Número de teléfono: ______________

Compañía aseguradora: Nombre: ______________________
Dirección: ______________________
Número de teléfono: ______________

Solución Fecha prevista: _____/_____/_____

(Form FAF 116)

EXHIBIT 16



	PAGE: 1 OF 14	POLICY NO: RCS - 01
Revenue Cycle Services	EFFECTIVE DATE: 09/18/19	REVISION DATE(S): 07/01/22
SUBJECT: UMMS Financial Assistance Policy		

KEY WORDS:
Financial Assistance, Financial Hardship, Financial Clearance, Medical Assistance

OBJECTIVE/BACKGROUND:
The purpose of the following policy statement is to describe the financial assistance application process, how applications are reviewed and determinations of eligibility are made, eligibility criteria for financial assistance programs (including presumptive eligibility and financial hardship assistance), financial clearance of patients with medically unique or humanitarian needs, how UMMS notifies patients of the availability financial assistance availability, the appeal process, and extraordinary collection actions.

APPLICABILITY:
This policy applies to all team members, vendors, and agents [volunteers, medical team members] of any of the following University of Maryland Medical System member organizations:

University of Maryland Medical Center (UMMC)
UM Midtown Campus (MTC)
UM Rehabilitation & Orthopaedic Institute (UMROI)
UM St. Joseph Medical Center (UMSJMC)
UM Baltimore Washington Medical Center (UMBWMC)
UM Shore Regional Health (UMSRH)
UM Shore Medical Center at Dorchester (UMSMCD)
UM Shore Medical Center at Easton (UMSME)
UM Charles Regional Medical Center (UMCRMC)
UM Upper Chesapeake Health (UCHS)
UM Capital Region Health (UMCRH)
UM Physician Networks (UMPN)
UMMS Outpatient Rx Weinberg
UMMC Pharmacy at Redwood
UMMS Pharmacy Services
UMMC Mid-Town Campus Pharmacy
UMMC Pharmacy at Capital Region
UMMC Pharmacy at Baltimore Washington

DEFINITIONS:

Federal Poverty Level	A measure of income issued every year by the Department of Health and Human Services (HHS). Federal poverty levels are used to determine eligibility for certain programs and benefits.
Financial Hardship	Instances in which member organization charges incurred at UMMS member organizations for medically necessary treatment by a family household over a twelve (12) month period that exceeds 25% of that family's annual income.
MDH Limits	Refers to the income eligibility limits for reduced cost care, set by Maryland Department of Health (MDH) office of Medical Assistance Planning. The State of Maryland accepted the Federal Medicaid expansion on January 1, 2014 vs the Federal Poverty Levels, under the Affordable Care Act, which expanded the eligible income limits for Maryland Medicaid. UMMS adopted these new limits for the reduced cost care sliding scale, as set forth in Attachment A.
Medical Debt	Out-of-pocket expenses, including co-payments, coinsurance, and deductibles, incurred at UMMS member organizations for medically necessary treatment.
Presumptive Eligibility	Instances in which information provided by the patient or through other sources provides sufficient evidence that the patient is eligible for financial assistance, but there is no financial assistance form on file.

POLICY:
The University of Maryland Medical System ("UMMS") is committed to providing financial assistance to persons who have health care needs and are uninsured, underinsured, ineligible for a government program, or otherwise unable to pay, for emergent and medically necessary care based on their individual financial situation.

It is the policy of the University of Maryland Medical System ("UMMS") member organizations to provide financial assistance which meets or exceeds the requirements set forth by the State of Maryland for patients who meet specified financial criteria and request such assistance.

I. **Free Care -** Those with income up to 200% of the income eligibility limits established by the Maryland Department of Health are eligible for free care.
II. **Reduced Cost Care -** Those between 200% and 300% of the income eligibility limits established by the Maryland Department of Health are eligible for discounts on a sliding scale, as set forth in Attachment A.
III. **Financial Hardship -** Those who otherwise do not qualify for financial assistance under the primary guidelines of this policy, but for whom their medical debt incurred at all UMMS member organizations exceeds 25% of the Family Annual Household Income, are eligible for financial hardship assistance.

Payment plans are also available to all patients. Plan terms may be modified at the request of the patient. Additional information on payment plans is available in the UMMS Payment Plan Policy. UMMS retains the right in its sole discretion to determine a patient's ability to pay. All patients presenting for emergency services will be treated regardless of their ability to pay. For emergent/urgent services, financial assistance applications will be completed, received, and evaluated retrospectively and will not delay patients from receiving care.

PROCEDURE:

I. How To Apply for Financial Assistance

For any episode of care, the financial assistance application process will be open up to at least 240 days after the first post-discharge patient bill for the care is sent. Patients may voluntarily apply for financial assistance before or after receiving healthcare services, or they may be identified as potential candidates for financial assistance during the financial clearance process or a presumptive financial assistance eligibility screening.

Financial clearance is a process that determines a patient's ability and likelihood to pay. When possible effort will be made to provide financial clearance prior to date of service. During the financial clearance process, patients who indicate they are unemployed and have no insurance coverage will be required to submit a financial assistance application before receiving non-emergency medical care (unless they meet presumptive financial assistance eligibility criteria).

There will be one application process for all UMMS member organizations. UMMS will accept the Faculty Physicians, Inc.'s (FPI) completed financial assistance applications (and application requirements) in determining eligibility for the UMMS Financial Assistance program. Patients are required to provide a completed financial assistance application (with all required information and documentation), unless they meet the criteria for presumptive eligibility. To facilitate this process, each applicant must provide information about

family size and income. Oral submission of needed information will be accepted, where appropriate. UMMS will provide the financial assistance application to all patients regardless of health insurance status to all patients, including uninsured patients, and the application will be readily available on the UMMS website and by request.

Supporting Documentation for Financial Assistance Applications

To help applicants complete the process, required and suggested documentation will be clearly listed on the financial assistance application, including:

- A copy of their most recent Federal Income Tax Return (if married and filing separately, then also a copy spouse's tax return); proof of disability income (if applicable), proof of social security income (if applicable).
- If unemployed, reasonable proof of unemployment such as statement from the Office of Unemployment Insurance, a statement from current source of financial support, etc.
- A copy of their most recent pay stubs (if employed) or other evidence of income.
- A Medical Assistance Notice of Determination (if applicable).
- Copy of their Mortgage or Rent bill (if applicable), or written documentation of their current living/housing situation.
- If a patient submits both a copy of their most recent Federal Income Tax Return and a copy of their most recent pay stubs (or other evidence of income), and only one of the two documents indicates eligibility for financial assistance, the most recent document will dictate eligibility.

Financial assistance may not be denied based on the omission of information or documentation that is not specifically required in this policy or on the financial assistance application, and UMMS reserves the right to offer financial assistance to patients that have not provided all supporting documentation.

- If a patient submits a financial assistance application without the information or documentation required for a final determination of eligibility, a written request for the missing information or documentation will be sent to the patient.
- This written request will also contain the contact information (including telephone number and physical location) of the office or department that can provide information about financial assistance and assistance with the application process.
- The patient will have thirty (30) days from the date this written request is provided to submit the required information or documentation to be considered for eligibility. If no the information is not received within the 30 days, a letter will be sent notifying the patient that the case is now closed for lack of the required documentation.
- The patient may re-apply for financial assistance and initiate a new case by submitting the missing information or documentation

II. Reviewing and Determining Eligibility of Financial Assistance Applications

There are designated team members who will be responsible for taking financial assistance applications. These team members can be financial counselors, patient financial receivable coordinators, customer service representatives, or third party agencies working as an extension of the central business office. To help applicants complete the process, UMMS will provide the financial assistance application that will let them know what paperwork is required for a final determination of eligibility. Where possible, designated team

members will consult via phone or meet with patients who request financial assistance to determine if they meet preliminary criteria for assistance.

Preliminary data will be entered into a third party data exchange system which will allow the designated team member to track the application and determine eligibility for financial assistance. Designated team members will:

- Determine whether the patient has health insurance. Patients who have access to other medical coverage (e.g., primary and secondary insurance coverage or a required service provider, also known as a carve-out), must utilize and exhaust their network benefits before applying for financial assistance.
- If the patient qualifies for COBRA coverage, patient's financial ability to pay COBRA insurance premiums shall be reviewed by the designated team member and recommendations shall be made to Senior Leadership.
- Complete an eligibility check with the Medicaid program for Self Pay patients to verify whether the patient has current coverage. To facilitate this process each applicant must provide information about family size and income.
- Determine whether the patient is presumptively eligible for free or reduced-cost care.
- Determine whether uninsured patients are eligible for public or private health insurance. 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 and for their overall personal health.

To the extent practicable, the designated team members will offer assistance to uninsured patients if the patient chooses to apply for public or private health insurance, determine whether the patient is eligible for other public programs that may assist with health care costs, and use information available to UMMS to determine whether the patient is qualified for free or reduced-cost care under the UMMS Financial Assistance policy.

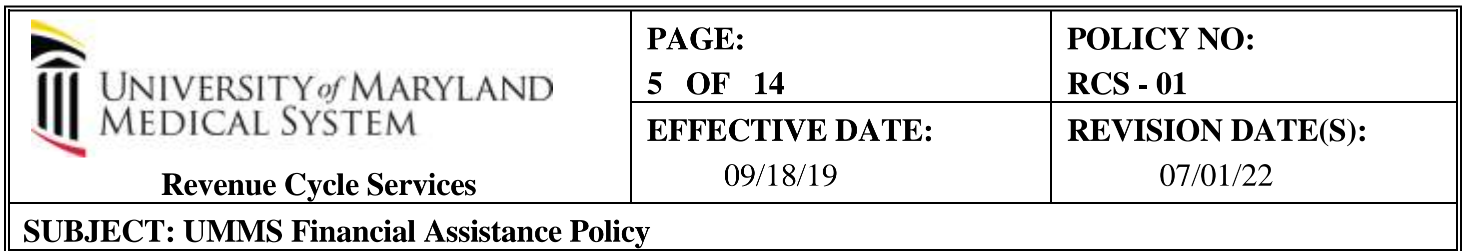
Within two business days of receipt of a patient's request for financial assistance or an application for medical assistance, UMMS may provide determination of probable eligibility. The determination of probable eligibility is subject to change, based on the receipt of supporting documentation.

If the patient's financial assistance application is determined to be complete and appropriate, the designated team member will recommend the patient's level of eligibility and forward for a second and final approval. UMMS will provide final determination the patient's eligibility within 14 days after the patient submits a completed application for financial assistance and suspend any billing or collections actions while eligibility is being determined.

If a Financial Assistance Application is Approved

Once a patient is approved for financial assistance, financial assistance coverage is effective for the month of determination and a year prior to the determination.

- A letter of final determination will be submitted to each patient who has formally requested financial assistance, which includes (if applicable): the assistance for which the individual is eligible and the basis for the determination.
- UMMS may decide to extend the financial assistance eligibility period further into the past or the future on a case-by-case basis.



- Financial assistance is generally applicable to all emergency and other medically necessary care provided by each UMMS member organization (See Exclusions for more information).
- If additional healthcare services are provided beyond the eligibility period, patients must reapply for financial assistance.
- If the patient is determined to be eligible for reduced-cost care, and has already received a statement for eligible healthcare services rendered during the financial assistance coverage period, the patient will also be provided with a billing statement that indicates the amount the patient owes for the care after financial assistance is applied.
- If a patient made payments for healthcare services prior to receiving approval for financial assistance, they may be eligible for a refund. Refund decisions are based on when the patient was determined unable to pay compared to when the patient payments were made. If the amount that the patient is determined able to pay is less than the amount of the patient payment, the resulting credit balance will be issued to the patient as a refund if the amount exceeds the patient's determined responsibility by $5.00 or more. This includes determinations of eligibility for financial assistance within 240 days after the initial bill was provided.

If there are changes to the patient's income, assets, expenses or family status, the patient is expected to notify the Financial Assistance Department at 410-821-4140. To facilitate this process, and ensure that patients have the opportunity to be re-evaluated for eligibility for financial assistance within 240 days of the initial statement, UMMS will notify patients that if their income has changed, they should contact the Financial Assistance Program Department on each statement.

If a Financial Assistance Application is Not Approved

If a patient is determined to be ineligible for financial assistance prior to receiving a service (for that service), all efforts to collect co-pays, deductibles, or a percentage of the expected balance for the service will be made prior to the date of service or may be scheduled for collection on the date of service.

- If the patient is determined to be ineligible for financial assistance, and they applied in order to obtain financial clearance for non-emergent or non-urgent hospital based services, the designated team member will notify the clinical staff of the determination and the non-emergent/urgent hospital-based services will not be scheduled.
- A clinician may appeal this decision and request reconsideration by the Financial Clearance Executive Committee on a case-by case basis.
- For emergent or urgent services, financial assistance applications will be completed, received, and evaluated retrospectively and will not delay patients from receiving care.
- Patients who are ineligible for financial assistance will be required to pay any open balances and may be submitted to a bad debt service if the balance remains unpaid in the agreed upon time periods.
- The patient may appeal the decision, please see the Appeals section for more information.
- For any episode of care, the financial assistance application process will be open up to at least 240 days after the first post-discharge patient bill for the care is sent.

III. Eligibility Criteria

UMMS will offer financial assistance when a review of a patient's individual financial circumstances has been conducted and documented. UMMS will not use a patient's citizenship or immigration status as an eligibility

requirement for financial assistance; or withhold financial assistance or deny a patient's application for financial assistance on the basis of race, color, religion, ancestry or national origin, sex, age, marital status, sexual orientation, gender identity, genetic information, or on the basis of disability.

The following criteria will be applied in assessing a patient's eligibility for financial assistance, presumptive eligibility for financial assistance, and eligibility for financial hardship assistance.

Financial Assistance Eligibility

UMMS will refer to the MDH household income thresholds to determine eligibility for financial assistance and the level of free or reduced cost care to award to eligible patients. UMMS will calculate a patient's family (household) income at time of service. To account for any changes in financial circumstance, UMMS will recalculate family (household) income within 240 days after the initial hospital bill is provided.

UMMS may consider household monetary assets in determining eligibility for free and reduced-cost care under the financial assistance policy in addition to income-based criteria. Monetary assets shall be adjusted annually for inflation in accordance with the Consumer Price Index. The following monetary assets that are convertible to cash shall be excluded:

- At a minimum, the first $10,000 of monetary assets.
- A safe harbor equity of $150,000 in a primary residence.
- Retirement assets that the Internal Revenue Service has granted preferential tax treatment as a retirement account, including deferred-compensation plans qualified under the Internal Revenue Code or nonqualified deferred-compensation plans.
- One motor vehicle used for the transportation needs of the patient or any family member of the patient;
- Any resources excluded in determining financial eligibility under the Medical Assistance Program under the Social Security Act.
- Prepaid higher education funds in a Maryland 529 Program account.

In determining the family income of a patient, UMMS shall apply a definition of household size that consists of the patient and, at a minimum, a spouse (regardless of whether the patient and spouse expect to file a joint federal or State tax return), biological children, adopted children, or stepchildren, and anyone for whom the patient claims a personal exemption in a federal or State tax return. For a patient who is a child, the household size shall consist of the child and biological parents, adopted parents, or stepparents or guardians, biological siblings, adopted siblings, or stepsiblings, and anyone for whom the patient's parents or guardians claim a personal exemption in a federal or State tax return.

Patients may be deemed ineligible for financial assistance:

- If they have insurance coverage (e.g., HMO, PPO, or Workers Compensation, Medicaid, or other insurance programs), that denies access to UMMS due to insurance plan restrictions/limits.
- If they refuse to be screened for other assistance programs prior to submitting an application for financial assistance.
- If they refuse to divulge information pertaining to a pending legal liability claim.

Financial assistance generally applies to all emergency and other medically necessary care provided by each UMMS member organization; however, the following exclusions may apply:

- Services provided by healthcare providers not affiliated with UMMS member organizations (e.g., durable medical equipment, home health services).
- Services denied by a patient's insurance program or policy (e.g., HMO, PPO, or Workers Compensation). Exceptions may be made on a case by case basis considering medical and programmatic implications.
- Cosmetic or other non-medically necessary services.
- Patient convenience items, meals, and lodging.
- Supervised Living accommodations and meals while a patient is in the Day Program.
- Third Party Liability claims (Auto Accident, Workers Compensation, Bodily Injury, or other legal claim) until all means of payment are exhausted.

Financial assistance for professional charges awarded under this policy applies to the UM Physician Network (UMPN). Patients who wish to pursue financial assistance for non-UM Physician Network charges must contact the physician or provider group directly. A list of providers delivering medically necessary care in each UMMS hospital can be obtained on the website of each UMMS entity. This list specifies which such as providers do not participate in the UMMS Financial Assistance Policy.

Presumptive Financial Assistance Eligibility

In the event there is no evidence to support a patient's eligibility for financial assistance, UMMS reserves the right to determine presumptive financial assistance eligibility for all hospital accounts. To determine presumptive eligibility for financial assistance, UMMS may use outside agencies or information to estimate income which can be used to assess the patient's eligibility for financial assistance eligibility. Due to the inherent nature of presumptive circumstances, UMMS will award free care to patients deemed presumptively eligible for financial assistance. Presumptive eligibility for financial assistance shall only cover the patient's specific date of service. UM Physician Network provider groups will offer financial assistance on a physician balance based on a determination of eligibility on a hospital balance.

Presumptive eligibility may be determined on the basis of individual life circumstances that may include:

a. Active Medical Assistance pharmacy coverage
b. Specified Low Income Medicare (SLMB) coverage
c. Primary Adult Care (PAC) coverage
d. Homelessness
e. Patient currently has Medical Assistance coverage
f. Medical Assistance and Medicaid Managed Care patients for services provided in the ER beyond the coverage of these programs
g. Medical Assistance spend down amounts
h. Eligibility for other state or local assistance programs, such as:
   i) Supplemental Nutrition Assistance Program
   ii) State Energy Assistance Program
   iii) Special Supplemental Food Program for Women, Infants, and Children
   iv) Any other social service program as determined by MD DHMH and Health Services Cost Review Commission (HSCRC).

i. Patient is deceased with no known estate
j. Patients that are determined to meet eligibility criteria established under former State Only Medical Assistance Program
k. Non-US Citizens deemed non-compliant
l. Non-Eligible Medical Assistance services for Medical Assistance eligible patients
m. Unidentified patients (Doe accounts that we have exhausted all efforts to locate and/or ID)
n. Bankruptcy, by law, as mandated by the federal courts
o. Eligibility in certain UMMS clinical programs (including: St. Clare Outreach Program, UMMS Maternity Program, UMSJMC Hernia Program).

Uninsured patients seen in the Emergency Department under Emergency Petition will not be considered for presumptive financial assistance until the Maryland Medicaid Psych program has been billed.

Financial Hardship Assistance Eligibility

Financial hardship assistance is available for patients who otherwise do not qualify for financial assistance under the primary guidelines of this policy, but for whom medical debt for medically necessary treatment over a twelve (12) month period exceeds 25% of that family's annual income.

- The amount of uninsured medical costs incurred at all UMMS member organizations will be considered in determining a patient's eligibility (including any accounts having gone to bad debt, except those accounts that have gone to lawsuit and a judgment has been obtained) and any projected medical expenses.
- For the patients who are eligible for reduced-cost care under the financial assistance criteria and also meet the criteria for financial hardship assistance criteria, UMMS will grant the total eligible reduction in charges.
- To calculate household income, UMMS will use the same criteria outlined in the Financial Assistance Eligibility section of this policy to calculate assets, household income, and family size.
- Once a patient is approved for financial hardship assistance, coverage will be effective for the month of the first qualifying date of service and a year prior to the determination. UMMS may decide to extend the financial hardship eligibility period further into the past or the future on a case-by-case basis.
- Financial hardship assistance will cover the patient and the eligible family members living in the household for the approved reduced cost and eligibility period for medically necessary care and will remain eligible for reduced-cost medically necessary care when seeking subsequent care at the same member organization during the 12–month period beginning on the date on which the reduced-cost medically necessary care was initially received. To avoid an unnecessary duplication of UMMS' determination of eligibility for free and reduced-cost care, the patient or eligible family members shall inform UMMS of the patient's or family member's eligibility for the reduced-cost medically necessary care.

All other eligibility, ineligibility, and procedures for primary financial assistance criteria apply to financial hardship assistance criteria, unless otherwise stated above.

IV. Appealing a Determination of Eligibility for Financial Assistance

Patients whose financial assistance applications are denied have the option to appeal the decision. Appeals can be initiated verbally or written. Patients are encouraged to submit additional supporting documentation justifying why the denial should be overturned.

If a patient wishes to make an appeal, UMMS will:

- Notify the patient that the Health Education and Advocacy Unit is available to assist them or their authorized representative in filing and mediating a reconsideration request.
- Provide the address, phone number, facsimile number, e-mail address, mailing address, and website of the Health Education and Advocacy Unit: Office of the Attorney General, Health Education and Advocacy Unit | 200 St. Paul Place, 16th Floor, Baltimore, MD 21202 | Phone: (410) 528-1840 | Toll-free in Maryland 1-877-261-8807 | Fax: (410) 576-6571 | Email: heau@oag.state.md.us
- Document appeals within the third party data and workflow tool for review by the next level of management above the representative who denied the original application.
- Submit a letter of final determination to each patient who has formally submitted an appeal.

Provider Driven Financial Clearance and Reconsideration

Where there is a compelling educational, medical, and/or humanitarian benefit, UMMS clinical team members may request financial clearance of patients that are not otherwise able or likely to pay for their healthcare services. Clinical team members must submit appropriate justification in advance of the patient receiving services. UMMS Revenue Cycle central billing office will evaluate the patient's eligibility for Medical Assistance and financial assistance. A Financial Clearance Executive Committee at the member organization level, comprised of clinical and financial leadership, will request the information submitted by the requesting clinical and the central billing office and make the final determination on whether to grant financial clearance on a case-by-case basis.

If financially cleared, patients are still responsible to complete the financial assistance application process, and may be subject to presumptive eligibility screening, as outlined in this policy.

V. Notice of Availability of Financial Assistance

UMMS will advise patients, patient's families, and authorized representatives of the availability of financial assistance using posted notices and the Patient Billing and Financial Assistance Information Sheet. The Patient Billing and Financial Assistance Information Sheet notifies the patient of the availability of financial assistance and payment plans, includes a description of UMMS Financial Assistance Policy, explains how to apply for financial assistance, and includes a description of the patient's rights and obligations with regard to hospital billing and collection under the law.

- UMMS will post notices of financial assistance availability in each UMMS hospital's emergency room (if any), admissions areas, key patient access areas, and the hospital billing office. Notice of availability will also be sent to the patient with patient statements.
- The Patient Billing and Financial Assistance Information Sheet will be provided at preadmission and before discharge for each hospital encounter, with each hospital statement, and it will be available to all patients upon request and without charge, both by mail and in the emergency room (if any) and admissions areas.

- The Financial Assistance Policy and the Financial Assistance Application will also be available to all patients upon request and without charge, both by mail and in the emergency room (if any) and admissions areas.
- The Financial Assistance Policy, the Patient Billing and Financial Assistance Information Sheet, and the Financial Assistance Application will also be conspicuously posted on the UMMS website (www.umms.org).

Patient Billing and Financial Assistance Information Sheet Content

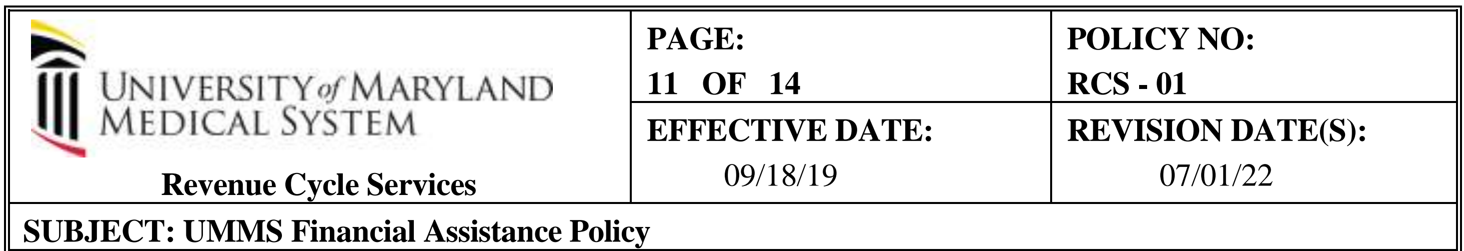
In addition to the content referenced above, the Patient Billing and Financial Assistance Information Sheet will include:

- The website and physical location(s) where patients can obtain copies of the financial assistance policy and financial assistance application form
- Instructions on how to obtain a free copy of the financial assistance policy and financial assistance application form by mail.
- A statement of the availability of translations of the financial assistance documents.
- Contact information for UMMS Hospital Billing Customer Service Department, which is available to assist the patient, the patient's family, or the patient's authorized representative understand their statement, understand the patient's rights and obligations regarding the statement, learn how to apply for free or reduced cost care, or learn how to apply for Maryland Medical Assistance, or any other programs that may help pay their medical bills.
- Contact information for the Maryland Medical Assistance Program.
- A notification that physician charges are not included in the hospital statement and are billed separately.
- A notification informing patients of the right to request and receive a written estimate of the total charges for hospital nonemergency services, procedures, and supplies that reasonably are expected to be provided for professional services by the hospital.
- A notification that a patients who are eligible for free or reduced care may not be charged more than AGB for emergency or other medically necessary care.
- A section that informs the patient of their ability to make a formal complaint with the HSCRC and the Office of the Attorney General of Maryland.
- A section for the patient to initial to indicate that they have been made aware of UMMS Financial Assistance Policy

The Patient Billing and Financial Assistance Information Sheet will be written in plain language, as specified by the Requirements for 501(c)(3) Hospitals Under the Affordable Care Act – Section 501(r), and will be made available in the patient's preferred language. It will also include a section that allows for patients to initial that they have been made aware of the financial assistance policy.

VI. Extraordinary Collection Actions

Account balances that have not been paid may be transferred to Bad Debt (deemed uncompensated care) and referred to an outside collection agency or to UMMS's attorney for legal and/or collection activity. Third party agencies and/or attorneys are jointly and severally responsible for meeting the debt collection requirements listed in this policy, and in the UMMS Credits and Collections Policy. Collection activities taken on behalf of



UMMS by a collection agency or UMMS' attorney may include the following Extraordinary Collection Actions (ECAs):

- Reporting adverse information about the individual to consumer credit reporting agencies or credit bureaus. UMMS will not report adverse information to a consumer reporting agency regarding a patient who was uninsured or eligible for free or reduced-cost care at the time of service. UMMS will not report to a consumer reporting agency until at least 180 days after the initial statement was provided. Prior to reporting to a consumer reporting agency, UMMS will determines whether the patient is eligible for free or reduced-cost care. UMMS will not report adverse information about a patient to a consumer reporting agency if UMMS was notified in accordance with federal law by the patient or an insurance carrier that an appeal or a review of a health insurance decision is pending within the immediately preceding 60 days, or if UMMS has completed a requested reconsideration of the denial of free or reduced-cost care that was appropriately completed by the patient within the immediately preceding 60 days.
- Commencing a civil action against the individual. UMMS will not hold a spouse or another individual liable for the debt owed on a hospital bill of an individual who is at least 18 years old. UMMS will not file a civil action to collect debt until at least 180 days of after the initial bill was provided. Prior to filing the civil action, UMMS will determines whether the patient is eligible for free or reduced-cost care. UMMS will not file a civil action to collect debt if UMMS was notified in accordance with federal law by the patient or an insurance carrier that an appeal or a review of a health insurance decision is pending within the immediately preceding 60 days. UMMS will not file a civil action to collect debt if UMMS has completed a requested reconsideration of the denial of free or reduced-cost care that was appropriately completed by the patient within the immediately preceding 60 days.
- Attaching or seizing an individual's bank account or any other personal property.
- Garnishing an individual's wage. UMMS will not request a garnishment of wages or file an action that would result in an attachment of wages against a patient if the patient is eligible for free or reduced-cost care.

ECAs may be taken on accounts that have not been disputed or are not on a payment arrangement. ECAs will occur no earlier than 180 days from submission of first post-discharge bill to the patient and will be preceded by a written notice 45 days prior to commencement of the ECA. This written notice will be accompanied by an application for financial assistance (and instructions for completing the application) and a notice of availability of a payment plan to satisfy the medical debt, and the Patient Billing and Financial Assistance Information Sheet. The written notice will include the following information:

- Specified contact and procedural information.
  - The name and telephone number for UMMS,
  - The name and telephone number for the debt collector (if applicable)
  - The contact information for the UMMS Financial Assistance Department (or third party agency acting on behalf of UMMS), authorized to modify the terms of a payment plan (if applicable)
  - Telephone number and internet address of the Health Education Advocacy Unit in the Office of the Attorney General, available to assist patients experiencing medical debt.
- The amount required to satisfy the debt (including any past due payments, penalties, or fees, if applicable)

- Identification of ECAs that UMMS (or its collection agency, attorney, or other authorized party) intends to utilize in order to obtain payment for the care, and state a deadline after which such ECAs may be initiated.
- A deadline after which such ECA(s) may be initiated that is no earlier than 45 days after the date that the written notice is provided.
- A statement recommending that the patient seek debt counseling services,
- An explanation of the UMMS Financial Assistance Policy, and a notification of availability of financial assistance for eligible individuals
- And any other information as prescribed by the HSCRC

Written notice and accompanying documentation will be sent to the patient by certified mail and first class mail, in the patient's preferred language, or another language, as specified. The written notice will be in simplified language of at least 10 point type.

In addition to the written notification, UMMS (and/or its collection agency or attorney) will make reasonable efforts to orally communicate the availability of financial assistance to the patient and tell the patient how he or she may obtain assistance with the application process. A presumptive eligibility review will occur prior to any ECA being taken. Finally, no ECA will be initiated until approval has been obtained from the UMMS Revenue Cycle Services leadership.

If a patient is determined to be eligible for financial assistance, UMMS (and/or its collection agency or attorney) will take all reasonably available measures to reverse any ECAs taken against the patient to obtain payment for care rendered during the financial assistance eligibility window. Such reasonably available measures will include measures to vacate any judgment against the patient, lift levies or liens on the patient's property, and remove from the patient's credit report any adverse information that was reported to a consumer reporting agency or credit bureau. All ECAs will cease once the patient is approved for financial assistance and all the patient responsible balances are paid.

UMMS will not engage in the following ECAs:

- Selling debt to another party.
- Charge interest on bills incurred by patients before a court judgement is obtained
- Requesting a lien against a patient's primary residence. In some cases, Local, State, or Federal judicial protocols may mandate that a lien is placed, but UMMS will not force the sale or foreclosure of a patient's primary residence.
- Request the issuance of or take action causing a court to issue a body attachment or an arrest warrant against a patient.
- Make a claim against the estate of a deceased patient if the deceased patient was known by UMMS to be eligible for free care or if the value of the estate after tax obligations are fulfilled is less than half of the debt owned. However, UMMS may offer the family of the deceased patient the ability to apply for financial assistance.
- Require payment of medical debt prior to providing medically necessary care.

ATTACHMENTS:

ATTACHMENT A: Sliding Scale – Reduced Cost of Care

2022 Federal Poverty Limits (FPL) Annual Income Eligibility Limit Guidelines							
House-hold (HH) Size	**1**	**2**	**3**	**4**	**5**	**6**	See UMMS Charity Thresholds below
Income Limit (up to Max)	$13,590	$18,310	$23,030	$27,750	$32,470	$37,190	

2022 Maryland Dept of Health (MDH) Annual Income Eligibility Limit Guidelines							
House-hold (HH) Size	**1**	**2**	**3**	**4**	**5**	**6**	See UMMS Charity Thresholds below
Income Limit (up to Max)	$18,768	$25,272	$31,800	$38,304	$44,808	$51,336	

UMMS Financial Assistance Charity Income Thresholds							
If your total annual household (HH) income level is at or below:							**You are eligible for the following level of charity at UMMS:**
House-hold (HH) Size	**1**	**2**	**3**	**4**	**5**	**6**	
Income Limit (up to Max)	$37,536	$50,544	$63,600	$76,608	$89,616	$102,672	**100% Charity** (Equals Up to 200% of MDH Annual Income limits)
Income Limit (up to Max)	$39,413	$53,071	$66,780	$80,438	$94,097	$107,806	**90% Charity** (Equals Up to 210% of MDH Annual Income limits)
Income Limit (up to Max)	$41,290	$55,598	$69,960	$84,269	$98,578	$112,939	80% Charity (Equals Up to 220% of MDH Annual Income limits)
Income Limit (up to Max)	$43,166	$58,126	$73,140	$88,099	$103,058	$118,073	**70% Charity** (Equals Up to 230% of MDH Annual Income limits)
Income Limit (up to Max)	$45,043	$60,653	$76,320	$91,930	$107,539	$123,206	60% Charity (Equals Up to 240% of MDH Annual Income limits)
Income Limit (up to Max)	$46,920	$63,180	$79,500	$95,760	$112,020	$128,340	**50% Charity** (Equals Up to 250% of MDH Annual Income limits)
Income Limit (up to Max)	$48,797	$65,707	$82,680	$99,590	$116,501	$133,474	40% Charity (Equals Up to 260% of MDH Annual Income limits)
Income Limit (up to Max)	$50,674	$68,234	$85,860	$103,421	$120,982	$138,607	**30% Charity** (Equals Up to 270% of MDH Annual Income limits)
Income Limit (up to Max)	$52,550	$70,762	$89,040	$107,251	$125,462	$143,741	**20% Charity** (Equals Up to 280% of MDH Annual Income limits)
Income Limit (up to Max)	$56,303	$75,815	$95,399	$114,911	$134,423	$154,007	**10% Charity** (Equals Up to 290% of MDH Annual Income limits)

*All discounts stated above shall be applied to the amount the patient is personally responsible for paying after insurance reimbursements.
*Amounts billed to patients who qualify for Reduced-Cost of Care on a sliding scale (or for Financial Hardship Assistance) will be less than the amounts generally billed to those with insurance (AGB), which in Maryland is the charge established by the Health Services Cost Review Commission (HSCRC). UMMS determines AGB by using the amount Medicare would allow for the care (including the amount the beneficiary would be personally responsible for paying, which is the HSCRC amount; this is known as the “prospective Medicare method”.

Effective 7/1/22

RELATED POLICIES:
UMMS Credit & Collections Policy
UMMS Payment Plan Policy

POLICY OWNER:
UMMS Revenue Cycle Services

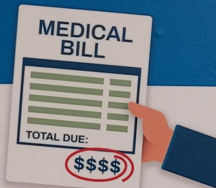
APPROVED:
Executive Compliance Committee Approved Initial Policy: 09/18/19
Executive Compliance Committee Approved Revisions: 10/19/2020, 11/07/22

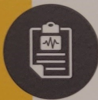
This policy was approved by the UMMS Executive Compliance Committee (ECC) Board on October 19, 2020.
This policy was adopted for:

- UM St. Joseph Medical Center (UMSJMC) effective June 1, 2013.
- UM Midtown Campus (MTC) effective September 22, 2014.
- UM Baltimore Washington Medical Center (UMBWMC) effective July 1, 2016.
- UM Shore Regional Health (UMSRH) effective September 1, 2017.
- UM Charles Regional Medical Center (UMCRMC) effective December 2, 2018.
- UM Upper Chesapeake Health (UCHS) effective July 1, 2019
- UM Capital Region Health (UMCRH) effective September 18, 2019

EXHIBIT 17

Worried about your bill? You are protected!





INSURED

Insured patients are protected from balance billing for:

EMERGENCY SERVICES

If you have an emergency medical condition and get emergency services from an out-of-network provider or facility, the most the provider or facility may bill you is your plan's in-network cost-sharing amount (such as copayments and coinsurance). You can't be balance billed for these emergency services. This includes services you may get after you are in stable condition, unless you give written consent and give up your protections not to be balanced billed for these post-stabilization services.

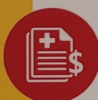
CERTAIN SERVICES AT AN IN-NETWORK HOSPITAL OR AMBULATORY SURGICAL CENTER

When you get services from an in-network hospital or ambulatory surgical center, certain providers there may be out-of-network. In these cases, the most those providers may bill you is your plan's in-network cost-sharing amount. This applies to emergency medicine, anesthesia, pathology, radiology, laboratory, neonatology, assistant surgeon, hospitalist, or intensivist services.

These providers can't balance bill you and may not ask you to give up your protections not to be balance billed.

Maryland State Protections

If you are in a Health Maintenance Organization (HMO) governed by Maryland law, you may not be balance billed for services covered by your plan. If you are in a PPO or EPO governed by Maryland law, hospital-based or on-call physicians paid directly by your PPO or EPO (assignment of benefits) may not balance bill you for services covered under your plan and can't ask you to waive your balance billing protections.



UNINSURED

Uninsured and self-pay patients will be provided with a good faith estimate for items and/or services associated with a scheduled visit.

A price estimate of expected charges for the service you are about to receive is available:

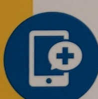
- Upon request made to any registration team member
- Upon request made to our Customer Service line
- Online via our price estimator tool
- After scheduling an appointment for all uninsured patients

Estimates can be delivered electronically via the UMMS Patient Portal.

If you do not have insurance and think you have paid too much, you can initiate a patient-provider dispute resolution process to have your account reviewed by an independent third party.

Visit **cms.gov/nosurprises/consumers** to learn more.

If you need help paying your bill, you may qualify for financial assistance. Please contact Customer Service to start your application today!
Phone: 410-821-4140 or
toll-free 877-632-4909
Email: CBOService@umm.edu



CONTACT INFORMATION

If you have questions about your bill from a University of Maryland Medical System member organization, please contact our Customer Service team:
Phone: 410-821-4140 or
toll-free 877-632-4909
Email: CBOService@umm.edu

If you think you have been wrongly billed, you may contact the Health Education and Advocacy Unit (HEAU) of Maryland's Consumer Protection Division:

Health Education and Advocacy Unit
Office of the Attorney General
200 St Paul Place, 16th Floor
Baltimore, Maryland 21202
Phone: 410-528-1840 or
toll-free 1-877-261-8807
En español: 410-230-1712
Fax: 410-576-6571
Email: heau@oag.state.md.us
Website: marylandattorneygeneral.gov/Pages/CPD/HEAU

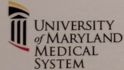
OR submit a complaint to **Medicare & Medicaid Services with their No Surprises Help Desk**:
Phone: 1-800-985-3059,
8 am to 8 pm EST, 7 days a week
Website: cms.gov/nosurprises/consumers

Visit cms.gov/nosurprises for more information about your rights under federal law.

If you think your health plan processed your claim incorrectly, you may contact the Maryland Insurance Administration:

Maryland Insurance Administration
Life and Health Complaints Unit
200 St Paul Place, Suite 2700
Baltimore, Maryland 21202
Phone: 410-468-2000 or
toll free 1-800-492-6116
Fax: 410-468-2260
Website: insurance.maryland.gov

Visit marylandattorneygeneral.gov or insurance.maryland.gov for more information about your rights under Maryland law.

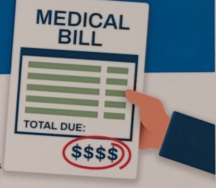


Need more information?
Visit our website at **umms.org/NSA** or scan the QR code at the right.

UMMS Patient Portal
There are many benefits to using the UMMS patient portal, including paying your bill online. If you are not already registered on MyChart, you can do so online using your activation code or by calling 844-281-8667.

Visit **umms.org/patient-portal** to learn more.

¿Preocupado por su factura? ¡Está protegido!



ASEGURADO

Los pacientes están protegidos contra la facturación del saldo por:

SERVICIOS DE EMERGENCIA

Si tiene una condición médica de emergencia y recibe servicios de emergencia de un proveedor o centro fuera de la red, lo máximo que el proveedor o centro puede facturarle es la cantidad de gastos compartidos dentro de la red de su plan (como los copagos y coseguro). No pueden facturarle saldos por esos servicios de emergencia. Esto incluye los servicios que puede recibir después de que esté en una condición estable, a menos que dé su consentimiento por escrito y renuncie a sus protecciones contra la facturación del saldo por esos servicios después de la estabilización.

CIERTOS SERVICIOS EN UN HOSPITAL O CENTRO DE CIRUGÍA AMBULATORIA DENTRO DE LA RED

Cuando obtiene servicios de un hospital o centro de cirugía ambulatoria dentro de la red, ciertos proveedores pueden estar fuera de la red. En estos casos, lo máximo que esos proveedores pueden facturarle es la cantidad de gastos compartidos dentro de la red de su plan. Esto se aplica a los servicios de medicina de emergencia, anestesia, patología, radiología, laboratorio, neonatología, asistente de cirujano, médico hospitalista, o intensivista.

Estos proveedores no pueden facturarle saldos y no deben pedirle que renuncie a sus protecciones contra la facturación del saldo.

Protecciones del estado de Maryland

Si está afiliado a una Organización para el Mantenimiento de la Salud (Health Maintenance Organization, HMO) regida por la ley de Maryland, no se le pueden facturar el saldo de los servicios cubiertos por su plan. Si está afiliado a una PPO o EPO regida por la ley de Maryland, los médicos del hospital o los médicos de guardia pagados directamente por su PPO o EPO (asignación de beneficios) no pueden facturarle el saldo de los servicios cubiertos según su plan y no le pueden pedir que renuncie a sus protecciones de facturación del saldo.

SIN SEGURO

A los pacientes sin seguro y que pagan por cuenta propia se les dará un cálculo de buena fe de los artículos o servicios relacionadas con una visita programada.

Un cálculo del precio de los cargos esperados para el servicio que va a recibir está disponible:

- Cuando se solicite a cualquier miembro del equipo de registro
- Cuando se solicite por medio de nuestra línea de Servicio al Cliente
- En línea mediante nuestra herramienta de cálculo de precio
- Después de programar una cita para todos los pacientes sin seguro

Los cálculos se pueden enviar electrónicamente a través del portal del paciente UMMS.

Si no tiene seguro y cree que ha pagado demasiado, puede iniciar un proceso de resolución de conflictos entre paciente y proveedor para que un tercero independiente revise su cuenta.

Visite **cms.gov/nosurprises/consumers** para obtener más información.

Si necesita ayuda para pagar su factura, puede calificar para recibir asistencia económica. Comuníquese con el Servicio al Cliente para iniciar su solicitud hoy mismo.

Teléfono: 410-821-4140 o
llamada sin costo al 877-632-4909
Correo electrónico: CBOService@umm.edu

INFORMACIÓN DE CONTACTO

Si tiene preguntas sobre su factura de una organización miembro de University of Maryland Medical System, comuníquese con nuestro equipo de Servicio al Cliente:

Teléfono: 410-821-4140 o
llamada sin costo al 877-632-4909
Correo electrónico: CBOService@umm.edu

Si cree que le han facturado erróneamente, puede comunicarse con la Unidad de Educación y Defensa de la Salud (Health Education y Advocacy Unit, HEAU) de la División de Protección al Consumidor de Maryland:

Health Education and Advocacy Unit
Office of the Attorney General
200 St Paul Place, 16th Floor
Baltimore, Maryland 21202
Teléfono: 410-528-1840 o
llamada sin costo al 1-877-261-8807
En español: 410-230-1712
Fax: 410-576-6571
Correo electrónico: heau@oag.state.md.us
Sitio web: marylandattorneygeneral.gov/Pages/CPD/HEAU

O presente una queja a **Medicare & Medicaid Services en su No Surprises Help Desk**:
Teléfono: 1-800-985-3059,
8:00 a. m. a 8:00 p. m. EST, 7 días de la semana

Sitio web: cms.gov/nosurprises/consumers

Visite cms.gov/nosurprises para obtener más información sobre sus derechos según la ley federal.

Si cree que su plan médico procesó su reclamo incorrectamente, puede comunicarse con la Administración de Seguros de Maryland:

Maryland Insurance Administration Life and Health Complaints Unit
200 St Paul Place, Suite 2700
Baltimore, Maryland 21202
Teléfono: 410-468-2000 o
llamada sin costo al 1-800-492-6116
Fax: 410-468-2260
Sitio web: insurance.maryland.gov

Visite marylandattorneygeneral.gov o insurance.maryland.gov para obtener más información sobre sus derechos según la ley federal.

¿Necesita más información?
Visite nuestro sitio web en **umms.org/NSA** o escanee el código QR a la derecha.

Portal del paciente UMMS
Usar el portal para pacientes de UMMS tiene muchos beneficios, incluyendo pagar sus facturas en línea. Si todavía no está inscrito en MyChart, puede hacerlo en línea usando su código de activación o llamando al 844-281-8667.

Visite **umms.org/patient-portal** para obtener más información.

EXHIBIT 18

UNIVERSITY of MARYLAND
CAPITAL REGION HEALTH

10/12/20

Maryland Institute for Emergency Medical Services Systems (MIEMSS)

Immediate 30 Day and Ongoing Remediation Action Plan

Code of Maryland Regulations (COMAR) 30.08.12.14. Under COMAR 30.08.12.14 a Level III Perinatal Referral Center is required to

a) have a multi-disciplinary, continuous quality improvement program for improving maternal and neonatal health outcomes that includes initiatives to promote patient safety including safe medication practices, Universal Protocol to prevent surgical error, and educational programs to improve communication and teamwork,

b) conduct internal perinatal case reviews which include **all** maternal, intrapartum fetal, and neonatal deaths, as well as **all** maternal and neonatal transports,

c) utilize a multi-disciplinary forum to conduct quarterly performance reviews for the perinatal program; this review shall include a review of trends, **all** deaths, **all** transfers, **all** very low birth weight infants, problem identification and solution, issues identified from the quality management process, and systems issues,

d) participate in the collaborative collection and assessment of data with the Maryland Department of Health and the Maryland Institute for Emergency Medical Services Systems for the purpose of improving perinatal health outcomes.

The UM Capital President and CEO is responsible for confirming and validating the execution of the action plan. This will be accomplished by reviewing a weekly executive summary of all available action plan results for administrative feedback and potential resource support.

Improvement Opportunity: Root Cause Analysis (RCA) of Neonatal Deaths and Transfers to Higher Level of Care		
Executive Owners: Dr. Ingrid Connerney (Chief Quality Officer) and Dr. Joseph Wright (Chief Medical Officer) **& Patient Quality and Safety Committee of the Board**		
Actions	**Responsible Persons**	**Completion Date**
Conduct Retrospective Root Causes Analyses (RCAs) of all cases occurring during calendar years 2019 and 2020: • Hypoxic Ischemic Encephalopathy (HIE) diagnosis • neonates transferred out requiring a higher level of care • neonatal deaths (viability as defined by the American College of Obstetrics and Gynecology [ACOG] on Periviable Pregnancies) Develop action plans.	Medical Director of Women's and Infants' Services Director of Women's and Infants' Services (Nursing) Medical Director, Neonatal Intensive Care Unit (NICU) Director of Quality and Safety	10/23/2020

Utilize Maryland Medicine Comprehensive Insurance Program (MMCIP) to facilitate an external review of all HIE cases for calendar years 2019 and 2020	Chief Executive Officer, Office of Risk Management, MMCIP Chief Quality Officer	11/09/2020
Medical Director, NICU notified immediately of event. Initiate 100% of RCAs within 7 days of event and complete within 30 days • Hypoxic Ischemic Encephalopathy (HIE) diagnosis • neonates transferred out requiring a higher level of care • neonatal deaths (viability as defined by the American College of Obstetrics and Gynecology [ACOG] on Periviable Pregnancies)	Medical Director, Neonatal Intensive Care Unit (NICU) Medical Director of Women's and Infants' Services Director of Women's and Infants' Services (Nursing) Director of Quality and Safety	Ongoing Process Starting 10/12/2020
Present action plans from the RCAs from 2019 and 2020 to executive leaders for review and oversight of recommendation completion and sustainment. • Summarize outcomes of HIE babies transferred during the calendar years 2019 and 2020 to date *(see appendix)*	Chief Quality Officer Medical Director, Neonatal Intensive Care Unit (NICU) Medical Director of Women's and Infants' Services	10/27/2020
Continue NICU peer review of HIE cases and include OB peer review going forward to ensure collaboration.	Medical Director of Women's and Infants' Services Medical Director, Neonatal Intensive Care Unit (NICU)	Ongoing Process Starting 10/12/20
HIE cases are reviewed for continued adherence with clinical guidelines and transfer protocols in consultation with Level 4 NICUs.	Medical Director of Women's and Infants' Services Medical Director, Neonatal Intensive Care Unit (NICU)	Ongoing Process Continues 10/12/20

UNIVERSITY of MARYLAND
CAPITAL REGION HEALTH

10/12/20

Improvement Opportunity: Adherence to Obstetrical Triage Policy for ED OB Patients Being Transferred to L&D		
Executive Owner: Dr. Vanzetta James, SVP/CNO **& Patient Quality and Safety Committee of the Board**		
Actions	**Responsible Persons**	**Completion Date**
Review current policy on Obstetrical Triage to assure that UMCRH is following the national standards for pregnant patient management in the ED. Revise if the policy varies from national standards of best practice.	Medical Director of Women's and Infants' Services Director of Women's and Infants' Services (Nursing) Director of Emergency Department and Trauma Services (Nursing) Chairman of the Emergency Department	10/19/2020
Retrain on policy and monitor adherence.	Medical Director of Women's and Infants' Services Director of Women's and Infants' Services (Nursing) Director of Emergency Department and Trauma Services (Nursing) Chairman of the Emergency Department	10/26/2020
Audit 100% of viable OB cases that present to the ED to determine appropriate use of the protocol. Deviations to the protocol triggers an RCA.	Director of Women's and Infants' Services (Nursing) Director of Emergency Department and Trauma Services (Nursing)	Ongoing Process Starting 10/26/2020
Address findings of the RCA with clear documentation of the resolution in the perinatal continuous quality improvement committee and executive council meeting minutes.	Medical Director of Women's and Infants' Services Director of Women's and Infants' Services (Nursing)	Ongoing Process Starting 10/26/2020

Improvement Opportunity: Incomplete Documentation by Physicians		
Executive Owner: Dr. Joseph Wright, CMO **& Patient Quality and Safety Committee of the Board**		
Actions	**Responsible Persons**	**Completion Date**
Over the next 90 days, Women's and Infants' Services Medical Director to audit 100% of chart within 24 hours post-delivery to gather preliminary review and elevate any OB quality concerns with documentation. Will reevaluate process at 90 days to ensure sustained documentation completeness.	Medical Director of Women's and Infants' Services Quality Improvement Coordinator	Ongoing process starting 10/12/2020
Inform providers of any OB documentation discrepancies. Once notified of the variance, the physician is expected to update the medical record prior to discharge.	Medical Director of Women's and Infants' Services	Ongoing process starting 10/12/2020
Ensure Monthly Documentation Discrepancy Reports go to the medical staff quality oversight committee, the executive council and to the department chair to ensure for accountability and oversight of the corrective action plan.	Medical Director of Women's and Infants' Services Quality Improvement Coordinator	Ongoing process starting 10/30/2020

EXHIBIT 19

TABLE E. PROJECT BUDGET - Neonatal Services (February 2023)

INSTRUCTION : Estimates for Capital Costs (1.a-e), Financing Costs and Other Cash Requirements (2.a-g), and Working Capital Startup Costs (3) must reflect current costs as of the date of application and include all costs for construction and renovation. Explain the basis for construction cost estimates, renovation cost estimates, contingencies, interest during construction period, and inflation in an attachment to the application.

NOTE : Inflation should only be included in the Inflation allowance line A.1.e. The value of donated land for the project should be included on Line A.1.d as a use of funds and on line B.8 as a source of funds

				Hospital Building
A.	**USE OF FUNDS**			
	1.	**CAPITAL COSTS**		
		a.	**New Construction**	
		(1)	Building	
		(2)	Site and Infrastructure	
		(3)	Architect/Engineering Fees	
		(4)	Permits (Building, Utilities, Etc.)	
		(5)	Fixed Equipment	
			SUBTOTAL	**$ -**
		b.	**Renovations**	
		(1)	Building	
		(2)	Fixed Equipment (not included in construction)	
		(3)	Architect/Engineering Fees	
		(4)	Permits (Building, Utilities, Etc.)	
			SUBTOTAL	
		c.	**Other Capital Costs**	
		(1)	Movable Equipment	
		(2)	Contingency Allowance	
		(3)	Gross interest during construction period *(Parent Loan to JV)*	
		(4)	Technology Equipment	
			SUBTOTAL	**$ -**
			TOTAL CURRENT CAPITAL COSTS	**$ -**
		d(1)	**Bed Purchase**	
		e.	**Inflation Allowance**	
			TOTAL CAPITAL COSTS	**$ -**
	2.	**Financing Cost and Other Cash Requirements**		
		a.	Loan Placement Fees	
		b.	Bond Discount	
		c	CON Application Assistance	
			c1. Legal Fees	$ 65,000
			c2. Other: Consulting Fees	$ 45,000
		d.	Non-CON Consulting Fees	
			d1. Pre-opening costs	
		e.	Debt Service Reserve Fund	
		f	ACE-IT Installation	
			SUBTOTAL	**$ 110,000**
	3.	**Working Capital Startup Costs**		
			TOTAL USES OF FUNDS	**$ 110,000**
B.	**Sources of Funds**			
	1.	**Cash**		$ 110,000
	2.	**Philanthropy (to date and expected)**		
	3.	**Authorized Bonds**		
	4.	**Interest Income from bond proceeds listed in #3**		
	5.	**Mortgage**		
	6.	**Working Capital Loans**		
	7.	**Grants or Appropriations**		
		a.	**Federal**	
		b.	**State**	
		c.	**Local**	
	8.	**Other (Specify/add rows if needed)**		
		a.	**Encompass Health Cash**	**$ 110,000**
			TOTAL SOURCES OF FUNDS	**$ 110,000**
Annual Lease Costs (if applicable)				
	1.	**Land**		
	2.	**Building**		
	3.	**Major Movable Equipment**		
	4.	**Minor Movable Equipment**		
	5.	**Other (Specify/add rows if needed)**		

* Describe the terms of the lease(s) below, including information on the fair market value of the item(s), and the number of years, annual cost, and the interest rate for the lease.

Note: Columns for "Other" and "Total" were removed because there is no structure other than the Hospital Building.

TABLE F. STATISTICAL PROJECTIONS - UM Capital Region Health								
INSTRUCTION : Complete this table for the entire facility, including the proposed project. Indicate on the table if the reporting period is Calendar Year (CY) or Fiscal Year (FY). For sections 4 & 5, the number of beds and occupancy percentage should be reported on the basis of licensed beds. In an attachment to the application, provide an explanation or basis for the projections and specify all assumptions used. Applicants must explain why the assumptions are reasonable.								
	Two Most Recent Years (Actual)		**Current Year**	**Projected Years (ending at least two years after project completion and full occupancy) Include additional years, if needed in order to be consistent with Tables G and H.**				
Indicate CY or FY	**FY2021**	**FY2022**	**FY2023**	**FY2024**	**FY2025**	**FY2026**	**FY2027**	**FY2028**
1. DISCHARGES								
a. MSGA	6,826	7,874	7,155	7,370	7,591	7,818	8,053	8,295
Total MSGA	**6,826**	**7,874**	**7,155**	**7,370**	**7,591**	**7,818**	**8,053**	**8,295**
b. Pediatric	-	-	-	-	-	-	-	-
c. Obstetric	1,350	1,418	1,550	1,597	1,644	1,694	1,745	1,797
d. RMC Acute Psychiatric	1,528	1,560	1,497	1,542	1,588	1,636	1,685	1,735
Total Acute	**9,704**	**10,852**	**10,202**	**10,508**	**10,823**	**11,148**	**11,482**	**11,827**
e. Rehabilitation	53	-	-	-	-	-	-	-
f. Chronic Care	24	-	-	-	-	-	-	-
TOTAL DISCHARGES	**9,781**	**10,852**	**10,202**	**10,508**	**10,823**	**11,148**	**11,482**	**11,827**
2. PATIENT DAYS								
a. MSGA	41,126	45,240	42,582	43,860	45,176	46,531	47,927	49,365
Total MSGA	**41,126**	**45,240**	**42,582**	**43,860**	**45,176**	**46,531**	**47,927**	**49,365**
b. Pediatric	-	-	-	-	-	-	-	-
c. Obstetric	3,333	4,678	5,115	5,268	5,427	5,589	5,757	5,930
d. RMC Acute Psychiatric	9,631	9,834	9,436	9,719	10,010	10,311	10,620	10,938
Total Acute	**54,090**	**59,752**	**57,133**	**58,847**	**60,612**	**62,431**	**64,304**	**66,233**
e. Rehabilitation	620	-	-	-	-	-	-	-
f. Chronic Care	795	-	-	-	-	-	-	-
TOTAL PATIENT DAYS	**55,505**	**59,752**	**57,133**	**58,847**	**60,612**	**62,431**	**64,304**	**66,233**

TABLE F. STATISTICAL PROJECTIONS - UM Capital Region Health								
INSTRUCTION : Complete this table for the entire facility, including the proposed project. Indicate on the table if the reporting period is Calendar Year (CY) or Fiscal Year (FY). For sections 4 & 5, the number of beds and occupancy percentage should be reported on the basis of licensed beds. In an attachment to the application, provide an explanation or basis for the projections and specify all assumptions used. Applicants must explain why the assumptions are reasonable.								
	Two Most Recent Years (Actual)		**Current Year**	**Projected Years (ending at least two years after project completion and full occupancy) Include additional years, if needed in order to be consistent with Tables G and H.**				
Indicate CY or FY	**FY2021**	**FY2022**	**FY2023**	**FY2024**	**FY2025**	**FY2026**	**FY2027**	**FY2028**
3. AVERAGE LENGTH OF STAY (patient days divided by discharges)								
a. MSGA	6.0	5.7	6.0	6.0	6.0	6.0	6.0	6.0
Total MSGA	**6.0**	**5.7**	**6.0**	**6.0**	**6.0**	**6.0**	**6.0**	**6.0**
b. Pediatric	-	-	-	-	-	-	-	-
c. Obstetric	2.5	3.3	3.3	3.3	3.3	3.3	3.3	3.3
d. RMC Acute Psychiatric	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3
Total Acute	**5.6**	**5.5**	**5.6**	**5.6**	**5.6**	**5.6**	**5.6**	**5.6**
e. Rehabilitation	11.7	-	-	-	-	-	-	-
f. Chronic Care	33.1	-	-	-	-	-	-	-
TOTAL AVERAGE LENGTH OF STAY	**5.7**	**5.5**	**5.6**	**5.6**	**5.6**	**5.6**	**5.6**	**5.6**
4. NUMBER OF LICENSED BEDS								
a. MSGA	190	174	163	168	173	179	184	189
Total MSGA	**190**	**174**	**163**	**168**	**173**	**179**	**184**	**189**
b. Pediatric	2	-	-	-	-	-	-	-
c. Obstetric	30	22	22	22	22	22	22	22
d. RMC Acute Psychiatric	32	28	28	28	28	28	28	28
Total Acute	**254**	**224**	**213**	**218**	**223**	**229**	**234**	**239**
e. Rehabilitation	10	-	-	-	-	-	-	-
f. Chronic Care	12	-	-	-	-	-	-	-
TOTAL LICENSED BEDS	**276**	**224**	**213**	**218**	**223**	**229**	**234**	**239**

TABLE F. STATISTICAL PROJECTIONS - UM Capital Region Health								
INSTRUCTION: *Complete this table for the entire facility, including the proposed project. Indicate on the table if the reporting period is Calendar Year (CY) or Fiscal Year (FY). For sections 4 & 5, the number of beds and occupancy percentage should be reported on the basis of licensed beds. In an attachment to the application, provide an explanation or basis for the projections and specify all assumptions used. Applicants must explain why the assumptions are reasonable.*								
	Two Most Recent Years (Actual)		**Current Year**	**Projected Years (ending at least two years after project completion and full occupancy) Include additional years, if needed in order to be consistent with Tables G and H.**				
Indicate CY or FY	**FY2021**	**FY2022**	**FY2023**	**FY2024**	**FY2025**	**FY2026**	**FY2027**	**FY2028**
5. OCCUPANCY PERCENTAGE *IMPORTANT NOTE:* *Leap year formulas should be changed by applicant to reflect 366 days per year.*								
a. MSGA	59.3%	71.4%	71.4%	71.4%	71.4%	71.4%	71.4%	71.4%
Total MSGA	**59.3%**	**71.4%**	**71.4%**	**71.4%**	**71.4%**	**71.4%**	**71.4%**	**71.4%**
b. Pediatric								
c. Obstetric	30.4%	58.3%	63.7%	65.6%	67.6%	69.6%	71.7%	73.8%
d. RMC Acute Psychiatric	82.5%	96.2%	92.3%	95.1%	97.9%	100.9%	103.9%	107.0%
Total Acute	**58.3%**	**73.2%**	**73.4%**	**73.9%**	**74.4%**	**74.9%**	**75.4%**	**75.8%**
e. Rehabilitation	17.0%							
f. Chronic Care	18.2%							
TOTAL OCCUPANCY %	**55.1%**	**73.2%**	**73.4%**	**73.9%**	**74.4%**	**74.9%**	**75.4%**	**75.8%**
6. OUTPATIENT VISITS (Includes RMC, Laurel FMF and BHC)								
a. Emergency Department	72,011	79,218	83,524	85,194	86,898	88,636	90,409	92,217
b. Same-day Surgery	1,965	2,349	2,573	2,624	2,677	2,730	2,785	2,841
TOTAL OUTPATIENT VISITS	**77,500**	**85,519**	**90,583**	**92,395**	**94,243**	**96,127**	**98,050**	**100,011**
7. OBSERVATIONS**								
a. Number of Patients	5,573	5,917	5,636	5,749	5,864	5,981	6,101	6,223
b. Hours	139,923	144,279	137,428	140,176	142,980	145,839	148,756	151,731

* Include beds dedicated to gynecology and addictions, if separate for acute psychiatric unit.

** Services included in the reporting of the "Observation Center", direct expenses incurred in providing bedside care to observation patients; furnished by the hospital on the hospital's premises, including use of a bed and periodic monitoring by the hospital's nursing or other staff, in order to determine the need for a possible admission to the hospitals as an inpatient. Such services must be ordered and documented in writing, given by a medical practitioner; may or may not be provided in a distinct area of the hospital.

TABLE G. REVENUES & EXPENSES, UNINFLATED - UM Capital Region Health

INSTRUCTION : Complete this table for the entire facility, including the proposed project. Table G should reflect current dollars (no inflation). Projected revenues and expenses should be consistent with the projections in Table F and with the costs of Manpower listed in Table L. Manpower. Indicate on the table if the reporting period is Calendar Year (CY) or Fiscal Year (FY). In an attachment to the application, provide an explanation or basis for the projections and specify all assumptions used. Applicants must explain why the assumptions are reasonable. Specify the sources of non-operating income.

	Two Most Recent Years (Actual)		Current Year	Projected Years (ending at least two years after project completion and full occupancy) Add columns if needed in order to document that the hospital will generate excess revenues over total expenses consistent with the Financial Feasibility standard.				
Indicate CY or FY	**FY2021**	**FY2022**	**FY2023**	**FY2024**	**FY2025**	**FY2026**	**FY2027**	**FY2028**
1. REVENUE								
a. Inpatient Services	$ 269,370	$ 285,848	$ 286,931	$ 289,107	$ 288,322	$ 287,683	$ 287,050	$ 286,418
b. Outpatient Services	159,657	193,208	203,686	205,923	207,857	207,943	208,027	208,112
Gross Patient Service Revenues	***429,026***	***479,056***	***490,617***	***495,030***	***496,179***	***495,625***	***495,077***	***494,529***
c. Deductions	109,784	117,829	117,290	118,366	118,629	118,572	118,517	118,386
Net Patient Services Revenue	***319,242***	***361,226***	***373,327***	***376,664***	***377,551***	***377,053***	***376,560***	***376,143***
d. Grants	15,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
e. Other Operating Revenue	52,658	10,396	10,658	10,658	10,658	10,658	10,658	10,658
NET OPERATING REVENUE	***386,900***	***381,622***	***393,985***	***397,322***	***398,209***	***397,711***	***397,218***	***396,801***
2. EXPENSES								
a. Salaries & Wages (including benefits)	212,444	195,540	197,254	198,831	200,021	201,245	202,504	203,770
b. Contractual Services	96,489	78,221	78,864	59,264	50,609	49,490	48,322	47,182
c. Interest on Current Debt	1,288	6,569	6,424	10,097	8,821	8,674	8,383	8,102
d. Interest on Project Debt	-	-	-	-	-	-	-	-
e. Current Depreciation and Ammortization	16,546	33,185	36,418	42,049	44,254	41,280	37,687	34,431
f. Project Depreciation and Ammortization	-	-	-	-	-	-	-	-
g. Supplies - Drugs & Pharmeceuticals	7,342	8,931	9,355	9,442	9,532	9,625	9,721	9,817
h. Supplies - Medical & Non-Medical	34,452	26,168	27,173	27,536	27,809	28,090	28,379	28,670
i. Professional Fees	41,038	42,742	44,379	44,936	45,504	46,086	46,682	47,282
j. Utilities	7,568	10,996	10,944	10,671	10,671	10,672	10,672	10,672
TOTAL OPERATING EXPENSES	**417,167**	**402,352**	**410,811**	**402,825**	**397,222**	**395,160**	**392,347**	**389,926**
3. INCOME								
a. Income From Operation	**(30,267)**	**(20,730)**	**(16,826)**	**(5,503)**	**987**	**2,551**	**4,870**	**6,876**
b. Investment Income	1,360	3,387	2,998	4,569	4,644	4,752	4,894	5,047
SUBTOTAL	***(28,907)***	***(17,343)***	***(13,828)***	***(934)***	***5,631***	***7,303***	***9,765***	***11,923***
c. Income Taxes								
NET INCOME (LOSS)	***(28,907)***	***(17,343)***	***(13,828)***	***(934)***	***5,631***	***7,303***	***9,765***	***11,923***
a. Add Back Depreciation	16,546	33,185	36,418	42,049	44,254	41,280	37,687	34,431
CASH FLOW FROM OPERATIONS	***$ (12,361)***	***$ 15,842***	***$ 22,590***	***$ 41,115***	***$ 49,885***	***$ 48,583***	***$ 47,452***	***$ 46,354***

TABLE G. REVENUES & EXPENSES, UNINFLATED - UM Capital Region Health

INSTRUCTION: Complete this table for the entire facility, including the proposed project. Table G should reflect current dollars (no inflation). Projected revenues and expenses should be consistent with the projections in Table F and with the costs of Manpower listed in Table L. Manpower. Indicate on the table if the reporting period is Calendar Year (CY) or Fiscal Year (FY). In an attachment to the application, provide an explanation or basis for the projections and specify all assumptions used. Applicants must explain why the assumptions are reasonable. Specify the sources of non-operating income.

	Two Most Recent Years (Actual)		Current Year	Projected Years (ending at least two years after project completion and full occupancy) Add columns if needed in order to document that the hospital will generate excess revenues over total expenses consistent with the Financial Feasibility standard.				
Indicate CY or FY	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028
4. PATIENT MIX								
a. Percent of Total Revenue								
1) Medicare	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%
2) Medicaid	26.3%	27.4%	27.4%	27.4%	27.4%	27.4%	27.4%	27.4%
3) Blue Cross	9.1%	10.2%	10.2%	10.2%	10.2%	10.2%	10.2%	10.2%
4) Commercial Insurance	2.3%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
5) Self-pay	9.1%	6.3%	6.3%	6.3%	6.3%	6.3%	6.3%	6.3%
6) Other	19.1%	19.6%	19.6%	19.6%	19.6%	19.6%	19.6%	19.6%
TOTAL	***100.0%***	***100.0%***	***100.0%***	***100.0%***	***100.0%***	***100.0%***	***100.0%***	***100.0%***
b. Percent of Equivalent Inpatient Days								
1) Medicare	41.4%	38.9%	38.9%	38.9%	38.9%	38.9%	38.9%	38.9%
2) Medicaid	28.5%	27.9%	27.9%	27.9%	27.9%	27.9%	27.9%	27.9%
3) Blue Cross	7.0%	8.4%	8.4%	8.4%	8.4%	8.4%	8.4%	8.4%
4) Commercial Insurance	1.4%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%
5) Self-pay	6.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%
6) Other	15.3%	17.5%	17.5%	17.5%	17.5%	17.5%	17.5%	17.5%
TOTAL	***100.0%***	***100.0%***	***100.0%***	***100.0%***	***100.0%***	***100.0%***	***100.0%***	***100.0%***

Table G – Key Financial Projection Assumptions for UM Capital Region Health (Excludes HSCRC Annual Update Factors & Expense Inflation)	
Projection is based on the Capital Region Health (CRH) FY2023 projected financial performance with assumptions identified below	
Projection period reflects FY2024 – FY2028	
Volumes	— See Table F of the application for volume projections
Patient Revenue • FY2024+ Adjustments to Permanent Revenue ○ Inflation ○ Shared Savings ○ Demographic Adjustment — Total • Revenue Deductions	 — 0.00% — -0.26% — 0.02% -0.24% — 23.9% of gross revenue per year
Other Revenue • Grants ○ State • Other Operating Revenue	 — $10M in support from FY2024 - FY2028 — 0% annual growth
Expenses • Inflation • Expense variability with volume changes ○ Salaries & Benefits ○ Professional Fees ○ Supplies - Drugs ○ Supplies - Medical & Other ○ Purchased Services ○ Insurance & Other Operating Expenses	 — 0% annual increase — 20% — 50% — 30% — 20% — 0% — 0%
• Interest Expense ○ Existing Debt ○ Project Debt • Depreciation and Amortization • Performance Improvements ○ FY2023 ○ FY2024 ○ FY2025 ○ FY2026 ○ FY2027 ○ FY2028 ○ Identified Improvements by FY2028	 — CRH has existing debt of $275.9M in FY2022 that is amortized — In FY2024, the new Laurel FMF will open and interest expense on $58.8M of tax-exempt debt associated with these facilities will be recorded at an interest rate of 5.0% — Reflects the depreciation of existing assets with useful lives ranging from 5 to 30 years — $0 — $18.2M — $28.9M — $35.7M — $40.2M — $45.3M — $10M - Denials improvement — $5M - Reduction in force — $3M - Medical Group improvement — $6M - Agency improvement — $2M - Productivity — $5M - Market share revenue adjustments — $1M - School of Medicine contract improvement — $13.3M - Undefined Actions

TABLE H. REVENUES & EXPENSES, INFLATED - UM Capital Region Health

INSTRUCTION: Complete this table for the entire facility, including the proposed project. Table H should reflect inflation. Projected revenues and expenses should be consistent with the projections in Table F. Indicate on the table if the reporting period is Calendar Year (CY) or Fiscal Year (FY). In an attachment to the application, provide an explanation or basis for the projections and specify all assumptions used. Applicants must explain why the assumptions are reasonable.

	Two Most Recent Years (Actual)		Current Year	Projected Years (ending at least two years after project completion and full occupancy) Add columns if needed in order to document that the hospital will generate excess revenues over total expenses consistent with the Financial Feasibility standard.				
Indicate CY or FY	**FY2021**	**FY2022**	**FY2023**	**FY2024**	**FY2025**	**FY2026**	**FY2027**	**FY2028**
1. REVENUE								
a. Inpatient Services	$ 269,370	$ 285,848	$ 286,931	$ 296,421	$ 303,391	$ 310,529	$ 317,840	$ 325,322
b. Outpatient Services	159,657	193,208	203,686	$ 211,132	$ 218,721	$ 224,456	$ 230,341	$ 236,379
Gross Patient Service Revenues	***429,026***	***479,056***	***490,617***	***507,554***	***522,113***	***534,985***	***548,180***	***561,701***
c. Deductions	109,784	117,829	117,290	$ 121,361	$ 124,829	$ 127,988	$ 131,229	$ 134,552
Net Patient Services Revenue	***319,242***	***361,226***	***373,327***	***386,193***	***397,284***	***406,997***	***416,951***	***427,149***
d. Grants	15,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
e. Other Operating Revenue	52,658	10,396	10,658	10,871	11,089	11,311	11,537	11,767
NET OPERATING REVENUE	***386,900***	***381,622***	***393,985***	***407,064***	***418,373***	***428,307***	***438,487***	***448,916***
2. EXPENSES								
a. Salaries & Wages (including benefits)	212,444	195,540	197,254	$ 202,807	$ 208,102	$ 213,563	$ 219,197	$ 224,978
b. Contractual Services	96,489	78,221	78,864	$ 60,450	$ 52,654	$ 52,519	$ 52,305	$ 52,093
c. Interest on Current Debt	1,288	6,569	6,424	10,097	8,821	8,674	8,383	8,102
d. Interest on Project Debt	-	-	-	-	-	-	-	-
e. Current Depreciation and Ammortization	16,546	33,185	36,418	42,049	44,254	41,280	37,687	34,431
f. Project Depreciation and Ammortization	-	-	-	-	-	-	-	-
g. Supplies - Drugs & Pharmeceuticals	7,342	8,931	9,355	$ 9,820	$ 10,310	$ 10,827	$ 11,372	$ 11,944
h. Supplies - Medical & Non-Medical	34,452	26,168	27,173	$ 28,362	$ 29,503	$ 30,694	$ 31,940	$ 33,237
i. Professional Fees	41,038	42,742	44,379	$ 46,284	$ 48,276	$ 50,360	$ 52,541	$ 54,812
j. Insurance and Other	7,568	10,996	10,944	$ 10,884	$ 11,102	$ 11,325	$ 11,551	$ 11,783
TOTAL OPERATING EXPENSES	**417,167**	**402,352**	**410,811**	**410,752**	**413,021**	**419,240**	**424,975**	**431,380**
3. INCOME								
a. Income From Operation	**(30,267)**	**(20,730)**	**(16,826)**	**(3,688)**	**5,352**	**9,067**	**13,512**	**17,536**
b. Non-Operating Income	1,360	3,387	2,998	$ 4,569	$ 4,644	$ 4,752	$ 4,894	$ 5,047
SUBTOTAL	***(28,907)***	***(17,343)***	***(13,828)***	***882***	***9,995***	***13,819***	***18,407***	***22,583***
c. Income Taxes	-	-	-	$ 1,436	$ 1,383	$ 1,328	$ 1,271	$ 1,213
NET INCOME (LOSS)	***(28,907)***	***(17,343)***	***(13,828)***	***(555)***	***8,613***	***12,491***	***17,135***	***21,370***
a. Add Back Depreciation	16,546	33,185	36,418	$ 40,459	$ 42,611	$ 39,582	$ 35,932	$ 32,619
CASH FLOW FROM OPERATIONS	***$ (12,361)***	***$ 15,842***	***$ 22,590***	***$ 39,905***	***$ 51,223***	***$ 52,073***	***$ 53,068***	***$ 53,989***

TABLE H. REVENUES & EXPENSES, INFLATED - UM Capital Region Health

INSTRUCTION : Complete this table for the entire facility, including the proposed project. Table H should reflect inflation. Projected revenues and expenses should be consistent with the projections in Table F. Indicate on the table if the reporting period is Calendar Year (CY) or Fiscal Year (FY). In an attachment to the application, provide an explanation or basis for the projections and specify all assumptions used. Applicants must explain why the assumptions are reasonable.

	Two Most Recent Years (Actual)		Current Year	Projected Years (ending at least two years after project completion and full occupancy) Add columns if needed in order to document that the hospital will generate excess revenues over total expenses consistent with the Financial Feasibility standard.				
Indicate CY or FY	**FY2021**	**FY2022**	**FY2023**	**FY2024**	**FY2025**	**FY2026**	**FY2027**	**FY2028**
4. PATIENT MIX								
a. Percent of Total Revenue								
1) Medicare	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%
2) Medicaid	26.3%	27.4%	27.4%	27.4%	27.4%	27.4%	27.4%	27.4%
3) Blue Cross	9.1%	10.2%	10.2%	10.2%	10.2%	10.2%	10.2%	10.2%
4) Commercial Insurance	2.3%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
5) Self-pay	9.1%	6.3%	6.3%	6.3%	6.3%	6.3%	6.3%	6.3%
6) Other	19.1%	19.6%	19.6%	19.6%	19.6%	19.6%	19.6%	19.6%
TOTAL	***100.0%***	***100.0%***	***100.0%***	***100.0%***	***100.0%***	***100.0%***	***100.0%***	***100.0%***
b. Percent of Equivalent Inpatient Days								
1) Medicare	41.4%	38.9%	38.9%	38.9%	38.9%	38.9%	38.9%	38.9%
2) Medicaid	28.5%	27.9%	27.9%	27.9%	27.9%	27.9%	27.9%	27.9%
3) Blue Cross	7.0%	8.4%	8.4%	8.4%	8.4%	8.4%	8.4%	8.4%
4) Commercial Insurance	1.4%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%
5) Self-pay	6.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%
6) Other	15.3%	17.5%	17.5%	17.5%	17.5%	17.5%	17.5%	17.5%
TOTAL	***100.0%***	***100.0%***	***100.0%***	***100.0%***	***100.0%***	***100.0%***	***100.0%***	***100.0%***

Table H – Key Financial Projection Assumptions for UM Capital Region Health (Includes HSCRC Annual Update Factors & Expense Inflation)	
Projection is based on the Capital Region Health (CRH) FY2023 projected financial performance with assumptions identified below	
Projection period reflects FY2024 – FY2028	
Volumes	— See Table F of the application for volume projections
Patient Revenue ● FY2024+ Adjustments to Permanent Revenue ○ Inflation ○ Shared Savings ○ Demographic Adjustment — Total ● Revenue Deductions	 — 2.58% — -0.26% — 0.02% 2.34% — 23.9% of gross revenue per year
Other Revenue ● Grants ○ State ● Other Operating Revenue	 — $10M in annual support from FY2024 - FY2028 — 2% annual growth
Expenses ● Inflation ○ Salaries & Benefits ○ Professional Fees ○ Supplies - Drugs ○ Supplies - Medical & Other ○ Purchased Services ○ Insurance & Other Operating Expenses	 — 2.0% — 3.0% — 4.0% — 3.0% — 2.0% — 2.0%
● Expense variability with volume changes ○ Salaries & Benefits ○ Professional Fees ○ Supplies - Drugs ○ Supplies - Medical & Other ○ Purchased Services ○ Insurance & Other Operating Expenses ● Interest Expense ○ Existing Debt ○ Project Debt ● Depreciation and Amortization ○ Existing Depreciation ○ Project Depreciation ● Performance Improvements ○ FY2023 ○ FY2024 ○ FY2025 ○ FY2026 ○ FY2027 ○ FY2028 ○ Identified Improvements by FY2028	 — 20% — 50% — 30% — 20% — 0% — 0% — UM CRH has existing debt of $275.9M in FY2022 that is amortized — In FY2024, the new Laurel FMF will open and interest expense on $58.8M of tax-exempt debt associated with these facilities will be recorded at an interest rate of 5.0% — Reflects the depreciation of existing assets with useful lives ranging from 5 to 30 years — Reflects a project budget of $75.6M and a useful life of 25 years for the Laurel FMF — $0 — $18.2M — $28.9M — $35.7M — $40.2M — $45.3M — $10M - Denials improvement — $5M - Reduction in force — $3M - Medical Group improvement — $6M - Agency improvement — $2M - Productivity — $5M - Market share revenue adjustments — $1M - School of Medicine contract improvement — $13.3M - Undefined Actions

TABLE I. STATISTICAL PROJECTIONS - UM Capital Region Health - Neonatal Services (February 2023)

INSTRUCTION: Complete this table for the entire facility, including the proposed project. Indicate on the table if the reporting period is Calendar Year (CY) or Fiscal Year (FY). For sections 4 & 5, the number of beds and occupancy percentage should be reported on the basis of licensed beds. In an attachment to the application, provide an explanation or basis for the projections and specify all assumptions used. Applicants must explain why the assumptions are reasonable.

	Two Most Recent Years (Special Care Nursery)		Current Year (Special Care Nursery)	Projected Years (ending at least two years after project completion and full occupancy) Include additional years, if needed in order to be consistent with Tables G and H. (NICU)				
Indicate CY or FY	**FY2021**	**FY2022**	**FY2023**	**FY2024**	**FY2025**	**FY2026**	**FY2027**	**FY2028**
1. DISCHARGES								
a. General Medical/Surgical*								
b. ICU/CCU								
Total MSGA								
c. Pediatric								
d. Obstetric								
e. Acute Psychiatric								
Total Acute								
f. Rehabilitation								
g. Chronic Care								
h. Neonatal Services (not included in total)	98	168	137	147	147	147	147	147
TOTAL DISCHARGES								
2. PATIENT DAYS								
a. General Medical/Surgical*								
b. ICU/CCU								
Total MSGA								
c. Pediatric								
d. Obstetric								
e. Acute Psychiatric								
Total Acute								
f. Rehabilitation								
g. Chronic Care								
h. Neonatal Services (not included in total)	1,249	1,004	847	2,368	2,366	2,365	2,364	2,363
TOTAL PATIENT DAYS								

TABLE I. STATISTICAL PROJECTIONS - UM Capital Region Health - Neonatal Services (February 2023)

INSTRUCTION : Complete this table for the entire facility, including the proposed project. Indicate on the table if the reporting period is Calendar Year (CY) or Fiscal Year (FY). For sections 4 & 5, the number of beds and occupancy percentage should be reported on the basis of licensed beds. In an attachment to the application, provide an explanation or basis for the projections and specify all assumptions used. Applicants must explain why the assumptions are reasonable.

	Two Most Recent Years (Special Care Nursery)		Current Year (Special Care Nursery)	Projected Years (ending at least two years after project completion and full occupancy) Include additional years, if needed in order to be consistent with Tables G and H. (NICU)				
Indicate CY or FY	**FY2021**	**FY2022**	**FY2023**	**FY2024**	**FY2025**	**FY2026**	**FY2027**	**FY2028**
3. AVERAGE LENGTH OF STAY (patient days divided by discharges)								
a. General Medical/Surgical*								
b. ICU/CCU								
Total MSGA								
c. Pediatric								
d. Obstetric								
e. Acute Psychiatric								
Total Acute								
f. Rehabilitation								
g. Chronic Care								
h. Neonatal Services (not included in total)	12.7	6.0	6.2	16.1	16.1	16.1	16.1	16.1
TOTAL AVERAGE LENGTH OF STAY								
4. NUMBER OF BEDS								
a. General Medical/Surgical*								
b. ICU/CCU								
Total MSGA								
c. Pediatric								
d. Obstetric								
e. Acute Psychiatric								
Total Acute								
f. Rehabilitation								
g. Chronic Care								
h. Neonatal Services (not included in total)	5	4	3	9	9	9	9	9
TOTAL BEDS								

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TABLE I. STATISTICAL PROJECTIONS - UM Capital Region Health - Neonatal Services (February 2023)

INSTRUCTION : Complete this table for the entire facility, including the proposed project. Indicate on the table if the reporting period is Calendar Year (CY) or Fiscal Year (FY). For sections 4 & 5, the number of beds and occupancy percentage should be reported on the basis of licensed beds. In an attachment to the application, provide an explanation or basis for the projections and specify all assumptions used. Applicants must explain why the assumptions are reasonable.

	Two Most Recent Years (Special Care Nursery)		Current Year (Special Care Nursery)	Projected Years (ending at least two years after project completion and full occupancy) Include additional years, if needed in order to be consistent with Tables G and H. (NICU)				
Indicate CY or FY	**FY2021**	**FY2022**	**FY2023**	**FY2024**	**FY2025**	**FY2026**	**FY2027**	**FY2028**
5. OCCUPANCY PERCENTAGE ****IMPORTANT NOTE:*** *Leap year formulas should be changed by applicant to reflect 366 days per year.*								
a. General Medical/Surgical*								
b. ICU/CCU								
Total MSGA								
c. Pediatric								
d. Obstetric								
e. Acute Psychiatric								
Total Acute								
f. Rehabilitation								
g. Chronic Care								
h. Neonatal Services (not included in total)	68.4%	68.7%	77.4%	71.9%	72.0%	72.0%	72.0%	71.7%
TOTAL OCCUPANCY %								
6. OUTPATIENT VISITS								
a. Emergency Department								
b. Same-day Surgery								
c. Clinic								
d. Imaging								
e. Intensive Outpatient Psych								
f. Partial Hospitalization Program								
TOTAL OUTPATIENT VISITS	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
7. OBSERVATIONS								
a. Number of Patients								
b. Hours								

* Include beds dedicated to gynecology and addictions, if separate for acute psychiatric unit.

** Services included in the reporting of the "Observation Center", direct expenses incurred in providing bedside care to observation patients; furnished by the hospital on the hospital's premises, including use of a bed and periodic monitoring by the hospital's nursing or other staff, in order to determine the need for a possible admission to the hospitals as an inpatient. Such services must be ordered and documented in writing, given by a medical practitioner; may or may not be provided in a distinct area of the hospital.

TABLE J. REVENUES & EXPENSES, UNINFLATED - UM Capital Region Health - Neonatal Services (February 2023)

INSTRUCTION : After consulting with Commission Staff, complete this table for the new facility or service (the proposed project). Table J should reflect current dollars (no inflation). Projected revenues and expenses should be consistent with the projections in Table I and with the costs of Manpower listed in Table L. Manpower. Indicate on the table if the reporting period is Calendar Year (CY) or Fiscal Year (FY). In an attachment to the application, provide an explanation or basis for the projections and specify all assumptions used. Applicants must explain why the assumptions are reasonable. Specify the sources of non-operating income.

	Two Most Recent Years (Actual) (Special Care Nursery)		Current Year (Special Care Nursery)	Projected Years (ending at least two years after project completion and full occupancy) Add years, if needed in order to document that the hospital will generate excess revenues over total expenses consistent with the Financial Feasibility standard. (NICU)				
Indicate CY or FY	**FY2021**	**FY2022**	**FY2023**	**FY2024**	**FY2025**	**FY2026**	**FY2027**	**FY2028**
1. REVENUE								
a. Inpatient Services	$1,398	$1,295	$ 1,231	$ 4,000	$ 3,984	$ 3,967	$ 3,951	$ 3,935
b. Outpatient Services	-	-	-	-	-	-	-	-
Gross Patient Service Revenues	***1,398***	***1,295***	***1,231***	***4,000***	***3,984***	***3,967***	***3,951***	***3,935***
c. Deductions	232	215	204	1,137	1,126	1,116	1,106	1,096
Net Patient Services Revenue	***1,167***	***1,081***	***1,027***	***2,864***	***2,857***	***2,851***	***2,844***	***2,838***
d. Grants	-	-	-	-	-	-	-	-
e. Other Operating Revenues	-	-	-	-	-	-	-	-
NET OPERATING REVENUE	***1,167***	***1,081***	***1,027***	***2,864***	***2,857***	***2,851***	***2,844***	***2,838***
2. EXPENSES								
a. Salaries & Wages (including benefits)	1,649	1,682	1,716	2,178	2,178	2,177	2,177	2,177
b. Contractual Services	-	-	-	-	-	-	-	-
c. Interest on Current Debt	-	-	-	-	-	-	-	-
d. Interest on Project Debt	-	-	-	-	-	-	-	-
e. Current Depreciation and Amortization	-	-	-	-	-	-	-	-
f. Project Depreciation and Amortization	-	-	-	-	-	-	-	-
g. Supplies	92	94	97	200	200	200	200	200
h. Professional Fees	2,196	2,262	2,330	2,400	2,399	2,399	2,398	2,398
i. Insurance and Other Expenses	-	-	-	-	-	-	-	-
TOTAL OPERATING EXPENSES	***3,937***	***4,039***	***4,143***	***4,778***	***4,777***	***4,776***	***4,775***	***4,774***
3. INCOME								
a. Income From Operation	***(2,770)***	***(2,958)***	***(3,116)***	***(1,914)***	***(1,920)***	***(1,925)***	***(1,931)***	***(1,936)***
b. Non-Operating Income	-	-	-	-	-	-	-	-
SUBTOTAL	***(2,770)***	***(2,958)***	***(3,116)***	***(1,914)***	***(1,920)***	***(1,925)***	***(1,931)***	***(1,936)***
c. Income Taxes								
NET INCOME (LOSS)	***(2,770)***	***(2,958)***	***(3,116)***	***(1,914)***	***(1,920)***	***(1,925)***	***(1,931)***	***(1,936)***
a. Add Back Depreciation	-	-	-	-	-	-	-	-
CASH FLOW FROM OPERATIONS	***$ (2,770)***	***$ (2,958)***	***$ (3,116)***	***$ (1,914)***	***$ (1,920)***	***$ (1,925)***	***$ (1,931)***	***$ (1,936)***

TABLE J. REVENUES & EXPENSES, UNINFLATED - UM Capital Region Health - Neonatal Services (February 2023)

INSTRUCTION : After consulting with Commission Staff, complete this table for the new facility or service (the proposed project). Table J should reflect current dollars (no inflation). Projected revenues and expenses should be consistent with the projections in Table I and with the costs of Manpower listed in Table L. Manpower. Indicate on the table if the reporting period is Calendar Year (CY) or Fiscal Year (FY). In an attachment to the application, provide an explanation or basis for the projections and specify all assumptions used. Applicants must explain why the assumptions are reasonable. Specify the sources of non-operating income.

	Two Most Recent Years (Actual) (Special Care Nursery)		Current Year (Special Care Nursery)	Projected Years (ending at least two years after project completion and full occupancy) Add years, if needed in order to document that the hospital will generate excess revenues over total expenses consistent with the Financial Feasibility standard. (NICU)				
Indicate CY or FY	**FY2021**	**FY2022**	**FY2023**	**FY2024**	**FY2025**	**FY2026**	**FY2027**	**FY2028**
4. PATIENT MIX								
a. Percent of Total Revenue								
1) Medicare	0.0%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
2) Medicaid	73.8%	68.8%	68.8%	68.8%	68.8%	68.8%	68.8%	68.8%
3) Blue Cross	7.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
4) Commercial Insurance	0.4%	15.2%	15.2%	15.2%	15.2%	15.2%	15.2%	15.2%
5) Self-pay	7.6%	13.1%	13.1%	13.1%	13.1%	13.1%	13.1%	13.1%
6) Other	10.9%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%
TOTAL	***100.0%***	***100.0%***	***100.0%***	***100.0%***	***100.0%***	***100.0%***	***100.0%***	***100.0%***
b. Percent of Equivalent Inpatient Days								
1) Medicare	0.0%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
2) Medicaid	75.2%	68.9%	68.9%	68.9%	68.9%	68.9%	68.9%	68.9%
3) Blue Cross	6.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
4) Commercial Insurance	0.5%	15.2%	15.2%	15.2%	15.2%	15.2%	15.2%	15.2%
5) Self-pay	7.8%	13.1%	13.1%	13.1%	13.1%	13.1%	13.1%	13.1%
6) Other	9.9%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%
TOTAL	***100.0%***	***100.0%***	***100.0%***	***100.0%***	***100.0%***	***100.0%***	***100.0%***	***100.0%***

Table J – Key Financial Projection Assumptions for Cap Region Neonatal Services (No HSCRC Annual Update Factors & Expense Inflation) (February 2023)	
Projection is based on the UM Capital Region NICU FY2023 budgeted revenue and expense with assumptions identified below	
Projection period reflects FY2023 – FY2028	
Volumes	— See Table I of the application for volume projections
Patient Revenue • Charge per Patient Day Assumptions — FY2022 Inflated NUR Rate — FY2022 Inflated NEO Rate • FY2024+ Revenue Assumptions — Regulated Revenue Inflation — Unregulated Revenue Inflation • Revenue Deductions — Regulated Deductions % — Unregulated Deductions % Expenses • Inflation ○ Salaries & Benefits ○ Professional Fees ○ Supplies • Expense variability with volume changes ○ Salaries & Benefits ○ Professional Fees ○ Supplies	 — $ 893 — $ 1,284 — 0.00% — 0.00% — 16.6% — 66.0% — 0.00% — 0.00% — 0.00% — 20.00% — 50.00% — 30.00%

TABLE K. REVENUES & EXPENSES, INFLATED - UM Capital Region Health - Neonatal Services (February 2023)

INSTRUCTION : After consulting with Commission Staff, complete this table for the new facility or service (the proposed project). Table K should reflect inflation. Projected revenues and expenses should be consistent with the projections in Table I. Indicate on the table if the reporting period is Calendar Year (CY) or Fiscal Year (FY). In an attachment to the application, provide an explanation or basis for the projections and specify all assumptions used. Applicants must explain why the assumptions are reasonable.

	Two Most Recent Years (Actual) (Special Care Nursery)		Current Year (Special Care Nursery)	Projected Years (ending at least two years after project completion and full occupancy) Add years, if needed in order to document that the hospital will generate excess revenues over total expenses consistent with the Financial Feasibility standard. (NICU)				
Indicate CY or FY	**FY2021**	**FY2022**	**FY2023**	**FY2024**	**FY2025**	**FY2026**	**FY2027**	**FY2028**
1. REVENUE								
a. Inpatient Services	$ 1,746	$ 1,430	$ 1,231	$ 4,000	$ 4,086	$ 4,174	$ 4,264	$ 4,357
b. Outpatient Services	-	-	-	-	-	-	-	-
Gross Patient Service Revenues	***1,746***	***1,430***	***1,231***	***4,000***	***4,086***	***4,174***	***4,264***	***4,357***
c. Deductions	628	512	439	1,137	1,156	1,175	1,194	1,214
Net Patient Services Revenue	***1,118***	***918***	***792***	***2,864***	***2,931***	***3,000***	***3,070***	***3,143***
d. Grants	-	-	-	-	-	-	-	-
e. Other Operating Revenues	-	-	-	-	-	-	-	-
NET OPERATING REVENUE	***1,118***	***918***	***792***	***2,864***	***2,931***	***3,000***	***3,070***	***3,143***
2. EXPENSES								
a. Salaries & Wages (including benefits)	1,649	1,682	1,716	2,178	2,221	2,265	2,310	2,356
b. Contractual Services	-	-	-	-	-	-	-	-
c. Interest on Current Debt	-	-	-	-	-	-	-	-
d. Interest on Project Debt	-	-	-	-	-	-	-	-
e. Current Depreciation and Ammortization	-	-	-	-	-	-	-	-
f. Project Depreciation and Ammortization	-	-	-	-	-	-	-	-
g. Supplies	92	94	97	200	206	212	218	225
h. Professional Fees	2,196	2,262	2,330	2,400	2,471	2,545	2,621	2,699
i. Insurance and Other Expenses	-	-	-	-	-	-	-	-
TOTAL OPERATING EXPENSES	***3,937***	***4,039***	***4,143***	***4,778***	***4,898***	***5,022***	***5,149***	***5,280***
3. INCOME								
a. Income From Operation	***(2,819)***	***(3,120)***	***(3,350)***	***(1,914)***	***(1,968)***	***(2,023)***	***(2,079)***	***(2,137)***
b. Non-Operating Income								
SUBTOTAL	***(2,819)***	***(3,120)***	***(3,350)***	***(1,914)***	***(1,968)***	***(2,023)***	***(2,079)***	***(2,137)***
c. Income Taxes								
NET INCOME (LOSS)	***(2,819)***	***(3,120)***	***(3,350)***	***(1,914)***	***(1,968)***	***(2,023)***	***(2,079)***	***(2,137)***
a. Add Back Depreciation								
CASH FLOW FROM OPERATIONS	***$ (2,819)***	***$ (3,120)***	***$ (3,350)***	***$ (1,914)***	***$ (1,968)***	***$ (2,023)***	***$ (2,079)***	***$ (2,137)***

TABLE K. REVENUES & EXPENSES, INFLATED - UM Capital Region Health - Neonatal Services (February 2023)

INSTRUCTION : After consulting with Commission Staff, complete this table for the new facility or service (the proposed project). Table K should reflect inflation. Projected revenues and expenses should be consistent with the projections in Table I. Indicate on the table if the reporting period is Calendar Year (CY) or Fiscal Year (FY). In an attachment to the application, provide an explanation or basis for the projections and specify all assumptions used. Applicants must explain why the assumptions are reasonable.

	Two Most Recent Years (Actual) (Special Care Nursery)		Current Year (Special Care Nursery)	Projected Years (ending at least two years after project completion and full occupancy) Add years, if needed in order to document that the hospital will generate excess revenues over total expenses consistent with the Financial Feasibility standard. (NICU)				
Indicate CY or FY	**FY2021**	**FY2022**	**FY2023**	**FY2024**	**FY2025**	**FY2026**	**FY2027**	**FY2028**
4. PATIENT MIX								
a. Percent of Total Revenue								
1) Medicare	0.0%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
2) Medicaid	73.8%	68.8%	68.8%	68.8%	68.8%	68.8%	68.8%	68.8%
3) Blue Cross	7.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
4) Commercial Insurance	0.4%	15.2%	15.2%	15.2%	15.2%	15.2%	15.2%	15.2%
5) Self-pay	7.6%	13.1%	13.1%	13.1%	13.1%	13.1%	13.1%	13.1%
6) Other	10.9%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%
TOTAL	***100.0%***	***100.0%***	***100.0%***	***100.0%***	***100.0%***	***100.0%***	***100.0%***	***100.0%***
b. Percent of Equivalent Inpatient Days								
1) Medicare	0.0%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
2) Medicaid	75.2%	68.9%	68.9%	68.9%	68.9%	68.9%	68.9%	68.9%
3) Blue Cross	6.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
4) Commercial Insurance	0.5%	15.2%	15.2%	15.2%	15.2%	15.2%	15.2%	15.2%
5) Self-pay	7.8%	13.1%	13.1%	13.1%	13.1%	13.1%	13.1%	13.1%
6) Other	9.9%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%
TOTAL	***100.0%***	***100.0%***	***100.0%***	***100.0%***	***100.0%***	***100.0%***	***100.0%***	***100.0%***

Table K – Key Financial Projection Assumptions for Cap Region Neonatal Services (Includes HSCRC Annual Update Factors & Expense Inflation) (February 2023)	
Projection is based on the UM Capital Region NICU FY2023 budgeted revenue and expense with assumptions identified below	
Projection period reflects FY2023 – FY2028	
Volumes	— See Table I of the application for volume projections
Patient Revenue	
• Charge per Patient Day Assumptions	
— FY2022 Inflated NUR Rate	— $ 893
— FY2022 Inflated NEO Rate	— $ 1,284
• FY2024+ Revenue Assumptions	
— Regulated Revenue Inflation	— 2.58%
— Unregulated Revenue Inflation	— 1.00%
• Revenue Deductions	
— Regulated Deductions %	— 16.6%
— Unregulated Deductions %	— 66.0%
Expenses	
• Inflation	
○ Salaries & Benefits	— 2.00%
○ Professional Fees	— 3.00%
○ Supplies	— 3.00%
• Expense variability with volume changes	
○ Salaries & Benefits	— 20.00%
○ Professional Fees	— 50.00%
○ Supplies	— 30.00%

TABLE L. WORKFORCE INFORMATION - UM Capital Region Health - Neonatal Services (February 2023)

INSTRUCTION: List the facility's existing staffing and changes required by this project. Include all major job categories under each heading provided in the table. The number of Full Time Equivalents (FTEs) should be calculated on the basis of 2,080 paid hours per year equals one FTE. In an attachment to the application, explain any factor used in converting paid hours to worked hours. Please ensure that the projections in this table are consistent with expenses provided in uninflated projections in Tables F and G.

	(SPECIAL CARE NURSERY)			*PROJECTED CHANGES AS A RESULT OF THE PROPOSED PROJECT THROUGH THE LAST YEAR OF PROJECTION (CURRENT DOLLARS)*			*OTHER EXPECTED CHANGES IN OPERATIONS THROUGH THE LAST YEAR OF PROJECTION (CURRENT DOLLARS)*			*PROJECTED NICU SERVICE LINE THROUGH THE LAST YEAR OF PROJECTION (CURRENT DOLLARS) **	
Job Category	**Current Year FTEs**	**Average Salary per FTE**	**Current Year Total Cost**	**FTEs**	**Average Salary per FTE**	**Total Cost** *(should be consistent with projections in Table G, if submitted).*	**FTEs**	**Average Salary per FTE**	**Total Cost**	**FTEs**	**Total Cost** *(should be consistent with projections in Table G)*
1. Regular Employees											
Administration *(List general categories, add rows if needed)*											
Total Administration	1.0	$ 76,253	$ 76,253	-	$ -	$ -	-	$ -	$ -	1.0	$ 76,253
Direct Care Staff *(List general categories, add rows if needed)*											
Total Direct Care	21.5	$ 76,253	$ 1,639,434	5.5	$ 84,029	$ 461,229	-	$ -	$ -	27.0	$ 2,100,662
Support Staff *(List general categories, add rows if needed)*											
Total Support	-	$ -	$ -	-	$ -	-	-	$ -	$ -	-	-
REGULAR EMPLOYEES TOTAL	22.5	$ 76,253	$ 1,715,686	5.5	$ 84,029	$ 461,229	-	$ -	$ -	28.0	$ 2,176,915
2. Contractual Employees											
Administration *(List general categories, add rows if needed)*											
Total Administration	-	$ -	$ -	-	$ -	$ -	-	$ -	$ -	-	$ -
Direct Care Staff *(List general categories, add rows if needed)*											
Total Direct Care Staff	-	$ -	$ -	-	$ -	$ -	-	$ -	$ -	-	$ -
Support Staff *(List general categories, add rows if needed)*											
Total Support Staff	-	$ -	$ -	-	$ -	$ -	-	$ -	$ -	-	$ -
CONTRACTUAL EMPLOYEES TOTAL	-	$ -	$ -	-	$ -	$ -	-	$ -	$ -	-	$ -
Benefits *(State method of calculating benefits below)* **:**			$ -						$ -		$ -
Included in Figures Above											
TOTAL COST	***22.5***		***1,715,686***	***5.5***		***$ 461,229***	***-***		***$ -***		***$ 2,176,915***

EXHIBIT 20

MARYLAND
Health Care
Commission

Randolph S. Sergent, Esq, Chairman
Ben Steffen, Executive Director

December 28, 2022

Via Email

Thomas C. Dame, Esquire
Alison Best Lutich, Esquire
Gallagher, Evelius & Jones, LLP
218 North Charles Street #400
Baltimore, Maryland, 21201

Re: CON Application for a Level III Neonatal Intensive Care Unit at University of Maryland Capital Region Medical Center – Waiver of Certain Standards

Dear Mr. Dame and Ms. Lutich,

This is to acknowledge your correspondence of December 14, 2022, requesting the Maryland Health Care Commission (Commission) waive the requirement of a response to Part I, Question 9 (Current Physical Capacity and Proposed Changes) and to the standard at COMAR 10.24.10.04A(3) (Quality of Care) related to University of Maryland Capital Regional Medical Center's (CRMC) stated intent to file a Certificate of Need (CON) application for a Level III Neonatal Intensive Care Unit (NICU).

In terms of CRMC's request to waive Part 1, Question 9, confirmation by CRMC that its current physical bed capacity is fully consistent with that authorized by MHCC in 2016 will be sufficient; 154 medical/surgical/gynecological/addictions (MSGA) beds, 22 obstetric beds, one pediatric bed, and 28 acute psychiatric beds, for a total physical bed capacity of 205 beds. We recognize that CRMC received an emergency CON for 16 MSGA beds in May of this year.

As noted in your letter, COMAR 10.24.10.04A(3) requires an applicant to identify and address health care quality measures for which it ranks below the state average. COMAR 10.24.10, the State Health Plan chapter for acute care hospital services, is applicable to "all matters regarding acute care hospital services" except for obstetric services, acute psychiatric facilities and services, and acute alcoholism and drug abuse treatment services. COMAR 10.24.10.02D. Since the NICU is a part of an acute care hospital setting, it is imperative this information be addressed.

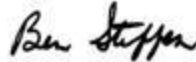
While you are correct that Maryland Quality Reporting scores demonstrate CRMC's "Mother and baby quality" rank the same or better than the state average, consideration of other quality measures is relevant to the Commission's decision whether to authorize the expansion of services at CRMC. Given the history of safety concerns at the NICU and CRMC's decision in October 2020 to suspend its Level III NICU services indefinitely, the information required to

satisfy COMAR 10.24.10.04A(3) (Quality of Care) is particularly critical and relevant to the Commission's review of this CON application. The Commission will not waive the quality of care standard. The applicant should address, in its response, the circumstances that led to its suspension of NICU services and the efforts CRMC has made since that suspension.

Additionally, given the desire to proceed expeditiously, we are also requesting CRMC send MHCC a copy of the submitted MIEMSS' Level III Perinatal Designation Application, as it would be helpful in moving MHCC's CON review forward.

For further questions please contact Wynee Hawk, Chief, Certificate of Need, at (410)-764-5982 or wynee.hawk1@maryland.gov.

Sincerely,



Ben Steffen
Executive Director

cc: Nathaniel Richardson, Jr., President and CEO, UM Capital Region Health
Sandra H. Benzer, Esq., General Counsel, UM Capital Region Health
Theodore R. Delbridge, M.D., Executive Director, MIEMSS
Wynee Hawk, Chief, Certificate of Need
Paul Parker, Director, Center for Health Care Facilities Planning & Development
Alexa Bertinelli, Esq., Assistant Attorney General, MHCC
Caitlin Tepe, Esq., Assistant Attorney General, MHCC
Ernest L. Carter, M.D., Ph.D., Prince George's County Health Officer