Maryland Hospital Community Benefit Report: FY 2015

October 19, 2016

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October 28, 2016

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H-101 State House
Annapolis, MD 21401-1991

The Honorable Michael E. Busch
Speaker of the House
H-107 State House
Annapolis, MD 21401-1991

The Honorable Thomas M. Middleton
Chairman, Senate Finance Committee
3 East Miller Senate Building
Annapolis, MD 21401

The Honorable Peter A. Hammen
Chairman, Health and Gov't Operations
Room 241- House Office Building
Annapolis, MD 21401

RE: Hospital Community Benefit Report
Health General Article §19-303(d)

Dear President Miller, Speaker Busch, and Chairmen Middleton and Hammen;

The Health Services Cost Review Commission is pleased to submit the FY 2015 Maryland Hospital Community Benefit Report.

In addition to this aggregate report, all hospital individual community benefits reports may be found on the HSCRC's website at http://www.hscrc.maryland.gov/init_cb.cfm.

If you any questions about this report, please contact Amanda Vaughan at Amanda.Vaughan@Maryland.gov.

Sincerely,

Stephen M. Ports
Principal Deputy Director

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LIST OF ABREVIATIONS

ACA	Patient Protection and Affordable Care Act
CB	Community benefit
CBR	Community benefit report
CBSA	Community benefits service area
CHNA	Community health needs assessment
DME	Direct medical education
FY	Fiscal year
HSCRC	Health Services Cost Review Commission
IRC	Internal Revenue Code
IRS	Internal Revenue Service
LHIC	Local Health Improvement Coalition
MHA	Maryland Hospital Association
NSPI	Nurse Support Program I
VHA	Voluntary Hospitals of America

INTRODUCTION

Each year, the Maryland Health Services Cost Review Commission (HSCRC) collects community benefit information from individual hospitals to compile into a publicly available, statewide Community Benefit Report (CBR). Current year and previous CBRs submitted by the individual hospitals are available on the HSCRC website.

This summary report provides background information on hospital community benefits and the history of CBRs in Maryland. It is followed by an overview of the data and narrative reporting for fiscal year (FY) 2015, which includes the second year of reporting from Maryland specialty hospitals. It concludes with a summary of data reports from the past twelve years. Attachments present additional information regarding hospital rate support, community benefit data for each hospital, and the breakdown of costs by community benefit activity.

Background

Section 501(c)(3) of the Internal Revenue Code (IRC) identifies as tax-exempt, organizations that are organized and operated exclusively for specific purposes including religious, charitable, scientific, and educational purposes.[1] Nonprofit hospitals receive many benefits from their tax-exempt status. They are generally exempted from federal income and unemployment taxes, as well as state and local income, property, and sales taxes. In addition, they are allowed to raise funds through tax-deductible donations and tax-exempt bond financing.

Originally, the Internal Revenue Service (IRS) considered hospitals to be "charitable" if they provided charity care to the extent of their financial ability to do so.[2] However, in 1969, the IRS issued Revenue Ruling 69-545, which modified the "charitable" standard to focus on "community benefits" rather than "charity care."[3] Under this IRS ruling, nonprofit hospitals are required to provide benefits to the community in order to be considered charitable. This has created the "community benefit standard," which is necessary for hospitals to satisfy in order to qualify for tax-exempt status.

In March 2010, Congress passed the Patient Protection and Affordable Care Act (ACA).[4] Section 9007 of the ACA established IRC §501(r), which identifies additional requirements for hospitals that seek to maintain tax-exempt status. Every §501(c)(3) hospital, whether independent or part of a hospital system, must conduct a community health needs assessment (CHNA) at least once every three years in order to maintain its tax-exempt status and avoid an annual penalty of up to $50,000.[5] The first CHNA was due by the end of FY 2013. Assessments must incorporate input

[1] 26 U.S.C. §501(c)(3)
[2] Rev. Ruling 56-185, 1956-1 C.B. 202.
[3] Rev. Ruling 69-545, 1969-2 C.B. 117.
[4] The Patient Protection and Affordable Care Act, P.L. 111-148 (2010), as amended by the Health Care and Education Reconciliation Act of 2010, P.L. 111-152.
[5] 26 U.S.C. §501(r)(3); 26 U.S.C. §4959

from individuals who represent the broad interests of the communities served, including those with special knowledge or expertise in public health, and they must be made widely available to the public.[6] CHNAs must include an implementation strategy describing how the hospital plans to meet the community's health needs, as well as a description of what the hospital has done historically to address its community's needs.[7] Furthermore, the hospital must identify any needs that have not been met by the hospital and explain why they have not been addressed. Tax-exempt hospitals must report this information on Schedule H of IRS form 990.

The Maryland CBR process was adopted by the Maryland General Assembly in 2001,[8] and FY 2004 was established as the first data-collection period. Under Maryland law, CBRs must include the hospital's mission statement, a list of the hospital's initiatives, the cost of each community benefit initiative, the objectives of each community benefit initiative, a description of efforts taken to evaluate the effectiveness of initiatives, a description of gaps in the availability of specialist providers, and a description of the hospital's efforts to track and reduce health disparities in the community.[9]

The HSCRC worked with the Maryland Hospital Association (MHA), interested hospitals, local health departments, and health policy organizations and associations to establish the details and format of the CBR. In developing the format for data collection, the group relied heavily on the experience of the Voluntary Hospitals of America (VHA) community benefit process. At the time, the VHA possessed more than ten years of voluntary hospital community benefit reporting experience across many states. The resulting data reporting spreadsheet and instructions were used by Maryland hospitals to submit their FY 2004 data to the HSCRC which resulted in the publishing of the first annual CBR in July 2005. The HSCRC continues to work with the MHA, public health officials, individual hospitals, and other stakeholders to further improve the reporting process and refine the definitions, as needed. The data-collection process offers an opportunity for each Maryland nonprofit hospital to critically review and report the activities it has designed to benefit the community.

The FY 2015 report represents the HSCRC's twelfth year of reporting on Maryland hospital community benefit data.

Definition of Community Benefits

Maryland law defines a "community benefit" (CB) as an activity that is intended to address community needs and priorities, primarily through disease prevention and improvement of health status, including:[10]

- Health services provided to vulnerable and underserved populations

[6] 26 U.S.C. §501(r)(3)(B)
[7] 26 U.S.C. §501(r)(3)(A)
[8] Health-General Article §19-303 Maryland Annotated Code
[9] Health-General Article §19-303(a)(3) Maryland Annotated Code
[10] Health-General Article §19-303(c)(2) Maryland Annotated Code

- Financial or in-kind support of public health programs
- Donations of funds, property, and other resources that contribute to a community priority
- Health care cost-containment activities
- Health education screening and prevention services

As evidenced in the individual CBRs, Maryland hospitals provide a broad range of health services to meet the needs of their communities, often receiving partial or no compensation. These activities, however, are expected from Maryland's 48 acute and seven specialty nonprofit hospitals in return for their tax-exempt status.

ANALYSIS

Following are highlights of the FY 2015 data reporting and narrative reporting.

FY 2015 Data Reporting Highlights

The reporting period for this CBR is July 1, 2014, through June 30, 2015. Hospitals submitted their individual CBRs to the HSCRC by December 15, 2015. Audited financial statements were used to calculate the cost of each of the community benefit categories contained in the data reports. Of the 55 nonprofit hospitals in Maryland, 52 submitted individual data reports. Two hospital systems, University of Maryland Shore Regional Health and the University of Maryland Upper Chesapeake Health, submitted narratives covering both hospitals in their system. Shore Health submitted a single narrative covering both the University of Maryland Shore Medical Center at Easton and the University of Maryland Shore Medical Center at Dorchester. Upper Chesapeake Health submitted a single narrative covering both the University of Maryland Upper Chesapeake Medical Center and the University of Maryland Harford Memorial Hospital. Two specialty hospitals did not file a report for FY 2015.

As shown in Table 1, Maryland hospitals provided just over $1.5 billion dollars in total community benefit activities in FY 2015 – a total that is slightly higher than that in FY 2014. The FY 2015 total comprises net community benefit expenses of $471.7 million in combined charity care and Medicaid expansion services due to the ACA, $468.6 million in mission-driven health care services (subsidized health services), $435.8 million in health professions education, $362.6 million in charity care, $91.3 million in community health services, $56.5 million in unreimbursed Medicaid costs, $21 million in community-building activities, $16.6 million in financial contributions, $10.9 million in community benefit operations, $10.8 million in research activities, and $3.2 million in foundation-funded community benefits. These totals include hospital-reported indirect costs, which vary by hospital and by category from a fixed dollar amount to a calculated percentage of the hospital's reported direct costs.

Table 1. Total Community Benefits

Community Benefit Category	Number of Staff Hours	Number of Encounters	Net Community Benefit Expense	Percentage of Total Community Benefit Expenditures	Net Community Benefit Expense Less Rate Support	Percentage of Total Community Benefit Expenditures without Rate Support
Unreimbursed Medicaid Cost	0	0	56,475,886	3.56%	56,475,886	6.72%
Community Health Services	1,047,380	4,082,976	91,349,595	5.76%	91,349,595	10.87%
Health Professions Education *	6,810,049	173,372	435,849,333	27.47%	117,891,257	14.03%
Mission Driven Health Services	2,519,324	781,989	468,569,852	29.54%	468,569,852	55.76%
Research	101,193	5,909	10,819,734	0.68%	10,819,734	1.29%
Financial Contributions	35,605	187,456	16,578,083	1.04%	16,578,083	1.97%
Community Building	241,527	554,013	20,983,322	1.32%	20,983,322	2.50%
Community Benefit Operations	95,550	2,974	10,872,915	0.69%	10,872,915	1.29%
Foundation	63,332	11,721	3,218,210	0.20%	3,218,210	0.38%
Charity Care*	0	0	362,585,727	22.86%	(65,556,478)	-7.80%
ACA Medicaid Expansion Expense	0	0	109,137,135	6.88%	109,137,135	12.99%
Charity Care* + ACA Medicaid Expansion Expense	0	0	471,722,861	29.73%	43,580,656	5.19%
Total	**10,913,958**	**5,800,412**	**$1,586,439,791**	**100.0%**	**$840,339,510**	**100.0%**

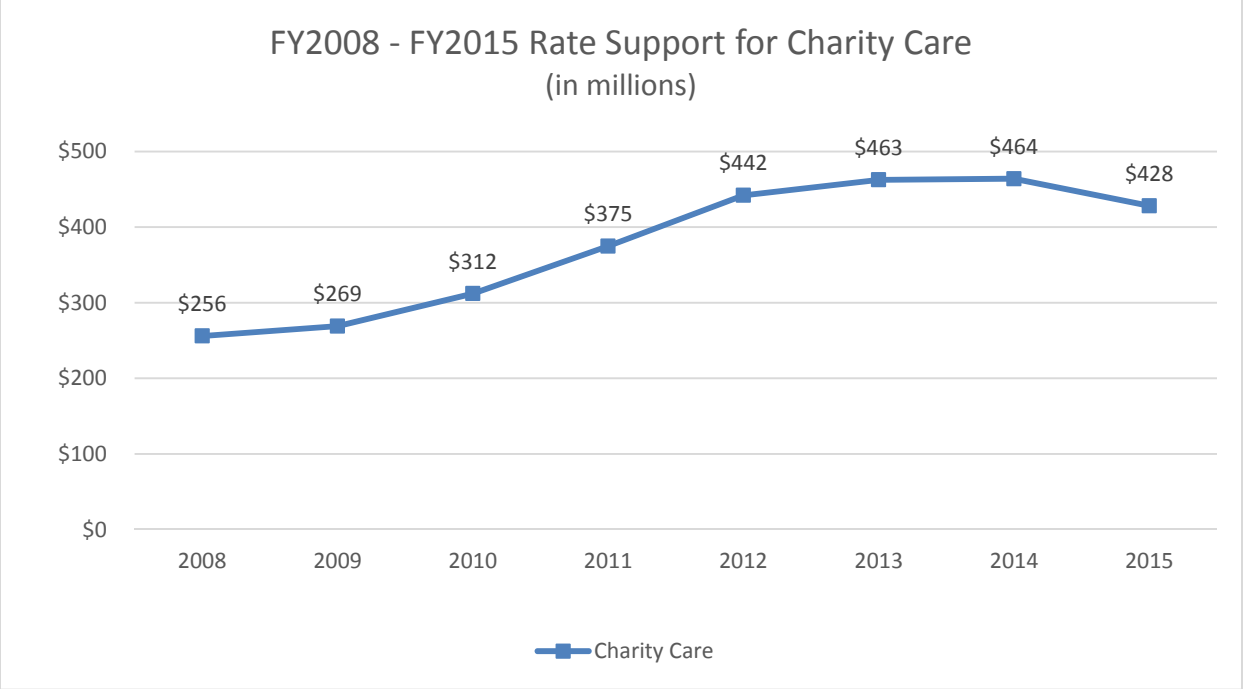
(*) Indicates category adjusted for rate support (i.e., direct medical education, Nurse Support Program I, and charity care).

In Maryland, the costs of uncompensated care (including charity care and bad debt) and graduate medical education are built into the rates for which hospitals are reimbursed by all payers, including Medicare and Medicaid. Additionally, the HSCRC rates include amounts for nurse support programs provided at Maryland hospitals. These costs are, in essence, "passed-through" to the purchasers and payers of hospital care. To comply with IRS form 990 requirements and avoid accounting confusion among programs that are not funded by hospital rate setting, the HSCRC requests that hospitals exclude from their reports all revenue that is included in rates as offsetting revenue on the CBR worksheet. Attachment I details the amounts that were included in rates and funded by all payers for charity care, direct graduate medical education, and nurse support programs in FY 2015.

As noted, the HSCRC includes a provision in hospital rates for uncompensated care, which includes charity care, because it is considered to be a community benefit. It also includes bad debt, which is not considered to be a community benefit. As the need for charity care declined after the implementation of the ACA, and amounts provided in rates were reduced, hospitals incurred the expenses of formerly uninsured and underinsured individuals increasing their utilization of hospital services after enrolling in Medicaid. The HSCRC analyzed the enrollment and utilization data and calculated that $109.1 million in expanded services qualify as a community benefit expense to be included in the FY 2015 report.

Figure 1 shows the rate support for charity care from FY 2008 through FY 2015. The rate support for charity care continuously increased from FY 2008 through FY 2013 and then began to gradually decline in FY 2014 due to implementation of the ACA. Attachment I shows that $428.1 million in charity care was provided through Maryland hospital rates in FY 2015 and funded by all payers. When offset by the $362.6 million in charity care reported by hospitals, and the $109.1 million in expanded services to the Medicaid population, the net amount of charity and ACA Medicaid expansion services provided by the hospitals and not through rates is $43.6 million dollars

Figure 1. Rate Support for Charity Care, FY 2008 through FY 2015



Another social cost funded through Maryland's rate-setting system is the cost of graduate medical education, generally for interns and residents who are trained in Maryland hospitals. Included in graduate medical education costs are the direct costs (i.e., direct medical education, DME), which include the residents' and interns' wages and benefits, faculty supervisory expenses, and allocated overhead. The HSCRC's annual cost report quantifies the DME costs of physician training programs at Maryland hospitals. In FY 2015, DME costs totaled $302.6 million.

The HSCRC's Nurse Support Program I (NSPI) is aimed at addressing the short- and long-term nursing shortage impacting Maryland hospitals. In FY 2015, $15.3 million was provided in hospital rate adjustments for NSPI. See Attachment I for detailed information about rate funding provided to specific hospitals.

When the reported community benefit costs for Maryland hospitals were offset by rate support, the net community benefits provided in FY 2015 totaled $840.3 million, or 5.72 percent of total hospital operating expenses. This is an increase from the $724.6 million in net benefits provided in FY 2014, which totaled 5.14 percent of hospital operating expenses (see Attachment II: FY 2015 Community Benefit Analysis for additional detail).

Table 2 shows the breakdown of staff hours, number of encounters, and expenditures for health professions education by activity. The education of physicians and medical students comprises the majority of expenses in the category of health professions education, totaling $379.4 million.

The second highest category is the education of nurses and nursing students, totaling $27.2 million. The education of other health professionals totaled $19.4 million.

Table 2. Health Professions Education Activities and Costs, FY 2015

Health Professions Education	Number of Staff Hours	Number of Encounters	Net Community Benefit with Indirect Cost
Physicians and Medical Students	5,841,483	38,141	$ 379,449,051
Nurses and Nursing Students	475,296	55,322	$ 27,203,753
Other Health Professionals	343,259	51,893	$ 19,352,956
Other	142,392	26,178	$ 6,640,883
Scholarships and Funding for Professional Education	7,619	1,838	$ 3,202,739
Total	**6,810,049**	**173,372**	**$ 435,839,332**

Table 3 presents the number of staff hours, number of encounters, and expenditures for community health services by activity. Health care support services comprise the largest portion of expenses in the category of community health services, totaling $40.7 million. Community health education is the second highest category, totaling $25.5 million, and the "other" category is the third highest, totaling $8.2 million. For additional detail and a description of subcategories of the remaining community benefit categories, see Attachment III: FY 2015 Hospital Community Benefit Aggregate Data.

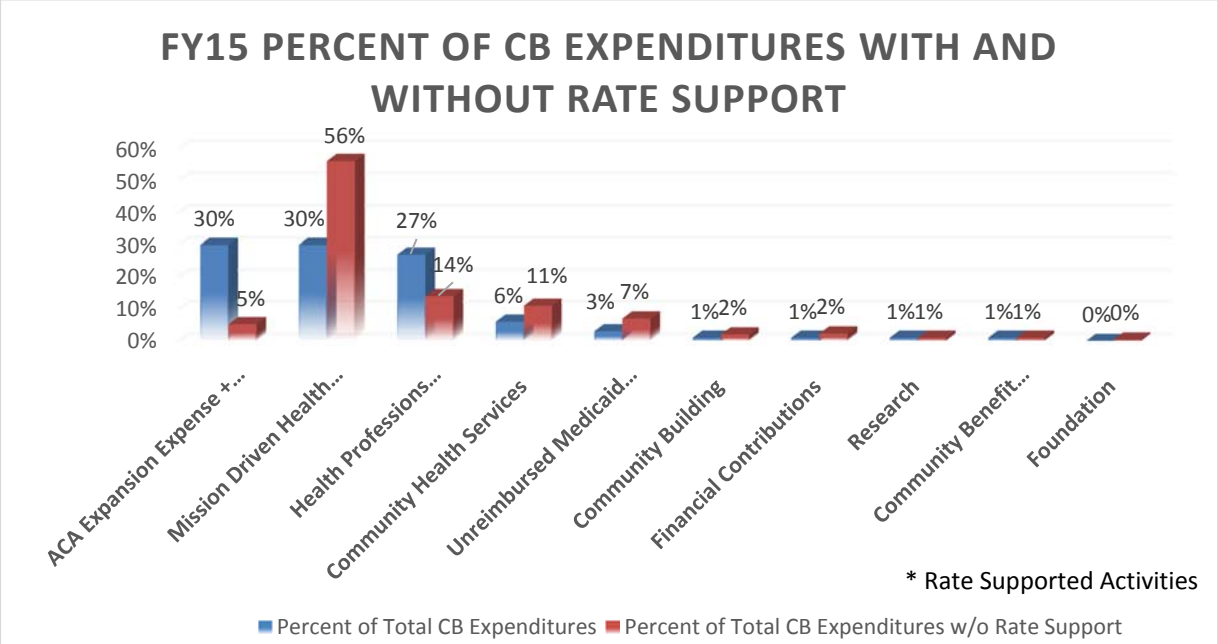
Table 3. Community Health Services Activities and Costs, FY 2015

Community Health Services	Number of Staff Hours	Number of Encounters	Net Community Benefit With Indirect Cost
Health Care Support Services	250,379	190,090	$ 40,713,064
Community Health Education	299,811	3,083,111	$ 25,461,832
Other	57,738	129,276	$ 8,197,656
Community-Based Clinical Services	280,714	358,387	$ 6,457,454
Free Clinics	42,497	33,112	$ 3,861,581
Screenings	40,749	53,970	$ 2,832,583
Self-Help (Wellness and Health Promotion Programs)	26,557	179,657	$ 1,566,072
Support Groups	15,206	26,288	$ 1,384,292
Mobile Units	30,081	11,658	$ 511,841
One-Time and Occasionally Held Clinics	3,649	17,427	$ 363,220
Total	**1,047,380**	**4,082,976**	**$ 91,349,595**

Rate offsetting significantly affects the distribution of expenses by category. Figure 2 shows expenditures in each community benefit category as a percentage of total expenditures. ACA

expansion expenses and charity care, mission-driven health services, and health profession education represent the majority of the expenses, at 30 percent, 30 percent, and 27 percent, respectively. Figure 2 also shows the percentage of expenditures by category without rate support, which changes the configuration significantly: Mission-driven health services becomes the category with the highest percentage of expenditures, at 56 percent. Health professions education follows, with 14 percent of expenditures, and community health services comprises 11 percent of expenditures.

Figure 2. Percentage of Community Benefit Expenditures by Category with and without Rate Support



Utilizing the data reported, Attachment II: FY 2015 Community Benefit Analysis compares hospitals on the total amount of community benefits reported, the amount of community benefits recovered through HSCRC-approved rate supports (i.e., charity care, direct medical education, and nurse support), and the number of staff and staff hours dedicated to community benefit operations. On average, in FY 2015, 1,803 staff hours were dedicated to community benefit operations, an increase of 19 percent from 1,514 staff hours in FY 2014. Seven hospitals reported zero staff hours dedicated to community benefit operations, the same number as in FY 2014. The HSCRC continues to encourage hospitals to incorporate community benefit operations into their overall strategic planning.

The total amount of community benefit expenditures as a percentage of total operating expenses ranged from 3.03 percent to 45.06 percent, with an average of 10 percent. This is a decrease from an average of 10.47 percent in FY 2014. Fifteen hospitals reported providing benefits in excess of 10 percent of their operating expenses, compared with 22 hospitals in FY 2014. In addition, 21 hospitals reported providing benefits between 7.5 percent and 10 percent of their operating expenses, compared with 17 hospitals in FY 2014.

FY 2015 Narrative Reporting Highlights

Maryland's 53 hospital community benefit narrative reports were reviewed by a consultant on behalf of the HSCRC. There are five main sections in the narrative portion of the CBR: the community the hospital serves, the hospital's community benefit administration, external community benefit collaborations, the community's health needs and how they were identified, and the hospital's community benefit initiatives.

For the first section, hospitals are required to provide a detailed description of the community they serve, including a list of Community Benefits Service Area (CBSA) zip codes, and a description of how the CBSA was determined. Thirty-six hospitals provided an adequate description of their CBSA that included a list of CBSA zip codes. Only 20 hospitals reported that their CBSA determinations were driven by need-related factors. Examples of need-related factors included the prevalence of poverty, infants with low birth weight, specific diseases or conditions, predominant areas of residence for charity care patients, and designation as a medically underserved area.

The second section of the narrative report focuses on community benefit administration; hospitals answer a series of yes/no questions and provide related narrative descriptions. As shown in Table 4, all hospitals completed the required checklists, with all but two hospitals indicating that community benefit planning was part of the hospitals' strategic plan.

Table 4. Community Benefit Administration Summary, FY 2015

Question	Checklist Response		Provided Adequate Narrative Description
	Response = Yes	Response = No	
Is community benefits planning part of your hospital's strategic plan?	51	2	41
Are hospital stakeholders involved in the hospital's community benefit process/structure to implement and deliver community benefit activities?	53	0	43
Is there an internal audit of the HSCRC Community Benefit Inventory Spreadsheet?	50	3	37
Is there an internal audit of the HSCRC Community Benefit Narrative?	44	9	37
Is there Board approval of the HSCRC Community Benefit Inventory Spreadsheet?	45	8	
Is there Board approval of the HSCRC Community Benefit Narrative Report?	41	12	

FY 2015 was the first year in which the HSCRC required narrative descriptions for the community benefit administration section. Although many hospitals provided an adequate narrative description for the required questions, a substantial number did not.

"Community Benefit External Collaboration" was added as a new narrative report section in FY 2015. The first question asks whether hospitals engage in external collaboration with one of the following entities: other hospital organizations, local health departments, local health improvement coalitions, schools, behavioral health organizations, faith-based community organizations, and social service organizations. Forty-nine hospitals responded that they collaborated with at least one of the listed entities. When asked whether they collaborated with meaningful core partners to conduct the CHNA, 41 hospitals provided complete entries, and eight hospitals responded incompletely, omitting one or more of the required fields. The final question in this section concerns the hospital's participation and leadership in the Local Health Improvement Coalition (LHIC) for jurisdictions in which the hospital targets community benefit dollars. Of the 49 hospitals that responded, 37 indicated that a hospital representative attended LHIC meetings, and 17 indicated that a hospital representative chaired a relevant LHIC. Of the 14 hospitals in Baltimore City, ten indicated that they had neither led nor participated in an LHIC, and three of these hospitals responded that there were no active LHICs in Baltimore City.

The fourth section of the report focuses on the CHNA and implementation strategy. All 53 hospitals indicated that they had conducted a federally compliant CHNA within the previous three FYs, and 52 of the hospitals indicated that they had adopted a federally compliant implementation strategy. Table 5 displays the number of hospitals that addressed the 18 CHNA and implementation strategy elements that were developed based on federal requirements. The breadth and depth of the CHNAs and implementation strategies varied significantly from hospital to hospital.

Table 5. CHNA and Implementation Strategy Element Summary, FY 2015

CHNA and Implementation Strategy Element	Number of Hospitals Addressing
Adequate description of data sources	46
Description of analytical methods	45
Description of information gaps	20
Identification of collaborating organizations	48
Identification of third parties who assisted in conducting the CHNA	22
Qualifications of third parties who assisted in conducting the CHNA	16
A description of how hospital obtained community input from representatives of the broad interests of community	51
If organizational input was taken into account, organizations identified	40
Name and title supplied for organization(s) providing input	32

CHNA and Implementation Strategy Element	Number of Hospitals Addressing
Specific identification of public health experts providing input	15
Identification of public health experts by name, title, and affiliation	13
Description of public health experts' areas of expertise	3
Identification of leaders and representatives of specific populations providing input	7
A prioritized description of all of the community health needs identified through the CHNA	36
Description of process and criteria used to prioritize identified health needs	32
Description of the existing health care facilities and other resources in the community available to meet the CHNA-identified community health needs	27
Implementation strategy describes how the hospital facility plans to meet CHNA-identified community health needs	46
Implementation strategy identifies CHNA-identified needs that it does not intend to address and explains why the hospital does not intend to address them	27

The last section focuses on community benefit initiatives. Hospitals are asked to provide a clear and concise description of the primary needs identified in the CHNA, the principal objective of each evidence-based initiative, how the results of initiatives will be measured, and whether the outcome measures are aligned with measures such as the State Health Improvement Process and all-payer model monitoring measures. Collectively, hospitals reported 310 community benefit programs and initiatives to address a wide variety of community needs. The "primary needs" that these hospitals intended to address included: access to care, behavioral health, substance abuse/addiction, obesity, diabetes, cancer, heart disease/hypertension/stroke, healthy lifestyle, and other chronic diseases. Needs associated with social determinants of health (e.g., housing, economic factors, access to healthy food, employment, advocacy, and education) were the object of several initiatives.

FY 2004 – FY 2015 TWELVE-YEAR SUMMARY

FY 2015 marks the twelfth year since the inception of the CBR. In FY 2004, community benefit expenses represented $586.5 million, or 6.9 percent of operating expenses. In FY 2015, these expenses represented $1.5 billion, or 10 percent of operating expenses. As Maryland hospitals have increasingly focused on implementation of cost- and quality-improvement strategies, an increasing percentage of operating expenses has been directed toward community benefit initiatives.

The reporting requirement for revenue offsets and rate support has changed since the inception of the CBR in FY 2004. For consistency purposes, the following figures illustrate community benefit expenses from FY 2008 through FY 2015. Figures 3A and 3B show the trend of

community benefit expenses with and without rate support. On average, approximately 50 percent of expenses have been reimbursed through the rate-setting system.

Figure 3A. FY 2008 – FY 2015 Community Benefit Expenses with and without Rate Support

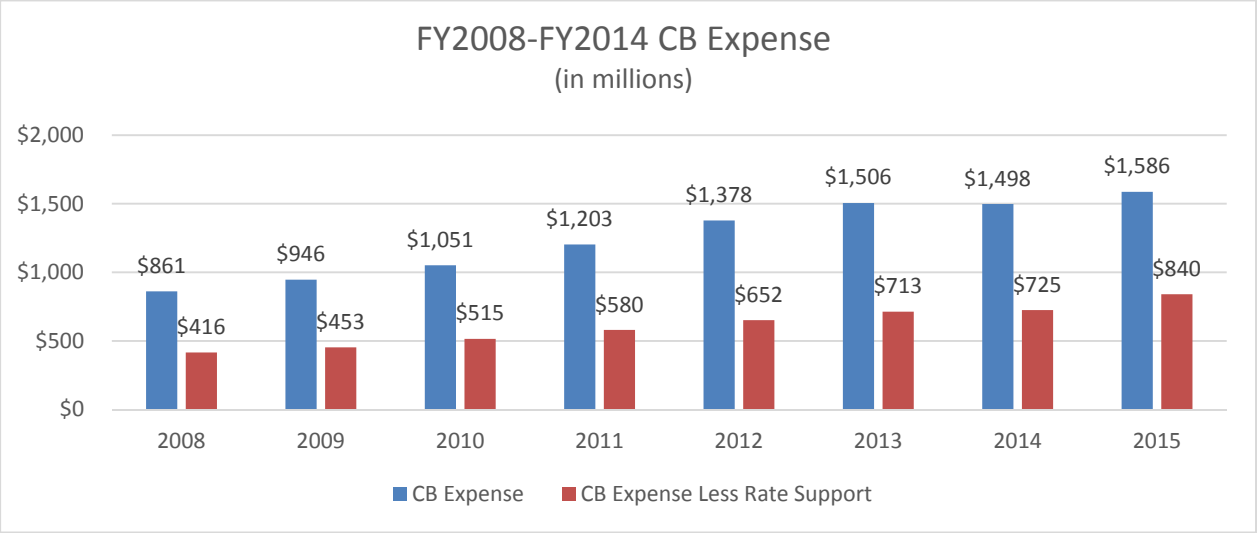
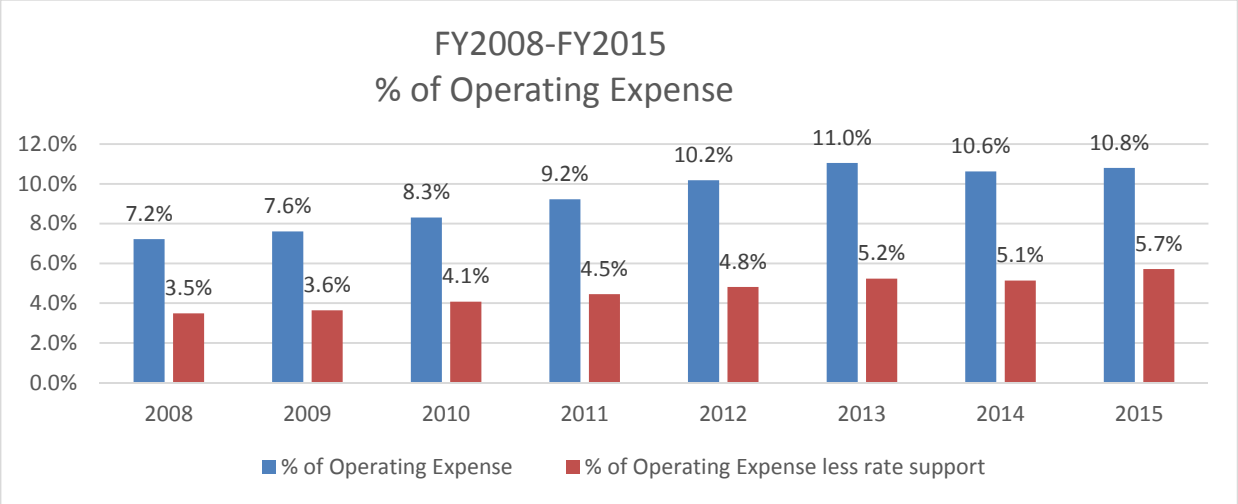


Figure 3B. FY 2008 – FY 2015 Community Benefit Expenses as a Percentage of Operating Expenses with and without Rate Support



CHANGES TO FY 2015 REPORTING REQUIREMENTS

The changes to Maryland's hospital narrative reporting requirements have resulted in more detailed narrative reports. For FY 2016, Section V. Hospital Community Benefit Program and Initiatives was updated to provide informational links to the CDC's website. Section VI. Physicians was updated to include a table to assist in the reporting of information related to physician subsidies. The HSCRC will continue to modify the community benefit reporting requirements to enhance consistency and improve evaluations.

Attachment I: Hospitals' FY 2015 Funding for Nurse Support Program I, Direct Medical Education, and Charity Care

Hospital Name	Nurse Support Program I (NSPI)	Direct Medical Education (DME)	Charity Care in Rates	Total Rate Support
Meritus Medical Center	$ 301,351	-	$ 5,020,441	$ 5,321,792
UMMC*	$ 1,430,282	$ 1,315,600	$ 57,147,372	$ 149,893,255
Dimensions Prince Georges Hospital Center	$ 249,193	$ 4,388,670	$ 24,439,746	$ 29,077,608
Holy Cross Hospital	$ 461,351	$ 2,658,000	$ 28,728,873	$ 31,848,224
Frederick Memorial	$ 337,094	-	$ 15,677,121	$ 16,014,215
UM Harford Memorial	$ 77,692	-	$ 3,182,027	$ 3,259,719
Mercy Medical Center	$ 470,760	$ 4,874,380	$ 15,019,122	$ 20,364,262
Johns Hopkins Hospital	$ 2,132,419	$ 110,114,790	$ 47,504,296	$ 159,751,505
UM Shore Medical Dorchester	$ 59,898	-	$ 1,266,421	$ 1,326,319
St. Agnes	$ 404,670	$ 6,863,970	$ 20,607,771	$ 27,876,411
LifeBridge Sinai	$ 684,517	$ 15,453,348	$ 4,699,062	$ 20,836,927
Bon Secours	$ 87,398	-	$ 5,832,640	$ 5,920,038
MedStar Franklin Square	$ 469,792	$ 8,467,280	$ 9,984,649	$ 18,921,721
Adventist Washington Adventist	$ 245,900	-	$ 18,531,753	$ 18,777,653
Garrett County Hospital	$ 42,302	-	$ 2,803,143	$ 2,845,445
MedStar Montgomery General	$ 166,869	-	$ 4,161,429	$ 4,328,299
Peninsula Regional	$ 412,642	-	$ 8,633,326	$ 9,045,967
Suburban Hospital	$ 280,579	$ 339,710	$ 5,164,263	$ 5,784,551
Anne Arundel Medical Center	$ 541,868	-	$ 3,814,644	$ 4,356,511
MedStar Union Memorial	$ 406,582	$ 11,093,490	$ 6,854,625	$ 18,354,697
Western Maryland Health System	$ 314,237	-	$ 10,430,905	$ 10,745,143
MedStar St. Mary's Hospital	$ 154,603	-	$ 2,105,531	$ 2,260,134
Johns Hopkins Bayview Medical Center	$ 596,807	$ 22,227,000	$ 17,582,500	$ 40,406,307
UM Shore Medical Chestertown	$ 62,792	-	$ 1,514,324	$ 1,577,116
Union Hospital of Cecil County	$ 153,373	-	$ 1,127,878	$ 1,281,251
Carroll Hospital Center	$ 249,075	-	$ 2,577,788	$ 2,826,863
MedStar Harbor Hospital	$ 201,141	$ 4,637,050	$ 4,375,595	$ 9,213,786
UM Charles Regional Medical Center	$ 137,004	-	$ 2,085,248	$ 2,222,252
UM Shore Medical Easton	$ 186,359	-	$ 3,758,169	$ 3,944,528
UM Midtown	$ 186,645	$ 4,028,360	$ 11,966,807	$ 16,181,812
Calvert Hospital	$ 138,863	-	$ 6,199,558	$ 6,338,421

Hospital Name	Nurse Support Program I (NSPI)	Direct Medical Education (DME)	Charity Care in Rates	Total Rate Support
Lifebridge Northwest Hospital	$ 248,253	-	$ 3,878,864	$ 4,127,117
UM Baltimore Washington	$ 376,813	$ 422,730	$ 10,775,825	$ 11,575,368
GBMC	$ 421,138	$ 4,976,560	$ 2,309,767	$ 7,707,465
McCready	$ 16,124	-	$ 218,521	$ 234,645
Howard County Hospital	$ 278,902	-	$ 4,378,119	$ 4,657,020
UM Upper Chesapeake	$ 190,046	-	$ 4,821,892	$ 5,011,938
Doctors Community	$ 216,855	-	$ 12,769,984	$ 12,986,838
Dimensions Laurel Regional Hospital	$ 121,542	-	$ 6,600,779	$ 6,722,321
Fort Washington Medical Center	$ 46,157	-	$ 1,281,924	$ 1,328,080
Atlantic General	$ 99,487	-	$ 3,941,120	$ 4,040,607
MedStar Southern Maryland	$ 289,967	-	$ 2,896,946	$ 3,186,913
UM St. Joseph	$ 337,662	-	$ 7,583,292	$ 7,920,954
Lifebridge Levindale	$ 53,610	-	$ 8,023,394	$ 8,077,004
Holy Cross Germantown Hospital	-	-	-	-
UM Rehabilitation and Ortho Institute	$ 83,135	$ 4,287,880	$ 99,264	$ 4,470,279
MedStar Good Samaritan	$ 295,737	$ 3,914,080	$ 873,884	$ 5,083,701
Adventist Rehab of Maryland	$ 50,000	-	-	$ 50,000
Adventist Behavioral Health at Eastern Shore	-	-	-	-
Sheppard Pratt	$ 137,929	$ 2,359,270	-	$ 2,497,199
Adventist Behavioral Health Rockville	-	$ 199,999	-	$ 199,999
Mt. Washington Pediatrics	$ 53,308	-	-	$ 53,308
Adventist Shady Grove Hospital	$ 375,190	-	$ 4,891,604	$ 5,266,794
Total	$ 15,335,909	$ 302,622,167	$ 428,142,205	$ 746,100,281

*Contains both UMMC and Shock Trauma

FY 2015 Analysis

Hospital	Hospital Name	Employees	Total Staff Hours CB Operations	Total Hospital Operating Expense	Total Community Benefit	FY 2015 Hospital Expense for Expanded Medicaid coverage due to ACA	Total Community Benefit W/Medicaid Expansion Expense	Total CB as % of Total Operating Expense	FY 2015 Amount in Rates for Charity Care, DME, and NSPI*	Total Net CB minus Charity Care, DME, NSPI in Rates + ACA Expansion Expense	Total Net CB(minus charity Care, DME, NSPI in Rates) as % of Operating Expense	CB Reported Charity Care
1	Meritus Medical Center	1984	826	298,834,515	21,327,823	877,147	22,204,969.56	7.14%	5,321,792	$16,883,178	5.65%	4,027,266
2	UMMC	8,244	1,002	1,362,492,000	207,723,792	16,635,897	224,359,689.14	15.25%	149,893,255	$74,466,435	5.47%	52,771,969
3	Dimensions Prince Georges Hospital Center	1,733	1,800	220,302,100	63,794,575	1,796,434	65,591,008.82	28.96%	29,077,608	$36,513,401	16.57%	15,079,327
4	Holy Cross Hospital	3,499	6,900	378,544,268	56,371,399	642,201	57,013,599.50	14.89%	31,848,224	$25,165,375	6.65%	29,924,630
5	Frederick Memorial	1740	0	323,272,000	27,152,850	2,320,849	29,473,698.84	8.40%	16,014,215	$13,459,484	4.16%	10,472,000
6	UM Harford Memorial	810	613	79,992,100	7,680,636	578,686	8,259,321.60	9.60%	3,259,719	$4,999,603	6.25%	3,080,091
8	Mercy Medical Center	3224	2,554	440,636,000	59,330,416	3,138,797	62,469,212.58	13.46%	20,364,262	$42,104,951	9.56%	17,927,395
9	Johns Hopkins Hospital	0	7,634	2,047,447,000	193,469,131	11,043,440	204,512,570.97	9.45%	159,751,505	$44,761,066	2.19%	30,276,000
10	UM Shore Medical Dorchester	649	375	38,814,754	4,850,285	993,488	5,843,772.53	12.50%	1,326,319	$4,517,453	11.64%	1,542,184
11	St. Agnes	2,734	0	415,945,815	34,708,326	8,971,993	43,680,318.72	8.34%	27,876,411	$15,803,907	3.80%	17,827,208
12	LifeBridge Sinai	4,713	7,643	690,482,000	50,421,644	2,384,635	52,806,279.30	7.30%	20,836,927	$31,969,352	4.63%	4,172,967
13	Bon Secours	725	0	111,386,997	9,648,218	(824,402)	8,823,816.50	8.66%	5,920,038	$2,903,778	2.61%	2,390,079
15	MedStar Franklin Square	3,426	2,714	486,989,680	29,884,752	5,209,403	35,094,155.00	6.14%	18,921,721	$16,172,434	3.32%	6,028,378
16	Adventist Washington Adventist*	1,354	4,256	213,524,356	36,176,232	3,074,905	39,251,137.48	16.94%	18,777,653	$20,473,484	9.59%	9,217,136
17	Garrett County Hospital	363	45	38,506,317	3,316,683	187,988	3,504,671.09	8.61%	2,845,445	$659,226	1.71%	2,561,792
18	MedStar Montgomery General	1,340	200	148,463,817	7,225,262	1,070,598	8,295,860.00	4.87%	4,328,299	$3,967,561	2.67%	3,172,151
19	Peninsula Regional	2,639	203	378,327,991	33,681,798	2,856,268	36,538,066.23	8.90%	9,045,967	$27,492,099	7.27%	6,622,800
22	Suburban Hospital	1,776	846	263,831,000	21,373,204	1,343,697	22,716,901.38	8.10%	5,784,551	$16,932,350	6.42%	4,093,000
23	Anne Arundel Medical Center	0	3,459	520,531,000	40,713,388	2,056,020	42,769,408.00	7.82%	4,356,511	$38,412,897	7.38%	2,703,700
24	MedStar Union Memorial	2,369	40	420,732,087	33,392,444	3,875,917	37,268,360.21	7.94%	18,354,697	$18,913,664	4.50%	4,022,477
27	Western Maryland Health System	1,826	245	290,767,947	36,954,026	1,439,182	38,393,208.22	12.71%	10,745,143	$27,648,065	9.51%	9,705,306
28	MedStar St. Mary's Hospital	1,200	8,720	139,396,080	9,866,196	1,071,770	10,937,965.50	7.08%	2,260,134	$8,677,831	6.23%	1,782,643
29	Johns Hopkins Bayview Medical Center	3,392	1,025	563,029,000	53,566,258	3,197,266	56,763,523.50	9.51%	40,406,307	$16,357,216	2.91%	16,531,000
30	UM Shore Medical Chestertown	330	742	49,362,348	8,186,910	671,315	8,858,224.19	16.59%	1,577,116	$7,281,108	14.75%	1,230,831
32	Union Hospital of Cecil County	1,082	2,189	150,962,001	7,690,587	1,893,165	9,583,752.00	5.09%	1,281,251	$8,302,501	5.50%	833,308
33	Carroll Hospital Center	2,179	2,100	219,182,979	15,118,006	1,962,553	17,080,558.91	6.90%	2,826,863	$14,253,696	6.50%	1,228,796
34	MedStar Harbor Hospital	1,185	198	191,580,981	19,108,297	2,059,139	21,167,436.00	9.97%	9,213,786	$11,953,650	6.24%	2,859,045
35	UM Charles Regional Medical Center	890	1,670	109,684,000	11,036,988	718,577	11,755,565.00	10.06%	2,222,252	$9,533,313	8.69%	1,464,645
37	UM Shore Medical Easton	1,353	960	169,250,126	15,738,036	1,851,904	17,589,940.04	9.30%	3,944,528	$13,645,412	8.06%	4,177,836
38	UM Midtown	1480	312	192,081,025	38,357,586	4,490,176	42,847,761.83	19.97%	16,181,812	$26,665,950	13.88%	13,771,000
39	Calvert Hospital	1,105	13	124,536,666	16,781,438	930,667	17,712,105.00	13.48%	6,338,421	$11,373,684	9.13%	3,943,515
40	Lifebridge Northwest Hospital	1,658	481	217,152,668	15,826,911	1,512,285	17,339,195.60	7.29%	4,127,117	$13,212,079	6.08%	3,226,996
43	UM Baltimore Washington	2,906	2,876	328,186,000	26,584,904	3,599,391	30,184,294.23	8.10%	11,575,368	$18,608,926	5.67%	8,041,930
44	GBMC	2,498	6,450	392,457,000	16,166,774	1,020,662	17,187,435.67	4.12%	7,707,465	$9,479,971	2.42%	1,674,433
45	McCready	0	26	14,814,155	502,427	146,796	649,222.52	3.39%	234,645	$414,578	2.80%	278,769
48	Howard County Hospital	1,754	1,712	237,010,000	18,479,755	832,540	19,312,294.74	7.80%	4,657,020	$14,655,275	6.18%	3,169,655
49	UM Upper Chesapeake	2,349	1,431	241,611,000	15,230,272	920,018	16,150,289.00	6.30%	5,011,938	$11,138,351	4.61%	4,942,659
51	Doctors Community	1,449	162	176,703,878	15,690,214	2,341,520	18,031,734.30	8.88%	12,986,838	$5,044,896	2.86%	10,947,888
55	Dimensions Laurel Regional Hospital	645	800	96,291,500	43,392,662	616,813	44,009,474.66	45.06%	6,722,321	$37,287,154	38.72%	4,726,000
60	Ft. Washington	433	0	40,859,307	1,839,676	151,986	1,991,661.77	4.50%	1,328,080	$663,581	1.62%	1,455,012
61	Atlantic General	850	62	108,255,887	12,102,750	821,326	12,924,075.22	11.18%	4,040,607	$8,883,468	8.21%	2,952,568
62	MedStar Southern Maryland	1,605	11,722	233,355,690	10,765,960	3,124,485	13,890,445.00	4.61%	3,186,913	$10,703,532	4.59%	2,514,686
63	UM St. Joseph	2,044	0	319,343,921	36,491,872	34,164	36,526,035.50	11.43%	7,920,954	$28,605,082	8.96%	8,002,483
64	Levindale	805	520	72,485,946	2,842,192	-	2,842,192.29	3.92%	8,077,004	-$5,234,811	-7.22%	930,520
65	Holy Cross Germantown	632	790	68,283,993	5,248,540	190,964	5,439,504.49	7.69%	-	$5,439,504	7.97%	2,108,744
2001	UM Rehabilitation and Ortho Institute	557	656	106,210,000	9,207,692	1,543,768	10,751,459.29	8.67%	4,470,279	$6,281,180	5.91%	877,000
2004	MedStar Good Samaritan	2,200	1,165	303,538,841	20,857,499	2,261,664	23,119,162.50	6.87%	5,083,701	$18,035,462	5.94%	3,151,845
3029	Adventist Rehab of Maryland*	485	332	35,485,321	3,968,899	-	3,968,899.08	11.18%	50,000	$3,918,899	11.04%	2,086,400
3478	Adventist Behavioral Health at Eastern Shore*	120	0	9,590,451	886,125	-	886,125.15	9.24%	-	$886,125	9.24%	32,069
4000	Sheppard Pratt	2,586	380	205,790,209	11,024,642	-	11,024,642.30	5.36%	2,497,199	$8,527,443	4.14%	4,858,679
4013	Adventist Behavioral Health Rockville*	373	0	34,810,449	2,732,333	-	2,732,332.81	7.85%	199,999	$2,532,334	7.27%	818,860
5034	Mt. Washington Pediatrics	660	1,381	54,688,892	1,654,434	-	1,654,433.92	3.03%	53,308	$1,601,125	2.93%	109,595
5050	Shady Grove*	2,001	5,323	317,638,545	31,158,934	1,499,088	32,658,022.47	9.81%	5,266,794	$27,391,229	8.62%	10,238,461
	All Hospitals	**79,526**	**95,550**	**$14,693,452,602**	**$1,477,302,656**	**$109,137,135**	**$1,586,439,790**	**10.05%**	**$746,100,281**	**$840,339,509**	**5.72%**	**$362,585,727**

Attachment III: FY 2015 Hospital Community Benefit Aggregate Data

Category Type	Type of CB Activity	Number of Staff Hours	Number of Encounters	Direct Cost ($)	Indirect Cost ($)	Offsetting Revenue	Net Community Benefit with Indirect Cost	Net Community Benefit without Indirect Cost
Unreimbursed Medicaid Costs								
T00	Medicaid Costs							
T99	Medicaid Assessments	**0**	**0**	**$ 389,824,999**	**-**	**$ 333,349,113**	**$ 56,475,886**	**$ 56,475,886**
Community Health Services								
A10	Community Health Education	299,811	3,083,111	17,861,587	9,702,297	2,102,052	25,461,832	$ 15,759,534
A11	Support Groups	15,206	26,288	866,833	522,526	5,067	1,384,292	$ 861,766
A12	Self-Help	26,557	179,657	1,223,931	670,425	328,283	1,566,072	$ 895,648
A20	Community-Based Clinical Services	280,714	358,387	11,501,293	2,295,129	7,338,968	6,457,454	$ 4,162,325
A21	Screenings	40,749	53,970	2,234,527	1,361,479	763,423	2,832,583	$ 1,471,104
A22	One-Time and Occasionally Held Clinics	3,649	17,427	289,353	127,527	53,660	363,220	$ 235,693
A23	Free Clinics	42,497	33,112	2,711,354	1,409,036	258,809	3,861,581	$ 2,452,545
A24	Mobile Units	30,081	11,658	1,206,778	456,189	1,151,127	511,841	$ 55,651
A30	Health Care Support Services	250,379	190,090	28,920,049	13,956,138	2,163,123	40,713,064	$ 26,756,926
A40	Other	49,854	94,811	3,724,737	1,535,295	79,044	5,180,987	$ 3,645,693
A41	Other	7,311	29,248	1,703,890	1,150,686	8,500	2,846,076	$ 1,695,390
A42	Other	572	5,217	96,655	73,938	0	170,593	$ 96,655
A99	**Total**	**1,047,380**	**4,082,976**	**$ 72,340,987**	**$ 33,260,664**	**$ 14,252,057**	**$ 91,349,595**	**$ 58,088,931**

Health Professions Education								
Category Type	**Type of CB Activity**	**Number of Staff Hours**	**Number of Encounters**	**Direct Cost ($)**	**Indirect Cost ($)**	**Offsetting Revenue**	**Net Community Benefit with Indirect Cost**	**Net Community Benefit without Indirect Cost**
B1	Physicians and Medical Students	5,841,483	38,141	305,398,583	74,350,468	300,000	379,449,051	$ 305,098,583
B2	Nurses and Nursing Students	475,296	55,322	21,788,796	5,414,958	0	27,203,753	$ 21,788,796
B3	Other Health Professionals	343,259	51,893	15,307,184	4,316,865	271,093	19,352,956	$ 15,036,091
B4	Scholarships and Funding for Professional Education	7,619	1,838	3,091,421	111,318	0	3,202,739	$ 3,091,421
B50	Other	108,952	22,739	4,938,981	1,170,116	32,760	6,076,337	$ 4,906,221
B51	Other	28,000	1,750	1,355,101	242,507	1,217,998	379,610	$ 137,103
B52	Other	5,440	1,689	213,036	43,320	71,469	184,887	$ 141,567
B99	**Total**	**6,810,049**	**173,372**	**$ 352,093,102**	**$ 85,649,551**	**$ 1,893,320**	**$ 435,849,332**	**$ 350,199,781**
Mission-Driven Health Services								
C	**Mission-Driven Health Services Total**	**2,519,324**	**781,989**	**510,333,561**	**126,292,812**	**168,056,521**	**468,569,852**	**$ 342,277,040**
	Research							
D1	Clinical Research	63,486	5,714	11,038,197	2,766,652	5,748,769	8,056,079	$ 5,289,427
D2	Community Health Research	5,425	157	864,584	292,521	0	1,157,104	$ 864,583
D3	Other	32,282	38	1,396,747	209,804	0	1,606,551	$ 1,396,747
D99	**Total**	**101,193**	**5,909**	**$ 13,299,527**	**$ 3,268,977**	**$ 5,748,769**	**$ 10,819,734**	**$ 7,550,758**
Financial Contributions								
E1	Cash Donations	**855**	**24,622**	**8,975,024**	**325,371**	**70,620**	**9,229,776**	**$ 8,904,404**
E2	Grants	64	32	429,233	97,380	287,557	239,056	$ 141,676
E3	In-Kind Donations	29,484	154,603	6,123,474	611,785	218,339	6,516,920	$ 5,905,135
E4	Cost of Fundraising for Community Programs	5,203	8,199	472,645	119,686	0	592,331	$ 472,645
E99	**Total**	**35,605**	**187,456**	**$ 16,000,376**	**$ 1,154,222**	**$ 576,516**	**$ 16,578,083**	**$ 15,423,860**

Community-Building Activities								
Category Type	**Type of CB Activity**	**Number of Staff Hours**	**Number of Encounters**	**Direct Cost ($)**	**Indirect Cost ($)**	**Offsetting Revenue**	**Net Community Benefit with Indirect Cost**	**Net Community Benefit without Indirect Cost**
F1	Physical Improvements and Housing	7,672	302,805	2,813,165	38,014	2,096,683	754,496	$ 716,482
F2	Economic Development	14,085	3,240	594,745	342,643	245,831	691,557	$ 348,914
F3	Support System Enhancements	74,381	26,664	4,296,668	2,195,311	775,646	5,716,334	$ 3,521,023
F4	Environmental Improvements	8,965	194	970,475	354,698	21,370	1,303,803	$ 949,105
F5	Leadership Development and Training for Community Members	8,187	2,001	295,550	182,934	0	478,484	$ 295,550
F6	Coalition Building	22,136	18,494	2,141,668	1,202,824	167,621	3,176,871	$ 1,974,047
F7	Community Health Improvement Advocacy	25,842	3,585	2,156,125	1,222,769	0	3,378,893	$ 2,156,125
F8	Workforce Enhancement	71,479	165,574	3,416,478	1,952,610	441,091	4,927,997	$ 2,975,387
F9	Other	8,580	31,380	365,510	195,017	23,090	537,436	$ 342,420
F10	Other	199	78	11,412	6,039	0	17,451	$ 11,412
	Total	**241,527**	**554,013**	**17,061,796**	**7,692,858**	**3,771,332**	**20,983,322**	**13,290,464**
Community Benefit Operations								
G1	Dedicated Staff	83,363	760	5,878,288	2,661,847	55,764	8,484,372	$ 5,822,524
G2	Community Health and Health Assets Assessments	4,057	1,612	418,431	188,620	15,048	592,003	$ 403,383
G3	Other Resources	8,130	603	1,233,222	584,816	21,498	1,796,540	$ 1,211,724
	Total	**95,550**	**2,974**	**7,529,942**	**3,435,283**	**92,310**	**10,872,915**	**$ 7,437,632**
Charity Care								
H	**Charity Care (report total only)**							**$ 362,585,727**
Foundation-Funded Community Benefits								
J1	Community Services	5,395	2,407	1,406,811	140,603	726,656	820,759	$ 680,155

Category Type	Type of CB Activity	Number of Staff Hours	Number of Encounters	Direct Cost ($)	Indirect Cost ($)	Offsetting Revenue	Net Community Benefit with Indirect Cost	Net Community Benefit without Indirect Cost
J2	Community-Building Activities	57,937	9,314	2,087,628	30,227	37,878	2,079,977	$ 2,049,750
J3	Other	0	0	317,474	0	0	317,474	$ 317,474
J99	**Total**	**63,332**	**11,721**	**$ 3,811,913**	**$ 170,830**	**$ 764,534**	**$ 3,218,210**	**$ 3,047,379**
Total Hospital Community Benefits								
T99	Medicaid Assessments	0	0	$ 389,824,999	-	$ 333,349,113	$ 56,475,886	$ 56,475,886
A	Community Health Services	1,047,380	4,082,976	$ 72,340,987	$ 33,260,664	$ 14,252,057	$ 91,349,595	$ 58,088,930
B	Health Professions Education	6,810,049	173,372	$ 352,093,102	$ 85,649,551	$ 1,893,320	$ 435,849,333	$ 350,199,782
C	Mission-Driven Health Services	2,519,324	781,989	$ 510,333,561	$ 126,292,812	$ 168,056,521	$ 468,569,852	$ 342,277,040
D	Research	101,193	5,909	$ 13,299,527	$ 3,268,977	$ 5,748,769	$ 10,819,734	$ 7,550,758
E	Financial Contributions	35,605	187,456	$ 16,000,376	$ 1,154,222	$ 576,516	$ 16,578,083	$ 15,423,860
F	Community-Building Activities	241,527	554,013	$ 17,061,796	$ 7,692,858	$ 3,771,332	$ 20,983,322	$ 13,290,464
G	Community Benefit Operations	95,550	2,974	$ 7,529,942	$ 3,435,283	$ 92,310	$ 10,872,915	$ 7,437,632
H	Charity Care	0	0	$ 362,585,727	-	-	$ 362,585,727	$ 362,585,727
J	Foundation-Funded Community Benefits	63,332	11,721	$ 3,811,913	$ 170,830	$ 764,534	$ 3,218,210	$ 3,047,379
K99	**Community Hospital Benefit Total**	**10,913,958**	**5,800,412**	**$ 1,744,881,930**	**$ 260,925,198**	**$ 528,504,472**	**$ 1,477,302,656**	**$ 1,216,377,458**
	Total Operating Expenses	**$14,693,452,602**						
	Percentage of Operating Expenses with Indirect Cost	**10.05%**						
	Percentage of Operating Expenses without Indirect Cost	**8.28%**						