BREAKING THE PROMISE OF PATIENT CARE

How Johns Hopkins Hospital Management Shortchanges Baltimore and Puts Patients and the Community at Risk

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National Nurses United

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Summary

» Johns Hopkins Hospital was originally intended as a hospital to treat the poor without charge. As the hospital's founder and namesake Johns Hopkins' obituary stated in 1873: "The second institution for the public benefit contemplated by Mr. Hopkins is a Free Hospital for the treatment of indigent sick without charge."

» Baltimore remains one of the poorest large cities in the United States with an estimated poverty rate of 23.1 percent for 2017. Despite a 9 percent uninsured rate in the city of Baltimore, just 0.6 percent of the patients Johns Hopkins Hospital served were uninsured in fiscal year 2017 (the year beginning July 1, 2016 and ending June 30, 2017).

» For fiscal year 2017, the total value of Johns Hopkins Hospital's not-for-profit tax exemptions was estimated to be $164,404,839. This is the total estimated subsidy provided to Johns Hopkins Hospital as a result of its not-for-profit status.

» While other states and locales have traditionally offered some measure of support for charity care, the state of Maryland may be unique in its provision of charity care dollars that make up the overwhelming bulk of charity care spending by not-for-profit hospitals in the state. Thanks to the state of Maryland's unique rate support system that provides it and other hospitals public funding, in fiscal year 2017 Johns Hopkins Hospital paid nothing in charity care from its own resources, and far less from its own resources in community benefits than is commonly believed.

» In fiscal year 2017, Johns Hopkins Hospital received $24,954,381 in charity care rate support from the state of Maryland, and spent just $21,697,000 on charity care, leaving it with a surplus of $3,257,381. Nor did Johns Hopkins Hospital pay more for charity care than it received in rate support in the three prior fiscal years. When combined for the fiscal years 2013 through 2017, Johns Hopkins Hospital received $33,091,494 more in rate support than it paid for the charity care it reported.

» The total loss to the public for fiscal year 2017 with respect to charity care, or the charity care provided from Johns Hopkins Hospital's own resources minus the total value of the tax exemptions, is estimated to be $167,662,220.

» In addition to rate support for charity care, Johns Hopkins Hospital received $115,867,630 in rate support for medical education in fiscal year 2017, and over $100 million in each of the three prior years. An additional $2,209,689 was provided in rate support for nurse support programs in fiscal year 2017, and similar amounts were provided in prior years.

» Johns Hopkins Hospital rarely misses a chance to celebrate the supposedly generous community benefits it provides to Baltimore. Johns Hopkins Hospital reported spending $206,666,870 in community benefits for fiscal year 2017. However, $143,031,879 of this total was provided in rate support (i.e. public funding) by the state of Maryland for direct medical education, nursing support, and charity care.

» For fiscal year 2017, the total loss to the public with respect to community benefits, or the community benefits provided from Johns Hopkins Hospital's own resources minus the total value of the tax exemptions, is estimated to be $100,769,848.

» For the combined fiscal years 2014 through 2017, Johns Hopkins Hospital reported spending $783,880,878 on community benefits. $585,674,925 of this total (74.7 percent) was provided in rate support by the state of Maryland for direct medical education, nursing support, and charity care.

» The American Hospital Association (AHA) claimed in an October 2017 report it commissioned based on 2013 data that not-for-profit hospitals combined provide community benefits that are 11 times greater than the value of foregone federal tax revenues. In fiscal year 2017 federal tax revenues foregone for Johns Hopkins hospital were estimated to be $49,594,954. If Johns Hopkins Hospital were to match this 11:1, rate it would have need to have provided approximately $545,544,494 of its own money in fiscal year 2017 in community benefits.

» The intention of this study is not to suggest that Johns Hopkins Hospital should lose its various tax exemptions and become a for-profit corporation. Instead, Johns Hopkins Hospital needs to put more of its own money where its mouth so often is, and provide substantially more charity care and targeted community benefits that bring actual improvements to the lives of the citizens of Baltimore, in keeping with its founder's original vision. The city of Baltimore and its residents deserve, and should demand, better.

"The second institution for the public benefit contemplated by Mr. Hopkins is a Free Hospital for the treatment of indigent sick without charge."

Introduction

Johns Hopkins Hospital is currently ranked the third-best hospital in the United States according to *U.S. News & World Report*.[1] It ranked first place for 22 of the 29 years that the survey has been conducted. Yet as the residents of Baltimore are all too keenly aware, this titan of medical prowess and prestige is located in and adjacent to some of the most impoverished urban neighborhoods in America. Baltimore as a whole is one of the poorest large cities in the United States with an estimated poverty rate of 23.1 percent for 2017. Despite this rampant poverty and a 9 percent uninsured rate in the city of Baltimore, just 0.6 percent of Johns Hopkins Hospital patients were uninsured in fiscal year (FY) 2017.[2] Of 47,703 inpatient admissions in FY 2017, just 284 patients were uninsured.[3] Johns Hopkins Hospital would have needed to see 4,266 uninsured patients in FY 2017 for its uninsured admissions to match the current uninsured rate of the city of Baltimore, something it fell far short of despite its location in East Baltimore.

Johns Hopkins Hospital is a not-for-profit hospital, a designation that provides them with exemptions from a large number of federal, state, and local taxes. In exchange for these tax exemptions, surplus revenues from the not-for-profit hospital are supposed to benefit the community in which it is located. And while Johns Hopkins Hospital, Johns Hopkins Health System, and Johns Hopkins University may not have precipitated the many socioeconomic crises that grip Baltimore, as an archipelago of wealth and privilege in a sea of deprivation, they bear a responsibility to use their substantial resources to alleviate suffering.

The Old Town/Middle East neighborhood where Johns Hopkins Hospital is located has an infant mortality rate of 12.6 per 1,000 live births, 217 percent higher than the infant mortality rate for the United States as a whole (5.8 per 1,000 live births).[4] The neighborhood's infant mortality rate is roughly equal to the rate for Malaysia, which is ranked 115 of 225 countries.[5] Both China and Mexico have lower infant mortality rates than the Old Town/Middle East neighborhood.[6] Life expectancy in the Old Town/Middle East neighborhood is just 70.4 years, 9.6 years lower than the 80 years of the United States as a whole, and equal to the life expectancy in Turkmenistan, ranked 159 out of 224 countries.[7] North Korea, Guatemala, and Honduras have higher life expectancies than this area of Baltimore.[8]

The Clifton-Berea neighborhood that lies about a mile northeast of Johns Hopkins Hospital has an infant mortality rate of 14.8 per 1,000 live births, 255 percent of the infant mortality rate for the United States.[9] Countries such as Jordan and Colombia have lower infant mortality rates.[10] Clifton-Berea's life expectancy is just 66.9 years, a shocking 13.1 years lower than the United States as a whole, and equal to Tuvalu (ranked 173 of 224 countries).[11] Ghana, Papua New Guinea, and India have higher life expectancies.[12] *See Appendix B. Neighborhood Health Indicators: Neighborhoods Adjacent to and Near Johns Hopkins Hospital for additional data.*

"As an archipelago of wealth and privilege in a sea of deprivation, the[se institutions] bear a responsibility to use their substantial resources to alleviate suffering."

Sadly, Johns Hopkins Hospital has strayed far from its namesake's original intent. Johns Hopkins' obituary noted on Dec. 24, 1873 that "the second institution for the public benefit contemplated by Mr. Hopkins is a Free Hospital for the treatment of indigent sick without charge."[13] Hopkins urged the trustees to open its doors to minorities at a time when other hospitals did not, and the second patient admitted was black.[14] Black and white patients shared common wards when the hospital opened in 1889, but decades of segregated wards followed.[15] Historian Paul Starr may as well have been referring directly to Johns Hopkins Hospital when he wrote:

> "Few Institutions have undergone as radical metamorphosis as the hospitals…In developing from places of dreaded impurity and exiled human wreckage into awesome citadels of science and bureaucratic order, they acquired a new moral identity, as well as new purposes and patients of higher status. The hospital is perhaps distinctive among social institutions in having first been built primarily for the poor and only later entered in significant numbers and entirely different state of mind by the more respectable classes."[16]

This report, which looks specifically at Johns Hopkins Hospital, asks whether Johns Hopkins Hospital is doing enough for Baltimore and its citizens, and the state of Maryland more broadly, when compared to the rich array of tax exemptions Johns Hopkins Hospital receives as a not-for-profit organization. As of 2012, 30 percent of Baltimore's assessed value was for properties owned by governments, not-for-profits such as Johns Hopkins Hospital and Johns Hopkins University, and assorted tax- exempt organizations.[17] Property tax exemptions in particular starve Baltimore of badly needed revenue for programs such as asthma prevention that could help improve living conditions in the city.

To what extent does Johns Hopkins Hospital deserve the rich array of tax exemptions it receives year in and year out?

Does it truly live up to the image it seeks to promote about itself?

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Total Value of Johns Hopkins Hospital Tax Exemptions for Fiscal Year 2017

For fiscal year (FY) 2017, the total value of Johns Hopkins Hospital's tax exemptions was estimated to be $164,404,839. This is the total estimated subsidy provided to Johns Hopkins Hospital as a result of its not-for-profit status. Certain exemptions benefit Johns Hopkins Hospital directly, including federal and state income tax exemptions, and property and sales tax exemptions, which made up $145,900,377 or 88.7 percent of the total value of the exemptions. Hopkins was also exempted from federal unemployment tax, worth an estimated $527,898, and receives an estimated $969,454 in annual benefit from its ability to issue tax-advantaged bonds, from which interest earnings to bondholders are tax exempt. Other exemptions benefit Johns Hopkins indirectly, such as federal and state income taxes deducted for charitable contributions on donor tax returns. Together in 2017, these charitable contribution categories totaled an estimated $17,007,110.

TOTAL VALUE OF JOHNS HOPKINS HOSPITAL TAX EXEMPTIONS FOR FISCAL YEAR 2017

TAX EXEMPTIONS SUBSIDIZING JOHNS HOPKINS HOSPITAL	DOLLARS ($)
Federal Income Tax Exemption	$34,544,887
State Income Tax Exemption	$9,780,210
Property Tax Exemption	$29,989,540
Business Personal Property Tax Exemption	$29,846,563
Sales Tax Exemption	$41,739,177
Bond Tax Exemption	$969,454
Federal Income Taxes for Charitable Contributions	$13,552,715
State Income Taxes for Charitable Contributions	$3,454,395
Federal Unemployment Tax Exemption	$527,898
TOTAL TAX EXEMPTION	**$164,404,839**

FIGURE 1. See Appendix A. Data Sources and Methodology for a detailed methodology.

> ***"Don't try to tell me that's charity. They price like a business. They make acquisitions like businesses. They are businesses."***
>
> *— John D. Colombo, Tax Law Professor, University of Illinois Urbana-Champaign*

Tax Exemption and Not-for-Profit Status

Not-for-profit hospitals must meet certain criteria for tax exemption at both the federal and state levels. Not-for-profit hospitals may not distribute their surplus revenues for the benefit of individuals (i.e., owners or shareholders). Ironically, not-for-profit hospitals whose CEOs and other top executives have multimillion dollar compensation packages are often quickest to raise this point when their levels of charity care and community benefit spending are questioned. For example, part of Johns Hopkins' response to a critical 2008 five-part *Baltimore Sun* exposé on not-for-profit hospitals' debt collection practices in Maryland stated:

> "The Johns Hopkins Hospital does not have shareholders or corporate executives who benefit financially from the operating margin. The only benefit goes to our stakeholders: the patients and community we serve."[18]

Hospitals like Johns Hopkins make such statements as if merely invoking their identity on paper as a not-for-profit hospital were enough to dismiss any and all criticism.

In theory, surplus revenues are supposed to benefit the community in which a not-for-profit hospital is located. In exchange, governments exempt not-for-profit hospitals from paying certain taxes imposed on for-profit enterprises: federal and state income taxes on profits, property taxes, and almost all state and local sales taxes. In addition, not-for-profit hospitals may seek financing through tax-exempt bonds and receive tax-deductible charitable contributions. But as tax law professor John D. Colombo of the University of Illinois Urbana-Champaign has pointed out, not-for-hospitals do not resemble other types of charities because the primary purpose of not-for-profit hospitals is to deliver health care in exchange for payment:

> "Don't try to tell me that's charity. They price like a business. They make acquisitions like businesses. They are businesses."[19]

Colombo also notes that many not-for-profit hospitals behave less like charities than private for-profit companies like Microsoft that "also give some stuff away for free."[20]

EXECUTIVE COMPENSATION AT JOHNS HOPKINS HOSPITAL[21]

NAME	POSITION	TOTAL COMPENSATION
Kevin Sowers	Current President	Data Not Yet Available
Ronald R. Peterson	Past President *	$2,765,436
Daniel B. Smith	Vice-President Finance & Chief Financial Officer	$996,677
Charles Reuland	Executive Vice-President, Chief Operating Officer **	$614,892
Daniel Shealer Jr.	Vice-President & General Counsel	$1,020,446
Sally W. Macconnell	Vice-President, Facilities	$979,408
Deborah Baker	Vice-President, Nursing & Patient Care	$531,139

FIGURE 2.

* *Now retired, president emeritus and special advisor to the dean/CEO Johns Hopkins Medicine.*

** *Reuland started his position in October 2016. Total compensation reflects approximately nine months in that role for fiscal year ending June 30, 2017.*

In reality, some not-for-profit hospitals are among the most profitable in the country. Johns Hopkins Hospital was among the hospitals highlighted in a July 2017 *Politico* article "How Hospitals Got Richer off Obamacare."[22] The article noted that after reviewing community benefit activities of top hospitals that "the organizations counted activities like sponsoring races and hosting lectures toward their community benefit spending… [and that m]any of the dollars that hospitals report as 'community benefit' are more accurately an accounting trick — the shortfall that hospitals incur when Medicare or Medicaid reimburses the hospital at less than the organization's price."[23] As will be discussed in more detail below, Maryland public payers such as Medicare and Medicaid pay rates or fees for hospital services that are just 6 percent below the uniform rates Maryland hospitals receive from private health insurance companies.[24] This means that Johns Hopkins and other Maryland not-for-profit hospitals do not face the same shortfalls for Medicare and Medicaid that hospitals report in other parts of the country. The *Politico* article also noted a 2016 study coauthored by Gerard Anderson, a Johns Hopkins health care economist, who found that seven of the 10 most profitable hospitals in the country are tax-exempt, not-for-profit hospitals.[25]

Anderson was quoted by *Politico* as saying at the time of the 2016 study that "the taxing system may not be working properly if nonprofit hospitals are making a lot of profit and not necessarily putting it back into the community."

While Hopkins was not among the top 10 most profitable identified by Anderson and his coauthor, it has been consistently profitable with strong positive operating income (operating revenue less operating expenses) in each of the last five years, totaling $386.9 million.[26]

Johns Hopkins Hospital has also had strong profits overall when non-operating income is included, except in 2016 when investment losses overwhelmed operating income and in 2015 when investment losses cut into them substantially.[27]

Poor investment decisions and risky interest rate swap agreements entered into by hospital management, and not operations, have negatively impacted Johns Hopkins Health System and Johns Hopkins Hospital, especially in FY 2016 and to a lesser extent in FY 2015.[28]

JOHNS HOPKINS HOSPITAL	TOTAL » 5 YEARS	2017	2016	2015	2014	2013
Operating Income	$386,857,000	$81,181,000	$80,891,000	$68,469,000	$86,097,000	$70,219,000

FIGURE 3. Source: Johns Hopkins Health System Audited Financial Statements FY 2013 – FY 2017.

JOHNS HOPKINS HOSPITAL	TOTAL » 5 YEARS	2017	2016	2015	2014	2013
Profit	$350,024,000	$118,548,000	-$32,982,000	$11,212,000	$108,352,000	$144,894,000

FIGURE 4. Source: Johns Hopkins Health System Audited Financial Statements FY 2013 – FY 2017.

"The taxing system may not be working properly if nonprofit hospitals are making a lot of profit and not necessarily putting it back into the community."

— Gerard Anderson, a Johns Hopkins health care economist

History of Not-for-Profit Tax-Exempt Status for Hospitals

Founded principally by religious and charitable organizations to tend to the poor and sick, the earliest hospitals operated on the principle of obligation to and service for the community. As noted previously, Johns Hopkins Hospital itself was originally intended as a hospital to treat the poor without charge. However, as hospitals evolved, they became places where medical care was provided, while becoming intertwined with the larger market economy. The business aspect of hospitals became dominant as the purpose of the hospital switched from a charitable organization serving the community to a business gaining profits through procedures for paying customers. Unfortunately, this change meant that hospitals largely abandoned their original purpose of providing care for the indigent sick or, in today's terms, the uninsured and underinsured.

The evolution of the Internal Revenue Service's (IRS) rules and regulation of not-for-profit hospitals has fueled this change. Many examinations of tax exemption for not-for-profit hospitals fail to include the history of regulation prior to 1969. Before 1969, the federal government did in practice require not-for-profit hospitals to provide charity care in order to qualify as a not-for-profit and reap the tax breaks and other benefits provided by their not-for-profit status. By providing charity care, not-for-profit hospitals remained consistent with the "long-held stance of the IRS (and centuries of legal precedent in the charitable trust arena) that the "relief of the poor" constituted a charitable purpose."[29] Though the tax codes provides no specific exceptions for hospitals under 501(c)3, not-for-profit hospitals have been recognized as tax exempt at least since 1928. In 1954 the IRS issued rule, Rev. Rul. 56-185, 1956-1 C.B. 202 that codified "relief of the poor" as a charitable purpose. Rev. Rul. 56-185 established an important requirement addressing hospitals' charitable obligations: "It must be operated to the extent of its financial ability for those not able to pay for the services rendered and not exclusively for those who are able and expected to pay."[30] Though an official threshold was never established, a hospital lacking a substantial charity care program would face "auditing agents [who would] almost always recommended denial or revocation of exempt status."[31] Auditors did, in fact, deny or revoke the nonprofit status of hospitals if their charity care amounted to less than 5 percent of gross revenues.[32]

However, this clear obligation to provide charity care was turned upside down in 1969. Following the passage of Medicare and Medicaid in 1965, hospitals argued that the need for charity care would decline so that hospitals could not meet the IRS standard and that they should therefore be awarded more flexibility. The IRS responded with a new rule, Rev. Rul. 69-545, 1969-2 C.B. 117, altering the hospital exemption so that hospitals would no longer be required to provide charity care to qualify for their exemption: "Revenue Ruling 56-185 is hereby modified to remove…the requirements relating to caring for patients without charge or at rates below cost."[33] Second, this rule established the "community benefit standard," which states that:

> "The promotion of health, like the relief of poverty and the advancement of education and religion, is one of the purposes in the general law of charity that is deemed beneficial to the community as a whole even though the class of beneficiaries eligible to receive a direct benefit from its activities does not include all members of the community, such as indigent members of the community, provided that the class is not so small that its relief is not of benefit to the community."[34]

In so ruling, the "promotion of health," (i.e. providing medical care) itself became a charitable act. The charity is in providing health services even for a fee, thus exempting the need to provide those services to those who cannot afford the fee. Yet while there is no specific federal regulatory obligation to provide charity care, it remains generally understood by the public at large as a core component of the larger category of community benefits.

Charity Care at Johns Hopkins Hospital Under Maryland's All-Payer System

Maryland's newest all-payer model, introduced in 2014, builds on the state's all-payer hospital rate-setting system, which has operated since the 1970s. Under Maryland's all-payer system, an independent state agency, the Health Services Cost Review Commission (HSCRC), sets the rate reimbursement structure for hospital services. As noted above, in Maryland, public payers such as Medicare and Medicaid pay rates or fees for hospital services that are 6 percent below the uniform rates Maryland hospitals receive from private health insurance companies.[35]

In 2014, Maryland modified its all-payer model for hospitals, shifting the state's hospital payment structure to what is now referred to as an all-payer, annual, global hospital budget that includes inpatient and outpatient hospital services. In advance of the fiscal year, a global budget cap is set for each hospital. This global budget cap provides a hospital with the targeted revenue or close to it, even if they reduce inpatient and outpatient treatment. The goal of the 2014 change was to incentivize hospitals to reduce admissions, rewarding them instead of penalizing them if they succeeded in reducing admissions because they get to keep the difference in revenue.

Maryland hospitals receive rate support (i.e. public funding) from the state of Maryland for direct medical education, nursing support programs, and charity care. This support is included in the rates that public and private payers pay the hospitals for medical services.[36] While other states and locales have traditionally offered some measure of public funding for charity and indigent care, the state of Maryland may be unique in its provision of charity care dollars that make up the overwhelming bulk of charity care spending by not-for-profit hospitals in the state. Charity care rate support in Maryland is provided based on a formula that averages past years' Charity care and bad debt spending, referred to in Maryland regulation as uncompensated care:

> "'Uncompensated care' for purposes of setting a hospital's rates, is defined in regulations as "care provided for which compensation is not received (that is, any combination of bad debts and charity care)."[37]

Such a formula, which is intended not only to subsidize charity care, but bad debt as well, is extraordinarily generous to institutions like Johns Hopkins Hospital, helping it not only to directly offset all of its charity care costs in recent years, but a significant portion of its bad debt costs as well.

Thanks to rate support for charity care, not-for-profit hospitals in Maryland are believed to face no disincentive in providing charity care.[38] Yet the charity care Johns Hopkins pays out is declining year after year *(see figure 7 on page 13)*, despite its location in impoverished East Baltimore and the high rate of uninsured residents in the city.[39]

One is hard pressed to find any mention of rate support in Johns Hopkins' own publications, which trumpet the full amount of charity care and community benefits they provide, while failing to disclose the rate support that the state of Maryland doles out to cover the entire cost of charity care and then some, as well as a majority of the community benefit spending, of which charity care is a subcategory *(see endnote for examples)*.[40] Nor does Johns Hopkins Hospital's IRS Form 990 for Tax-Exempt Organizations for fiscal year 2017 acknowledge the direct offsetting revenue this rate support provides for charity care and direct medical education.[41] (*See Figure 5)*

JOHNS HOPKINS HOSPITAL IRS FORM 990, SCHEDULE H — HOSPITALS FOR FISCAL YEAR 2017

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1) ← Charity Care			28,348,906	0	28,348,906	1 230 %
b Medicaid (from Worksheet 3, column a)						
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d **Total** Financial Assistance and Means-Tested Government Programs			28,348,906		28,348,906	1 230 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			45,723,999	2,502,186	43,221,813	1 870 %
f Health professions education (from Worksheet 5) ← Direct Medical Education			127,327,193	0	127,327,193	5 520 %
g Subsidized health services (from Worksheet 6)			0	0		
h Research (from Worksheet 7)			891,219	0	891,219	0 040 %
i Cash and in-kind contributions for community benefit (from Worksheet 8)			1,713,141	64,398	1,648,743	0 070 %
j **Total.** Other Benefits			175,655,552	2,566,584	173,088,968	7 500 %
k **Total.** Add lines 7d and 7j			204,004,458	2,566,584	201,437,874	8 730 %

FIGURE 5.

Curiously, Johns Hopkins claimed it spent $28,348,906 in charity care in FY 2017 on its IRS Form 990, with no off-setting revenue reported. But according to the state of Maryland's records, Hopkins received $24,954,381 million in rate support for charity care while spending $21,697,000.[42]

This lack of transparency on the part of Johns Hopkins Hospital suggests an organized effort to mislead the public about the hospital's actual record. In order to truly be transparent and accountable to the community, Johns Hopkins Hospital can and should do better. Such apparent duplicity demands further scrutiny by policymakers and the citizens of Baltimore.

As a result of charity care rate support provided by Maryland's all-payer system, Johns Hopkins Hospital paid nothing for charity care in FY 2017 from its own resources. The hospital received $24,954,381 in charity care rate support from the state of Maryland, and spent just $21,697,000 on charity care, leaving it with a surplus of $3,257,381 in FY 2017.

The following table (*figure 6*) quantifies the total loss to the public with respect to charity care. It totals the charity care provided from Johns Hopkins Hospital's own financial resources in FY 2017 (negative $3,257,381), and subtracts the estimated total value of tax exemptions that Johns Hopkins Hospital benefited from in FY 2017 ($164,404,839). For FY 2017, the total loss to the public with respect to charity care, or the charity care provided from Johns Hopkins Hospital's own resources minus the total value of the tax exemptions, is estimated to be $167,622,220.

TOTAL LOSS TO PUBLIC: CHARITY CARE PROVIDED COMPARED TO TOTAL VALUE OF TAX EXEMPTIONS

FISCAL YEAR 2017	
A » Total Charity Care Provided *	-$3,257,381
Federal Income Tax Exemption	$34,544,887
State Income Tax Exemption	$9,780,210
Property Tax Exemption	$29,989,540
Business Personal Property Tax Exemption	$29,846,563
Sales Tax Exemption	$41,739,177
Bond Tax Exemption	$969,454
Federal Income Taxes for Charitable Contributions	$13,552,715
State Income Taxes for Charitable Contributions	$3,454,395
Federal Unemployment Tax Exemption	$527,898
B » Total Tax Exemptions	$164,404,839
C » (A – B = C) Total Loss to Public: Charity Care Provided Minus Total Tax Exemption	-$167,662,220

*FIGURE 6. *For FY 2017, Johns Hopkins Hospital received more than it paid out in charity care. In the table, the $3,257,381 surplus, is represented as a negative $3,257,281 cost to the public.*

Furthermore, Johns Hopkins Hospital did not pay more for charity care than it received in rate support in the three prior fiscal years. When combined for years FY 2013 through FY 2017, Johns Hopkins Hospital received $33,091,494 more in rate support than it paid for the charity care it reported.

JOHNS HOPKINS HOSPITAL — CHARITY CARE PROVIDED VERSUS CHARITY CARE RATE SUPPORT — 2014–2017[43]

FISCAL YEAR	CHARITY CARE PROVIDED	CHARITY CARE RATE SUPPORT	RATE SUPPORT IN EXCESS OF CHARITY CARE PROVIDED	RANK AMONG MARYLAND HOSPITALS — CHARITY CARE PROVIDED RELATIVE TO RATE SUPPORT RECEIVED
2017	$21,697,000	$24,954,381	$3,257,381	49 of 52
2016	$22,047,000	$32,624,031	$10,577,031	51 of 52
2015	$30,276,000	$47,504,296	$17,228,296	53 of 53
2014	$32,721,000	$34,749,786	$2,028,786	49 of 52
TOTALS	**$106,741,000**	**$139,832,494**	**$33,091,494**	

FIGURE 7. Note: "Rank" is calculated from available data. The number-one ranked hospital provided the most charity care relative to, and in excess of the amount of rate support received, and the lowest-ranked hospital provided the least charity care relative to rate supported received, with the lowest-ranked hospital receiving more in rate support than was provided in charity care. Charity care rate support is based on a calculation of uncompensated care that combines charity care provided with bad debt reported. Johns Hopkins Hospital's low ranking reflects low and declining charity care provided and high amounts of bad debt reported when compared to other Maryland hospitals. Fiscal year is the year beginning July 1 and ending June 30.

See "Appendix 3. Rate Support in Deficit/Excess of Charity Care Provided Fiscal Year 2014-2017" for a detailed ranked comparison of Maryland Hospitals.

While it is not widely known, the issue of a charity care surplus from rate support was previously raised in an extensive and disturbing 2008 investigation by *Baltimore Sun* reporters Fred Schulte and James Drew, in the context of Johns Hopkins and other not-for-profit hospitals pursuing patients for repayment of medical debt.[44] As the *Sun* pointed out at the time, it was troubling that Hopkins and other hospitals were suing tens of thousands of patients at the same time as they were receiving millions of dollars in rate-supported payments from the state of Maryland:

> "Three decades ago, Maryland officials devised a novel system — now the only one of its kind — in which a state agency sets hospital rates for all patients. It was designed in part to guarantee hospital care whether patients could afford it or not. Hospitals received $921 million last year to cover costs of providing free and unpaid care, according to the most recent state records, and all hospital patients in Maryland contribute through the rates they pay. But an eight-month investigation by the *Sun* found that over the past five years some of Maryland's 46 nonprofit hospitals have received millions of surplus dollars from the payment system even as they sued tens of thousands of patients over unpaid bills. Many of these suits have been filed against patients in the poorest areas of the state."[45]

It does not appear that, in the intervening years since the investigation, much has changed. Lawsuits filed against patients by Johns Hopkins Hospital continue at a time when 29 percent of residents of Baltimore are estimated to have medical debt in collection, with a median medical debt of $513.[46] Rather than sue patients and families who cannot afford to pay, Johns Hopkins Hospital can and should raise its income level threshold for the uninsured and underinsured to qualify for charity care.

In 2008, then-CEO of Johns Hopkins Hospital and Health System Ronald R. Peterson objected to the *Baltimore Sun* series, stating that the system "spends millions each year on staff and services to assist patients with their financial needs," and that in FY 2007 Johns Hopkins Hospital spent "$2.5 million of its own money to help patients obtain more than $80 million in medical benefits."[47] In other words, Johns Hopkins Hospital appears to have charitably spent a small amount of what it terms "its own money" to receive a much larger amount of money. If this is charity, it is charity as practiced by Ebenezer Scrooge, and is far removed from the original intentions of the hospital's founder.

"If this is charity, it is charity as practiced by Ebenezer Scrooge, and is far removed from the original intentions of the hospital's founder."

Community Benefits at Johns Hopkins Hospital Under Maryland's All-Payer System

Johns Hopkins Hospital, like other not-for-profit hospital corporations, benefits from the ambiguity of the IRS's community benefit standard. Many not-for-profit hospitals treat their obligations to provide community benefits as a marketing opportunity, a chance to engage in promoting the supposed corporate social responsibility of their brand. Engaging in false concern for the poor or "poor-washing", they seek accolades and earned media attention for bestowing "community benefits." Rarely does the actual spending receive the detailed analysis it deserves. For example, Johns Hopkins Hospital reported spending $206,666,870 in community benefits for FY 2017.[48] But $143,031,879 million, or 69.2 percent was of this total, was provided in rate support by the state of Maryland for direct medical education, nursing support, and charity care. In addition to rate support for charity care, Johns Hopkins Hospital received $115,867,630 in rate support for medical education in FY 2017, and over $100 million in each of the three prior years. An additional $2,209,689 was provided in rate support for nurse support programs in FY 2017, and similar amounts were provided in prior years.

The following table quantifies the total loss to the public in relation to community benefits. It totals community benefits provided from Johns Hopkins Hospital's own financial resources in FY 2017 ($63,634,991) and subtracts the estimated total value of tax exemptions that Johns Hopkins Hospital benefited from in FY 2017 ($164,404,839). For FY 2017, the total loss to the public with respect to community benefits, or the community benefits provided from Johns Hopkins Hospital's own resources minus the total value of the tax exemptions, is estimated to be $100,769,848.

TOTAL LOSS TO THE PUBLIC: COMMUNITY BENEFITS PROVIDED COMPARED TO TOTAL VALUE OF TAX EXEMPTIONS

FISCAL YEAR 2017	
A » Total Community Benefits Provided (Including charity care)	$63,634,991
Federal Income Tax Exemption	$34,544,887
State Income Tax Exemption	$9,780,210
Property Tax Exemption	$29,989,540
Business Personal Property Tax Exemption	$29,846,563
Sales Tax Exemption	$41,739,177
Bond Tax Exemption	$969,454
Federal Income Taxes for Charitable Contributions	$13,552,715
State Income Taxes for Charitable Contributions	$3,454,395
Federal Unemployment Tax Exemption	$527,898
B » Total Tax Exemption	$164,404,839
C » (A – B = C) Total Loss to Public: Community Benefits Provided minus Total Tax Exemption	-$100,769,848

FIGURE 8.

For the combined years FY 2014 through FY 2017, Johns Hopkins Hospital reported spending $783,880,878 on community benefits. But $585,674,925 (74.7 percent) of this total was provided in rate support by the state of Maryland for direct medical education, nursing support, and charity care (*see figure 9*).

The table below, (see *figure 10*) provides an assessment of how Johns Hopkins Hospital spent its community benefit resources, minus the rate support received from the state of Maryland for FY 2017.

JOHNS HOPKINS HOSPITAL — RATE SUPPORT VS. COMMUNITY BENEFIT FISCAL YEARS 2014–2017[49]

FISCAL YEAR	DME (DIRECT MEDICAL EDUCATION)	NSP I (NURSING SUPPORT PROGRAM)	CHARITY CARE	TOTAL RATE SUPPORT	TOTAL COMMUNITY BENEFITS	COMMUNITY BENEFIT MINUS RATE SUPPORT	RATE SUPPORT AS A PERCENTAGE OF TOTAL COMMUNITY BENEFITS
2017	$115,867,630	$2,209,869	$24,954,381	$143,031,879	$206,666,870	$63,634,991	69.2%
2016	$108,442,934	$2,172,518	$32,624,031	$143,239,483	$195,474,255	$52,234,772	73.3%
2015	$110,114,790	$2,132,419	$47,504,296	$159,751,505	$193,469,131	$33,717,626	82.6%
2014	$103,050,920	$1,851,352	$34,749,786	$139,652,057	$188,270,622	$48,618,565	74.2%
TOTALS	**$437,476,274**	**$8,366,157**	**$139,832,494**	**$585,674,925**	**$783,880,878**	**$198,205,953**	**74.7%**

FIGURE 9.

JOHNS HOPKINS HOSPITAL — ACTUAL SPENDING ON COMMUNITY BENEFIT FISCAL YEAR 2017 LESS RATE SUPPORT

	COMMUNITY BENEFIT SPENDING (A)	RATE SUPPORT (B)	COMMUNITY BENEFIT SPENDING MINUS RATE SUPPORT (C)
Community Health Services	$19,677,893	$0	$19,677,893
Health Professions Education	$127,299,893	$118,077,499	$9,222,394
Mission Driven Health Care Services	$22,792,231	$0	$22,792,231
Research	$891,219	$0	$891,219
Financial Contributions	$1,648,743	$0	$1,648,743
Community Building Activities	$4,145,895	$0	$4,145,895
Community Benefit Operations	$751,689	$0	$751,689
Charity Care	$21,697,000	$24,954,381	-$3,257,381
Foundation Funded Community Benefit	$0	$0	$0
Medicaid Assessments	$7,762,307	$0	$7,762,307
TOTALS	**$206,666,870**	**$143,031,879**	**$63,634,991**

FIGURE 10.

Community Benefits Provided by Not-for-Profit and For-Profit Hospitals in Other States

Johns Hopkins Hospital and other Maryland not-for-profit hospitals are likely to argue that they are deserving of all the rate support they receive, and more, because they cannot charge private health insurance companies as much for reimbursements as they would be able to in any less highly regulated state.[50] But as previously noted, what is unique is that in Maryland, Medicare and Medicaid public payers pay rates or fees for hospital services that are just 6 percent below the uniform rates Maryland hospitals receive from private health insurance companies, shielding them from Medicaid reimbursement shortfalls.[51] As a result, not-for-profit hospitals in Maryland are in a far better financial situation with respect to Medicaid than in other states where substantial reimbursement shortfalls from Medicaid are annually reported to the IRS. For example, Kaiser Foundation Hospitals, which includes the hospitals of Kaiser Permanente in California, Oregon, and Hawaii, reported a 32 percent shortfall from Medicaid reimbursement in FY 2016.[52] With respect to Medicare reimbursement for comparable admissions, these are estimated to be 33 percent to 44 percent higher in Maryland than they would be in other states.[53]

It is too often left unmentioned in studies of charity care and community benefits provided by not-for-profit hospitals that investor-owned for-profit hospitals *also* provide most of the same community benefits that not-for-profits claim as community benefits justifying their tax exemption, albeit often at lower levels.[54] However, a 2018 study by Johns Hopkins researchers of 1,648 not-for-profit hospitals using 2012 data, did raise this issue.[55] The study found that not-for-profit hospitals' shortfall for Medicaid reimbursement reported as a community benefit expense averaged 2.97 percent of operating expenses, equivalent to 38.9 percent of the total community benefits provided.[56] Thanks to Maryland's unique rate reimbursement, Johns Hopkins Hospital reported *zero* shortfall for Medicaid reimbursement in its IRS Form 990 for FY 2017.[57] Johns Hopkins Hospital did report spending a net $7,762,307 on Medicaid assessments in their state of Maryland FY 2017 Community Benefit inventory, or 0.34 percent of its $2.3 billion in operating expenses.[58] Giving Hopkins the benefit of the doubt that this is roughly equivalent to a Medicaid shortfall experienced in other states (which is unlikely to have changed much in the intervening years), the average not-for-profit hospital spent 874 percent of what Hopkins did on this category as a percentage of operating expenses. Investor-owned for-profit hospitals were estimated to spend 1.18 percent of their operating expenses on unreimbursed costs from Medicaid in 2012.[59] Investor-owned for-profit hospitals spent 347 percent of what Hopkins did on this category as a percentage of operating expenses.

The 2018 study using 2012 data found that charity care at not-for-profit hospitals average 2.1 percent of operating expenses, compared to 0.47 percent of operating expenses by investor-owned for-profit hospitals.[60] However, the Affordable Care Act (ACA), and specifically its Medicaid expansion provisions, appear to be causing significant declines in charity care provision by not-for-profit hospitals. Examining more recent data for 2016, investor-owned for-profit hospitals in California spent 0.7 percent of operating expenditures on charity care, with not-for-profit hospitals spending just slightly more: 0.94 percent.[61] In FY 2017 Hopkins appears to have spent 0.0 percent of its own dollars on charity care as a percent of its operating expenses, instead receiving a surplus of $3,257,381.

While shortfalls for Medicare reimbursements are not generally considered community benefits, the IRS does allow hospitals to report surpluses and shortfalls in Section H of the IRS Form 990 for Tax Exempt-Organizations. Johns Hopkins Hospital reported a $26.7 million surplus in Medicare reimbursement for FY 2017.[62]

The American Hospital Association (AHA) claimed in an October 2017 report it commissioned based on 2013 data that not-for-profit hospitals combined provide community benefits that are 11 times greater than the value of foregone federal tax revenues.[63] In FY 2017 federal tax revenues foregone for Johns Hopkins hospital were estimated to be $49,594,954.[64] If Johns Hopkins Hospital were to match this 11:1 ratio it would need to have provided approximately $545,544,494 of its own money in FY 2017 in community benefits.

Why Does Johns Hopkins Hospital Continue to Fail Baltimore's Poor and Working Class Residents?

Johns Hopkins Hospital executives are likely to argue that its declining charity care figures (*see figure 9 on page 16*) merely reflect the fact that they are seeing fewer patients showing up to the hospital in need of charity care. But it is no secret that Johns Hopkins Hospital faces significant challenges with community relations in Baltimore. Decades of mistrust and suspicion of Johns Hopkins Hospital are summed up in the words of Homer E. Favor, an East Baltimore resident, civil rights activist, and former Dean at Morgan State University, a historically black college and university, who told a reporter: "There are still people I know who say, 'Don't take me to Hopkins… Something bad is going to happen to me there.'"[65]

Undergirding the beliefs of Dean Favor's friends and acquaintances is a lengthy history of scandalous, criminal, and morally compromised behavior by Johns Hopkins Hospital and Johns Hopkins University from decades past to the present day. In 2016, a class-action lawsuit was filed against Dr. Paul Wheeler, a Johns Hopkins radiologist who headed a unit that provided coal companies with testimony assisting them in attempts to deny benefit claims.[66] According to a 2013 Center for Public Integrity/ABC News investigation:

> "Dr. Paul Wheeler, had read x-rays in more than 1,500 cases just since 2000 but never once found a case of severe black lung, despite the fact that other doctors looking at the same films found evidence of the disease hundreds of times."[67]

Hopkins quietly shuttered the program following the release of the investigation.[68]

In another recent scandal in 2014 Johns Hopkins reached a $190 million settlement in the case of Dr. Nikita Levy who for 25 years ran an obstetrics and gynecological practice at the East Baltimore Medical Center.[69] The East Baltimore Medical Center is a community clinic run by the Johns Hopkins Hospital and Health System.[70] While examining his patients, Levy secretly filmed them in the examination room using hidden cameras.[71]

The now-famous case of Henrietta Lacks continues to resonate in Baltimore.[72] Lacks, following her death at Johns Hopkins Hospital from cervical cancer at age 31 in 1951, had her cells, now known as HeLa cells, harvested by Johns Hopkins researcher Dr. George Gey, and then commercialized to spawn a multibillion dollar industry.[73] The cells have been used in more than 74,000 studies.[74] Gey reportedly made no money from the cells, but neither did the Lacks family:

> "The Lacks family never got a dime… poor, with little education and no health insurance, and some had serious physical or mental ailments…they didn't even know that tissue had been taken or that HeLa cells even existed until more than 20 years after Mrs. Lacks' death."[75]

Lacks' cousin, "Big Mike" Saunders, says of Johns Hopkins: "They just do to African Americans in East Baltimore whatever they want to, always have."[76]

Another well-known source of mistrust is a scandal over a 1993 study of lead poisoning in which 100 or more families with small children were encouraged to live in homes in which lead had been partially remediated to different degrees.[77] The study resulted in lawsuits against the Johns Hopkins-affiliated Kennedy Krieger Institute.[78] One critic of the study pointed to three serious violations of the rights and trust of the Baltimore residents involved:

> "First, the landlords recruited into the study were encouraged to rent preferentially to families with small children, but didn't inform the parents in advance that they were being considered for a research experiment or that they might be better off looking for lead-free housing. Second, the parents were not informed immediately when lead "hot spots" were found in the apartments, or when their children's lead levels rose. If they had been, they might have taken steps to repair their houses on their own, or even moved out—a nuisance for the researchers, perhaps, but potentially of life-altering benefit to the children. The third and most important point is that the researchers almost certainly knew in advance that level I and level II abatement—the cheaper of the three methods used—would not protect children from being poisoned."[79]

In a 2008 *Baltimore Sun* article that reviewed the community fallout from the 1993 lead study and other sources of continued mistrust, Hopkins hospital spokesperson Gary Stephenson sought to defend the hospital's reputation by stating that Johns Hopkins had never been involved in a study like the Tuskegee experiment, a 40-year government-sponsored experiment in which hundreds of primarily black sharecroppers were enrolled, led to believe they would receive help, and then denied medical care that could have aided them.[80] The secret goal of the study was to investigate the results of unchecked syphilis.[81] The Tuskegee experiment is almost universally cited as a source of Black Americans' distrust of the medical profession.[82] Not having been involved in a Tuskegee-like experiment is a shockingly low bar for Johns Hopkins Hospital to set for itself.

In fact, Johns Hopkins doctors are alleged to have been involved in a series of experiments extraordinarily similar to the Tuskegee experiment, in which the U.S. government in the 1940s infected Guatemalans with syphilis and gonorrhea.[83] In August 2017, a $1 billion lawsuit was brought against Hopkins and other parties.[84] In the suit, 842 victims and family members sought damages from Hopkins because five of its senior doctors "held key roles on the panels that reviewed and approved federal spending for the experiments."[85] These sins of corrupt and sometimes criminal commission, in violation of the public trust, are one way Johns Hopkins Hospital and its affiliated institutions have failed Baltimore and its residents.

A December 2017 *Washington Post* article titled "Hospitals Find Asthma Hot Spots More Profitable to Neglect than Fix" revealed a different kind of scandal, not a sin of commission, but a sin of omission.Hopkins was accused of lip service and profound neglect at the institutional level.[86] The worst asthma zip code in Baltimore, 21233, lies a bit less than three miles from Johns Hopkins Hospital.[87] Hopkins and other hospitals collected $84 million in revenue for asthma patients over the three-year period ending in 2015, with hospitals receiving $871 per ER asthma visit on average and $8,698 on average per asthma-related inpatient hospitalization. Rather than investing in asthma prevention in the neighborhoods, these hospitals: "[limit] their community asthma prevention to small, often temporary efforts, often financed by somebody else's money."[88] Johns Hopkins Hospital and Johns Hopkins Bayview Medical Center received an estimated $31 million of the $84 million total patient revenues.[89] The article also notes that one-third of Baltimore high school students report they have asthma and that:

> "Hopkins's own research shows that shifting dollars from hospitals to Lemmon Street and other asthma hot spots could more than pay for itself [and that] half the cost of one admission — a few thousand dollars — could buy air purifiers, pest control, visits by community health workers, and other measures proven to slash asthma attacks and hospital visits by frequent users."[90]

For the story, Patricia Brown, a senior vice president at Johns Hopkins of managed care and population health responded to reporters: "We love" these ideas, and "we think it's the right thing to do… [We] know who these people are… [t]his is doable, and **somebody should do it**" *(emphasis added)*.

The persistent unwillingness to invest in asthma prevention (waiting for "somebody" to do it) is an indictment of Johns Hopkins and other area hospitals and their self-congratulatory "community benefit" programs. It also illustrates the broken promises of Maryland's all-payer program, because as the *Washington Post* article states:

> "Perhaps no better place exists to try community asthma prevention than Maryland. By guaranteeing hospitals' revenue each year, the state's unique rate-setting system encourages them to cut admissions with preventive care, policy authorities say." [91]

Johns Hopkins and other hospitals in Maryland face little or no disincentive to invest in preventative measures and yet, bafflingly, they have continued to fail to invest in them. In sharp contrast to the abject failure of Johns Hopkins and other Baltimore hospitals, Children's National Health System in Washington D.C. has reduced asthma admissions 40 percent with preventative programs since the early 2000s. Because Washington D.C. does not have a reimbursement system like Maryland, Children's loses revenue it would otherwise gain from asthma visits and asthma hospitalizations on these community investments.[92]

Conclusion

The foregoing is not to suggest that Johns Hopkins Hospital should lose its various tax exemptions and become a for-profit corporation. Instead, Johns Hopkins Hospital needs to put more of its own money where its mouth so often is, and provide substantially more charity care and targeted community benefits that bring actual improvements to the lives of the citizens of Baltimore in keeping with its founder's original vision. Unfortunately, the 2008 observation about Hopkins by Dr. Levi Watkins Jr., associate dean of Johns Hopkins University School of Medicine, still rings all too true today:

> "We were giants in medicine, not so giant in humanitarian efforts as much as race was concerned, even though Mr. Hopkins had instructed us to be so."[93]

It's past time to stop treating the provision of community benefits, and community services more generally, as a mere public relations exercise. The response offered above that "somebody should do it" is simply unacceptable. That "somebody" is none other than Johns Hopkins Hospital.

It's a remarkable and sad commentary that Hopkins' obligations even need to be said. If Johns Hopkins is incapable of change, the city of Baltimore should raise the annual nonprofit assessment to which we estimate Johns Hopkins Hospital currently contributes a paltry $1 million annually.[94] This is a drop in the bucket compared to the estimated $59.8 million in property and business personal property tax exemptions Johns Hopkins Hospital received from the city of Baltimore in 2017. Baltimore and its residents deserve and should demand better.

"It's past time to stop treating the provision of community benefits, and community services more generally, as a mere public relations exercise. The response offered above that "somebody should do it" is simply unacceptable. That "somebody" is none other than Johns Hopkins Hospital."

Appendix A — Data Sources and Methodology

A large number of data sources were employed to obtain the results on the tax exemption benefits for Johns Hopkins Hospital. The following section will provide a list of the data sources.

Primary Data Sources:

- Internal Revenue Service Form 990. As a not-for-profit hospital, Johns Hopkins Hospital is required to submit this form. It contains detailed financial information.
- Johns Hopkins Health System Audited Financial Statement for FY 2017 (ending June 30, 2017)
- Maryland Department of Assessments and Taxation, Real Property Data Search
- American Hospital Association Annual Survey, FY 2016
- Hospital Corporation of America (HCA) Consolidated Financial Statement for FY 2017. Publicly traded for profit corporations are required to submit detailed financial statements, including tax rates and taxes paid.

Methodology — Total Value of Exemptions

The following are detailed methodology and figures for each the tax exemptions and benefits.

Federal Income Taxes on Net Income Forgone Because of Nonprofit Status

To determine the federal income taxes forgone for Johns Hopkins Hospital, we used the net income figure (excess of revenue over expenditures) for FY 2017 of $118,548,000 reported in the supplementary section of the FY 2017 Johns Hopkins Health System audited financial statement.[95]

For this net income amount we applied the effective tax rate for 2017 of the large for-profit system HCA which was 37.39 percent from which we deducted the Maryland corporate income tax rate of 8.25 percent,[96] to arrive at an estimated federal tax rate of 29.14 percent. We applied the 29.14 percent rate to the net income amount to estimate a value of the federal income tax exemption to Johns Hopkins Hospital for 2017 of $34,544,887.

State Income Taxes Forgone on Net Income because of NonProfit Status

In addition to federal tax breaks, Johns Hopkins Hospital also receives considerable tax breaks from the State of Maryland. The state corporate income tax rate of 8.25 percent was applied to Johns Hopkins Hospital's net income figure for FY 2017 to estimate a value of $9,780,210 for the state corporate income tax exemption.[97]

Property Taxes forgone because of Not-For-Profit Status

We used the Maryland Department of Assessments and Taxation property records to identify tax-exempt properties owned directly by the hospital.[98]

Johns Hopkins Hospital directly held properties with exemptions worth $1,270,743,200. To this amount we applied the Baltimore 2017 property tax rate of $2.248 per $100 of assessment to estimate a value of $28,566,307 for the FY 2017 property tax exemption.[99]

The state of Maryland property tax for 2017 was 0.112 percent of the assessed value of $1,270,743,200 for a total of $1,423,232.[100] Combined property taxes foregone in FY 2017 totaled $29,989,540.

There are a number of other properties in the immediate vicinity of Johns Hopkins Hospital owned by Johns Hopkins University, Johns Hopkins Hospital Endowment Fund, and Johns Hopkins Parking Corporation, with an assessed exempt value totaling $152,831,314. Arguably they are part of the hospital complex, even if held under different names, and could be included, bringing the total property exemption to $1,423,574,514 and the FY 2017 property tax bill to $33,596,359, including the state of Maryland portion.

Business Personal Property Taxes Foregone Because of Not-for-Profit Status

Johns Hopkins Hospital reported equipment after depreciation of $531,077,627 on its FY 2017 IRS Form 990.[101] To this amount we applied the Baltimore 2017 business personal property tax rate of $5.62 per $100 of assessment to estimate a value of $29,846,563 for the FY 2017 business personal property tax exemption.[102]

Sales Taxes Forgone Because of Not-For-Profit Status

Borrowing the methodology suggested by Herring et al.,[103] we took pharmacy and supply expense amounts for FY 2016 (the most recent year available) of $695,652,945 for Johns Hopkins Hospital from the American Hospital Association Annual Survey and applied the 2017 Maryland sales tax rate of 6 percent for a total sales tax exemption of $41,739,177.[104]

Benefits of Tax-Exempt Bonds

Not-for-profit hospitals are entitled to obtain financing for their needs through tax-exempt bonds. The Congressional Budget Office estimated the subsidy received by nonprofit hospitals who were issuing these bonds was 2.1 percent the cost of the investment.[105] This 2.1 percent was applied to annual average borrowed amount of $323,148,214 over the 2011-2017 period and then divided by seven years to arrive at an annual tax-exempt benefit of $969,454.[106]

Federal Income Taxes Forgone Because of Tax Deductions for Charitable Contributions

Charitable contributions made to not-for-profit hospitals are tax deductible for those contributing. To calculate the federal income taxes forgone for tax deductions for charitable contributions, we used the level of charitable contributions to Johns Hopkins Hospital from its IRS Form, 990 Part VIII, Statement of Revenue, Line 1F. The total amount of contributions in FY 2017 was $37,915,780.[107]

To determine the taxes foregone we used a 2007 study, "Patterns of Household Charitable Giving by Income Group, 2005" published by The Center on Philanthropy at Indiana University.[108] The study identifies charitable giving by household income levels and distinguishes those monies directed to health care organizations.

Employing these percentages we estimated the total amount of tax-exempt contributions for Johns Hopkins hospitals by household income levels. Using the federal individual tax rates for 2017[109] we determined the amount of taxes forgone on charitable contributions. The study's income levels do not correspond directly to tax brackets. We used the following approximate tax rates. The overestimation of tax rates at income levels below $200,000 in the table below is more than compensated for by the underestimation of tax rates for incomes between $500,000 and $1,000,000.

The total amount of federal income taxes forgone based on charitable donations is estimated to be $13,552,715 for FY 2017 (*see figure 11*).

HOUSEHOLD INCOME	DISTRIBUTION OF GIVING BY HOUSEHOLD INCOME — HEALTH RELATED ORGANIZATIONS	ESTIMATED DISTRIBUTION OF GIVING TO JOHNS HOPKINS HOSPITAL BY INCOME LEVEL	APPROXIMATE FEDERAL INCOME TAX RATE 2017	FEDERAL INCOME TAX FOREGONE
<$100,000	13.93%	$5,281,668	25%	$1,320,417
$100,000 – $200,000	5.10%	$1,933,705	28%	$541,437
$200,000 – $1,000,000	21.90%	$8,303,556	34%	$2,823,209
>$1,000,000	59.06%	$22,393,060	39.60%	$8,867,652
TOTALS				**$13,552,715**

FIGURE 11.

Maryland State Income Taxes Forgone Because of Tax Deductions for Charitable Contributions

Charitable contributions made to not-for-profit hospitals are tax deductible for those contributing. To calculate the Maryland state income taxes forgone because of tax deductions for charitable contributions, we used the level of charitable contributions to Johns Hopkins Hospital from its IRS Form, 990 Part VIII, Statement of Revenue, Line 1F. The total amount of contributions in FY 2017 was $37,915,780.[110]

Using the distribution of giving by income level suggested by the University of Indiana study previously noted, we estimated the total amount of tax-exempt contributions for Johns Hopkins hospitals by household income levels. Using the Maryland income tax rates for taxpayers filing joint returns for 2017[111] we determined the amount of taxes forgone on charitable contributions. The study's income levels do not correspond directly to tax brackets. We used the following approximate tax rates. The approximate tax rate for the $200,000 to $1,000,000 category was based on income of $650,000 and the rate for household income above $1,000,000 was based on household income of $2,000,000.

The total amount of Maryland income tax forgone based on charitable donations is estimated to be $3,454,395 (*see figure 12*).

Federal Unemployment Tax

For-profit businesses in Maryland and most other states pay a 0.06 percent tax on the first $7,000 of earnings or $42 per employee.[112] On its IRS Form 990 FY 2017, Part 5, Line 2A, Johns Hopkins reported 12,569 employees. At $42 per employee, this exemption equaled $527,898.[113]

HOUSEHOLD INCOME	DISTRIBUTION OF GIVING BY HOUSEHOLD INCOME	ESTIMATED DISTRIBUTION OF GIVING TO JOHNS HOPKINS HOSPITAL BY INCOME LEVEL	APPROXIMATE STATE INCOME TAX RATE 2017	STATE INCOME TAX FOREGONE
<$100,000	13.93%	$5,281,668	4.75%	$250,879
$100,000 – $200,000	5.10%	$1,933,705	4.75%	$91,851
$200,000 – $1,000,000	21.90%	$8,303,556	7.00%	$581,249
>$1,000,000	59.06%	$22,393,060	11.30%	$2,530,416
TOTALS		**$37,915,780**		**$3,454,395**

FIGURE 12.

Appendix B — Neighborhood Health Indicators » Neighborhoods Adjacent to and Near Johns Hopkins Hospital

- The Old Town/Middle East neighborhood in which Johns Hopkins is located has an infant mortality rate of 12.6 per 1,000 live births, 217 percent of the infant mortality rate for the United States as a whole, of 5.8 per 1,000 live births.[114] The Old Town/Middle East neighborhood's rate is roughly equal to the estimated infant mortality rate for Malaysia, ranked 115 of 225 countries.[115] Countries such as China and Mexico have a lower infant mortality rates.[116]
- Life expectancy in the Old Town/Middle East neighborhood is 70.4 years, 9.6 years lower than the 80 years of the United States as a whole, and equal to the life expectancy in Turkmenistan, ranked 159 out of 224 countries.[117] Countries such as North Korea, Guatemala, and Honduras have a higher life expectancies.[118]
- The Clifton-Berea neighborhood that lies about a mile northeast of Johns Hopkins Hospital has an infant mortality rate of 14.8 per 1,000 live births, 255 percent of the infant mortality rate for the United States, of 5.8 per 1,000 live births.[119] Countries such as Jordan, the West Bank, and Colombia have a lower infant mortality rate.[120]
- Clifton-Berea's life expectancy is 66.9, 13.1 years lower than the 80 years of the United States as a whole, and equal to Tuvalu (173 of 224 countries).[121] Countries such as Ghana, Papua New Guinea, and India have higher life expectancies.[122]
- The neighborhood with highest life expectancy in Baltimore is the affluent Cross-Country/Cheswolde area with a life expectancy of 87, a full 20 years more than Clifton-Berea.[123] If Cross-Country/Cheswolde were a country, it would be second only to Monaco in life expectancy in the world.[124]
- The zip code that surrounds Johns Hopkins Hospital on three sides is 21205, a zip code with an estimated poverty rate of 38.6 percent, and one of the most distressed zip codes in America, ranked in 93rd percentile, with 100 percent being the most distressed (see figure 13).[125]
- Adjacent and nearby zip codes are among the most impoverished and distressed in the United States (*see figure 13*).[126]
- Zip codes listed (*see figures 13 and 14*) are zip codes that are judged to be in the 90th percentile for distress, or more distressed than 90 percent of other U.S. zip codes.[127]

ZIP CODE	POVERTY RATE	ADULTS NOT WORKING	DISTRESS INDEX
21205	38.60%	49.50%	93.30%
21213	25.40%	42.90%	97.20%
21218	26.30%	35.30%	94.20%
21202	32.00%	51.20%	92.50%
21201	34.30%	34.80%	92.00%
21217	35.70%	45.50%	97.10%
21223	39.80%	48.40%	98.00%
21216	25.80%	40.20%	93.20%
21215	26.70%	42.50%	92.70%

FIGURE 13.

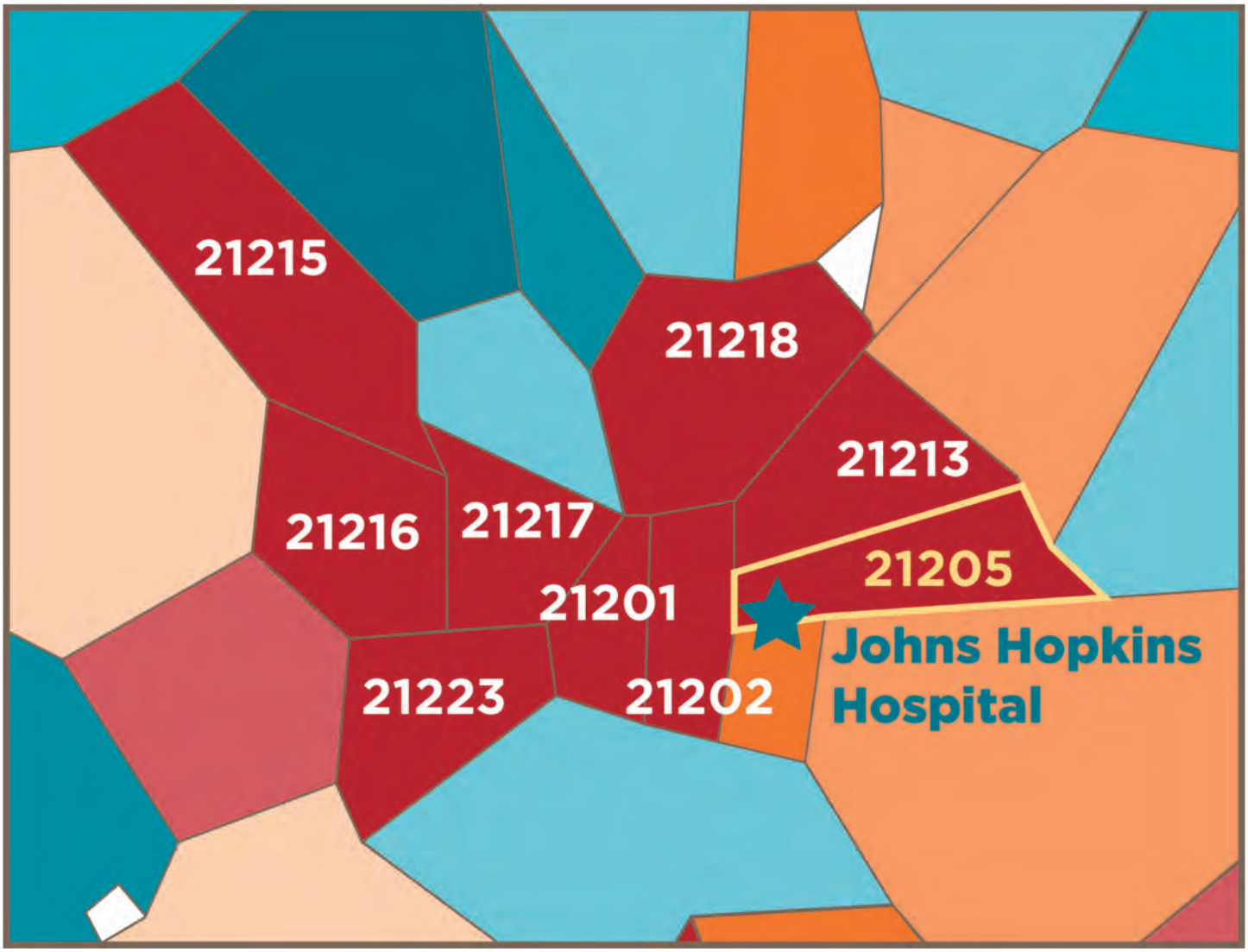

FIGURE 14. Zip codes in red are zip codes that are judged to be in the 90th percentile for distress, or more distressed than 90 percent of other U.S. zip codes.

Appendix C — Rate Support in Deficit/Excess of Charity Care Provided Fiscal Years 2014-2017[128]

"Rank" is calculated from available data. The number one ranked hospital provided the most charity care relative to, and in excess of the amount of rate support received, and the lowest-ranked hospital provided the least charity care relative to rate support received, with the lowest-ranked hospital receiving more in rate support than was provided in charity care. Charity care rate support is based on a calculation of uncompensated care that combines charity care provided with bad debt reported.[129] Johns Hopkins Hospital's low ranking reflects low and declining charity care provided and high amounts of bad debt reported when compared to other Maryland hospitals. Fiscal year is the year beginning July 1 and ending June 30.

FISCAL YEAR 2017 » RATE SUPPORT IN DEFICIT/EXCESS OF CHARITY CARE PROVIDED

FISCAL YEAR 2017 — HOSPITAL	CHARITY CARE PROVIDED	CHARITY CARE RATE SUPPORT	RATE SUPPORT IN DEFICIT/ EXCESS OF CHARITY CARE PROVIDED	RANK
UMMC	$20,308,000	$13,493,927	-$6,814,073	1
Sheppard Pratt	$5,473,873	$0	-$5,473,873	2
Holy Cross Hospital	$31,396,990	$27,292,403	-$4,104,587	3
UM Rehabilitation and Ortho Institute	$2,271,000	$0	-$2,271,000	4
Peninsula Regional	$8,301,400	$6,620,689	-$1,680,711	5
Adventist Behavioral Health Rockville	$1,451,432	$0	-$1,451,432	6
Levindale	$1,341,932	$0	-$1,341,932	7
Garrett County Hospital	$2,792,419	$1,546,473	-$1,245,946	8
Frederick Memorial	$8,081,000	$6,904,879	-$1,176,121	9
UM Baltimore Washington	$6,703,000	$5,938,598	-$764,402	10
Calvert Hospital	$2,694,783	$2,176,000	-$518,783	11
Adventist Rehab of Maryland	$502,712	$0	-$502,712	12
GBMC	$2,085,315	$1,604,159	-$481,156	13
Mt. Washington Pediatrics	$382,465	$0	-$382,465	14
Atlantic General	$2,569,517	$2,316,359	-$253,158	15
Ft. Washington	$928,769	$768,542	-$160,227	16
UM Laurel Regional Hospital	$2,521,365	$2,371,907	-$149,458	17
UM Shore Medical Chestertown	$373,000	$426,073	$53,073	18
McCready	$307,205	$367,194	$59,989	19
UM St. Joseph	$6,105,000	$6,174,750	$69,750	20
Western Maryland Health System	$10,385,555	$10,457,099	$71,544	21
Continued »				

FISCAL YEAR 2017 — HOSPITAL — *Continued »*	CHARITY CARE PROVIDED	CHARITY CARE RATE SUPPORT	RATE SUPPORT IN DEFICIT/ EXCESS OF CHARITY CARE PROVIDED	RANK
UM Shore Medical Dorchester	$647,362	$783,716	$136,354	22
UM Harford Memorial	$1,927,000	$2,096,121	$169,121	23
UM Charles Regional Medical Center	$1,474,409	$1,706,659	$232,250	25
Holy Cross Germantown	$2,819,650	$3,092,349	$272,699	26
Union Hospital of Cecil County	$1,411,673	$1,727,206	$315,533	27
Suburban Hospital	$3,168,000	$3,502,960	$334,960	28
Carroll Hospital Center	$790,716	$1,221,586	$430,870	29
UM Midtown	$5,174,000	$5,629,153	$455,153	30
MedStar Good Samaritan	$4,078,427	$4,560,785	$482,358	31
MedStar Harbor Hospital	$2,816,043	$3,417,876	$601,833	32
MedStar Montgomery General	$1,322,823	$1,992,944	$670,121	33
UM Upper Chesapeake	$3,014,000	$3,839,873	$825,873	34
Lifebridge Northwest Hospital	$2,734,207	$3,595,003	$860,796	35
Meritus Medical Center	$4,596,841	$5,542,696	$945,855	36
UM Shore Medical Easton	$2,786,102	$3,734,949	$948,847	37
MedStar Southern Maryland	$3,014,042	$4,022,184	$1,008,142	38
Shady Grove	$3,646,551	$4,797,542	$1,150,991	39
MedStar St. Mary's Hospital	$2,458,649	$3,683,181	$1,224,532	40
Adventist Washington Adventist	$7,442,497	$8,684,111	$1,241,614	41
UM Prince Georges Hospital Center	$9,166,191	$10,629,273	$1,463,082	42
MedStar Franklin Square	$5,147,814	$6,811,737	$1,663,923	43
Howard County Hospital	$3,368,222	$5,158,530	$1,790,308	44
Anne Arundel Medical Center	$4,450,854	$6,335,939	$1,885,085	45
LifeBridge Sinai	$6,526,756	$8,472,594	$1,945,838	46
MedStar Union Memorial	$4,426,976	$6,771,320	$2,344,344	47
Doctors Community	$6,756,740	$9,468,194	$2,711,454	48
Johns Hopkins Hospital	$21,697,000	$24,954,381	$3,257,381	49
Mercy Medical Center	$14,411,600	$18,749,305	$4,337,705	50
St. Agnes	$21,573,282	$27,150,173	$5,576,891	51
Johns Hopkins Bayview Medical Center	$16,951,000	$26,088,029	$9,137,029	52

FIGURE 15.

FISCAL YEAR 2016 » RATE SUPPORT IN DEFICIT/EXCESS OF CHARITY CARE PROVIDED

FISCAL YEAR 2016 — HOSPITAL	CHARITY CARE PROVIDED	CHARITY CARE RATE SUPPORT	RATE SUPPORT IN DEFICIT/ EXCESS OF CHARITY CARE PROVIDED	RANK
Holy Cross Hospital	$33,462,706	$22,196,553	-$11,266,153	1
Sheppard Pratt	$6,451,134	$0	-$6,451,134	2
St. Agnes	$21,867,282	$17,766,212	-$4,101,070	3
Western Maryland Health System	$9,670,307	$6,790,924	-$2,879,383	4
Holy Cross Germantown	$2,382,942	$0	-$2,382,942	5
Adventist Behavioral Health Rockville	$1,866,300	$0	-$1,866,300	6
Levindale	$1,443,083	$383,646	-$1,059,437	7
Adventist Rehab of Maryland	$964,421	$0	-$964,421	8
Frederick Memorial	$11,277,000	$10,487,592	-$789,408	9
UM Rehabilitation and Ortho Institute	$2,197,000	$1,507,076	-$689,924	10
Meritus Medical Center	$4,903,600	$4,323,873	-$579,727	11
Doctors Community	$12,200,284	$11,635,983	-$564,301	12
MedStar Southern Maryland	$2,691,523	$2,196,073	-$495,450	13
UM St. Joseph	$3,488,000	$3,339,349	-$148,651	14
MedStar St. Mary's Hospital	$1,508,919	$1,403,612	-$105,307	15
UM Shore Medical Dorchester	$499,553	$406,423	-$93,130	16
Mt. Washington Pediatrics	$88,862	$0	-$88,862	17
UM Charles Regional Medical Center	$3,798,238	$3,769,104	-$29,134	18
Dimensions Laurel Regional Hospital	$2,869,600	$2,846,496	-$23,104	19
Garrett County Hospital	$2,316,474	$2,308,692	-$7,782	20
Lifebridge Northwest Hospital	$3,524,100	$3,573,557	$49,457	21
MedStar Good Samaritan	$3,308,833	$3,426,984	$118,151	22
UM Shore Medical Chestertown	$407,715	$526,810	$119,095	23
Union Hospital of Cecil County	$899,826	$1,053,373	$153,547	24
Bon Secours	$607,325	$782,651	$175,326	25
McCready	$185,796	$392,686	$206,890	26
UM Shore Medical Easton	$1,575,225	$1,799,429	$224,204	27
Carroll Hospital Center	$1,303,875	$1,596,917	$293,042	28
Continued »				

FISCAL YEAR 2016 — HOSPITAL — *Continued »*	CHARITY CARE PROVIDED	CHARITY CARE RATE SUPPORT	RATE SUPPORT IN DEFICIT/ EXCESS OF CHARITY CARE PROVIDED	RANK
Ft. Washington	$914,689	$1,281,924	$367,235	29
MedStar Harbor Hospital	$2,995,264	$3,416,540	$421,276	31
Atlantic General	$3,277,824	$3,759,190	$481,366	32
MedStar Franklin Square	$5,147,191	$5,710,667	$563,476	33
Peninsula Regional	$7,836,700	$8,413,535	$576,835	34
GBMC	$2,007,183	$2,603,763	$596,580	35
MedStar Montgomery General	$1,821,317	$2,466,641	$645,324	36
MedStar Union Memorial	$4,012,263	$4,803,501	$791,238	37
UM Harford Memorial	$1,915,000	$2,714,640	$799,640	38
Johns Hopkins Bayview Medical Center	$12,679,000	$13,491,671	$812,671	39
Howard County Hospital	$3,560,370	$4,487,570	$927,200	41
Anne Arundel Medical Center	$3,486,700	$4,636,381	$1,149,681	42
UM Baltimore Washington	$5,655,016	$6,845,110	$1,190,094	43
Shady Grove	$6,620,218	$8,023,394	$1,403,175	44
Mercy Medical Center	$19,521,700	$21,043,592	$1,521,892	45
Calvert Hospital	$3,808,206	$5,351,799	$1,543,593	46
UM Upper Chesapeake	$3,818,000	$5,415,566	$1,597,566	47
Suburban Hospital	$3,294,000	$6,501,312	$3,207,312	48
Adventist Washington Adventist	$14,800,908	$18,531,753	$3,730,844	49
Dimensions Prince Georges Hospital Center	$9,769,558	$15,451,354	$5,681,796	50
Johns Hopkins Hospital	$22,047,000	$32,624,031	$10,577,031	51
UMMC	$28,945,000	$45,307,783	$16,362,783	52

FIGURE 16.

FISCAL YEAR 2015 » RATE SUPPORT IN DEFICIT/EXCESS OF CHARITY CARE PROVIDED

FISCAL YEAR 2015 — HOSPITAL	CHARITY CARE PROVIDED	CHARITY CARE RATE SUPPORT	RATE SUPPORT IN DEFICIT/ EXCESS OF CHARITY CARE PROVIDED	RANK
Shady Grove	$10,238,461	$4,891,604	-$5,346,857	1
Sheppard Pratt	$4,858,679	$0	-$4,858,679	2
Mercy Medical Center	$17,927,395	$15,019,122	-$2,908,273	3
MedStar Good Samaritan	$3,151,845	$873,884	-$2,277,961	4
Holy Cross Germantown	$2,108,744	$0	-$2,108,744	5
Adventist Rehab of Maryland	$2,086,400	$0	-$2,086,400	6
UM Midtown	$13,771,000	$11,966,807	-$1,804,193	7
Holy Cross Hospital	$29,924,630	$28,728,873	-$1,195,757	8
Adventist Behavioral Health Rockville	$818,860	$0	-$818,860	9
UM Rehabilitation and Ortho Institute	$877,000	$99,264	-$777,736	10
UM Shore Medical Easton	$4,177,836	$3,758,169	-$419,667	11
UM St. Joseph	$8,002,483	$7,583,292	-$419,191	12
UM Shore Medical Dorchester	$1,542,184	$1,266,421	-$275,763	13
Ft. Washington	$1,455,012	$1,281,924	-$173,088	14
UM Upper Chesapeake	$4,942,659	$4,821,892	-$120,767	15
Mt. Washington Pediatrics	$109,595	$0	-$109,595	16
McCready	$278,769	$218,521	-$60,248	17
Adventist Behavioral Health at Eastern Shore	$32,069	$0	-$32,069	18
UM Harford Memorial	$3,080,091	$3,182,027	$101,936	19
Garrett County Hospital	$2,561,792	$2,803,143	$241,351	20
UM Shore Medical Chestertown	$1,230,831	$1,514,324	$283,493	21
Union Hospital of Cecil County	$833,308	$1,127,878	$294,570	22
MedStar St. Mary's Hospital	$1,782,643	$2,105,531	$322,888	23
MedStar Southern Maryland	$2,514,686	$2,896,946	$382,260	24
LifeBridge Sinai	$4,172,967	$4,699,062	$526,095	25
UM Charles Regional Medical Center	$1,464,645	$2,085,248	$620,603	26
GBMC	$1,674,433	$2,309,767	$635,334	27
Lifebridge Northwest Hospital	$3,226,996	$3,878,864	$651,868	28
Continued »				

FISCAL YEAR 2015 — HOSPITAL — *Continued »*	CHARITY CARE PROVIDED	CHARITY CARE RATE SUPPORT	RATE SUPPORT IN DEFICIT/ EXCESS OF CHARITY CARE PROVIDED	RANK
Western Maryland Health System	$9,705,306	$10,430,905	$725,599	29
Atlantic General	$2,952,568	$3,941,120	$988,552	30
MedStar Montgomery General	$3,172,151	$4,161,429	$989,278	31
Meritus Medical Center	$4,027,266	$5,020,441	$993,175	32
Johns Hopkins Bayview Medical Center	$16,531,000	$17,582,500	$1,051,500	33
Suburban Hospital	$4,093,000	$5,164,263	$1,071,263	34
Anne Arundel Medical Center	$2,703,700	$3,814,644	$1,110,944	35
Howard County Hospital	$3,169,655	$4,378,119	$1,208,464	36
MedStar Harbor Hospital	$2,859,045	$4,375,595	$1,516,550	38
Doctors Community	$10,947,888	$12,769,984	$1,822,096	39
Dimensions Laurel Regional Hospital	$4,726,000	$6,600,779	$1,874,779	40
Peninsula Regional	$6,622,800	$8,633,326	$2,010,526	41
Calvert Hospital	$3,943,515	$6,199,558	$2,256,043	42
UM Baltimore Washington	$8,041,930	$10,775,825	$2,733,895	43
St. Agnes	$17,827,208	$20,607,771	$2,780,563	44
MedStar Union Memorial	$4,022,477	$6,854,625	$2,832,148	45
Bon Secours	$2,390,079	$5,832,640	$3,442,561	46
MedStar Franklin Square	$6,028,378	$9,984,649	$3,956,271	47
UMMC	$52,771,969	$57,147,372	$4,375,403	48
Frederick Memorial	$10,472,000	$15,677,121	$5,205,121	49
Levindale	$930,520	$8,023,394	$7,092,874	50
Adventist Washington Adventist	$9,217,136	$18,531,753	$9,314,617	51
Dimensions Prince Georges Hospital Center	$15,079,327	$24,439,746	$9,360,419	52
Johns Hopkins Hospital	$30,276,000	$47,504,296	$17,228,296	53

FIGURE 17.

FISCAL YEAR 2014 » RATE SUPPORT IN DEFICIT/EXCESS OF CHARITY CARE PROVIDED

FISCAL YEAR 2014 — HOSPITAL	CHARITY CARE PROVIDED	CHARITY CARE RATE SUPPORT	RATE SUPPORT IN DEFICIT/ EXCESS OF CHARITY CARE PROVIDED	RANK
Sheppard Pratt	$8,367,519	$0	-$8,367,519	1
Holy Cross Hospital	$30,739,060	$25,676,243	-$5,062,817	2
Western Maryland Health System	$14,413,981	$10,507,545	-$3,906,436	3
Mercy Medical Center	$24,885,600	$21,375,445	-$3,510,155	4
UM Baltimore Washington	$13,307,038	$10,211,355	-$3,095,683	5
Johns Hopkins Bayview Medical Center	$22,183,000	$19,315,954	-$2,867,046	6
Doctors Community	$14,726,686	$12,025,485	-$2,701,201	7
UM Midtown	$14,755,634	$12,068,847	-$2,686,787	8
UM St. Joseph	$7,375,769	$4,751,548	-$2,624,221	9
Adventist Behavioral Health Rockville	$2,546,393	$0	-$2,546,393	10
Frederick Memorial	$14,227,000	$11,690,942	-$2,536,058	11
Adventist Washington Adventist	$14,404,325	$12,237,739	-$2,166,586	12
St. Agnes	$11,750,468	$9,860,633	-$1,889,835	13
Peninsula Regional	$13,261,500	$11,675,563	-$1,585,937	14
UM Shore Medical Easton	$5,828,000	$4,330,984	-$1,497,016	15
Atlantic General	$3,594,293	$2,452,495	-$1,141,798	16
Anne Arundel Medical Center	$5,688,100	$4,779,088	-$909,012	17
Lifebridge Levindale	$767,401	$0	-$767,401	18
Adventist Rehab of Maryland	$756,000	$0	-$756,000	19
LifeBridge Sinai	$12,880,700	$12,231,834	-$648,866	20
MedStar Good Samaritan	$7,581,945	$7,018,282	-$563,663	21
UM Shore Medical Dorchester	$2,305,000	$1,760,573	-$544,427	22
Meritus Medical Center	$7,993,597	$7,505,016	-$488,581	23
UM Shore Medical Chestertown	$2,067,000	$1,619,812	-$447,188	24
Lifebridge Northwest Hospital	$6,203,971	$5,797,834	-$406,137	25
UM Harford Memorial	$3,428,179	$3,046,391	-$381,788	26
Calvert Hospital	$7,010,751	$6,787,442	-$223,309	27
MedStar Southern Maryland	$3,582,453	$3,383,194	-$199,259	28
Garrett County Hospital	$3,225,760	$3,045,380	-$180,380	29
Continued »				

FISCAL YEAR 2014 — HOSPITAL — *Continued »*	CHARITY CARE PROVIDED	CHARITY CARE RATE SUPPORT	RATE SUPPORT IN DEFICIT/ EXCESS OF CHARITY CARE PROVIDED	RANK
Mt. Washington Pediatrics	$173,338	$0	-$173,338	30
Adventist Behavioral Health at Eastern Shore	$161,347	$0	-$161,347	31
Bon Secours	$12,073,632	$11,914,216	-$159,416	32
Suburban Hospital	$4,501,300	$4,354,574	-$146,726	33
GBMC	$4,337,420	$4,352,953	$15,533	34
UM Rehabilitation and Ortho Institute	$841,000	$863,428	$22,428	35
Shady Grove	$10,015,261	$10,040,391	$25,130	36
Dimensions Laurel Regional Hospital	$4,507,400	$4,544,597	$37,197	37
McCready	$572,384	$647,065	$74,681	38
UM Upper Chesapeake	$4,956,053	$5,072,096	$116,043	39
UM Charles Regional Medical Center	$1,864,000	$2,019,045	$155,045	40
Union Hospital of Cecil County	$3,064,396	$3,466,914	$402,518	41
MedStar Union Memorial	$13,169,128	$13,694,623	$525,495	42
Carroll Hospital Center	$3,355,681	$3,885,617	$529,936	43
MedStar Montgomery General	$4,722,141	$5,404,355	$682,214	44
Howard County Hospital	$6,010,720	$7,117,813	$1,107,093	45
MedStar St. Mary's Hospital	$3,430,456	$4,606,886	$1,176,430	46
Ft. Washington	$1,614,129	$3,281,075	$1,666,946	47
Dimensions Prince Georges Hospital Center	$15,861,400	$17,544,927	$1,683,527	48
Johns Hopkins Hospital	$32,721,000	$34,749,786	$2,028,786	49
MedStar Harbor Hospital	$6,997,842	$10,513,303	$3,515,461	50
MedStar Franklin Square	$13,581,700	$17,181,539	$3,599,839	51
UMMC	$55,444,257	$73,498,009	$18,053,752	52

FIGURE 18.

Endnotes

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