

# Preying On Patients

## Maryland's Not-for-Profit Hospitals and Medical Debt Lawsuits



## ADDITIONAL RESOURCES ON HOSPITALS AND COUNTIES

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In addition to this report, we have created supplemental materials available online. These include individual hospital reports that allow readers to look deeper into a specific hospital's activities. The reports include the hospital's medical debt lawsuit data, financial information, executive compensation amounts, and charity care levels.

To provide a geographic lens with which to look at the data, we have also created reports for each county in Maryland. These reports show which hospitals are filing medical debt lawsuits against the residents of each of Maryland's 24 counties. The reports also include financial and charity information on the top hospitals suing county residents.

These resources can be found at <https://www.nationalnursesunited.org/preying-on-patients>.

## ACKNOWLEDGMENTS

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We wish to thank the Maryland Volunteer Lawyers Service for generously providing data and expertise, on which we relied heavily for our analysis of Maryland's medical debt lawsuits. This report would not have been possible without access to their database of Maryland court records.

The Maryland Volunteer Lawyers Service provides free or low-cost legal representation to Marylanders with limited incomes and provides free legal help for community-based nonprofits that are working to strengthen low-income communities in Maryland. You can find more information about them at their website: <https://mvlslaw.org>.

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## Read this first to better understand Maryland hospitals

In the state of Maryland, all hospitals are operated as not for profits. In exchange for being exempted from paying most federal, state, and local income, property, and sales taxes, not-for-profit hospitals are required to provide subsidized low-cost or free medical care, otherwise known as “charity care,” to qualifying individuals. The state of Maryland also uses what’s called an “all-payer system” for reimbursing hospitals for the medical treatment they provide, meaning that a state commission sets the uniform rate formula by which hospitals are paid. Built into that formula are also monies intended to help hospitals cover the costs of providing charity care, what’s commonly called “charity care rate support.” In other words, Maryland’s not-for-profits hospitals are obligated to provide charity care but actually do not bear these costs. The state’s generous hospital financing system makes the high number of these medical debt lawsuits all the more egregious.

## EXECUTIVE SUMMARY

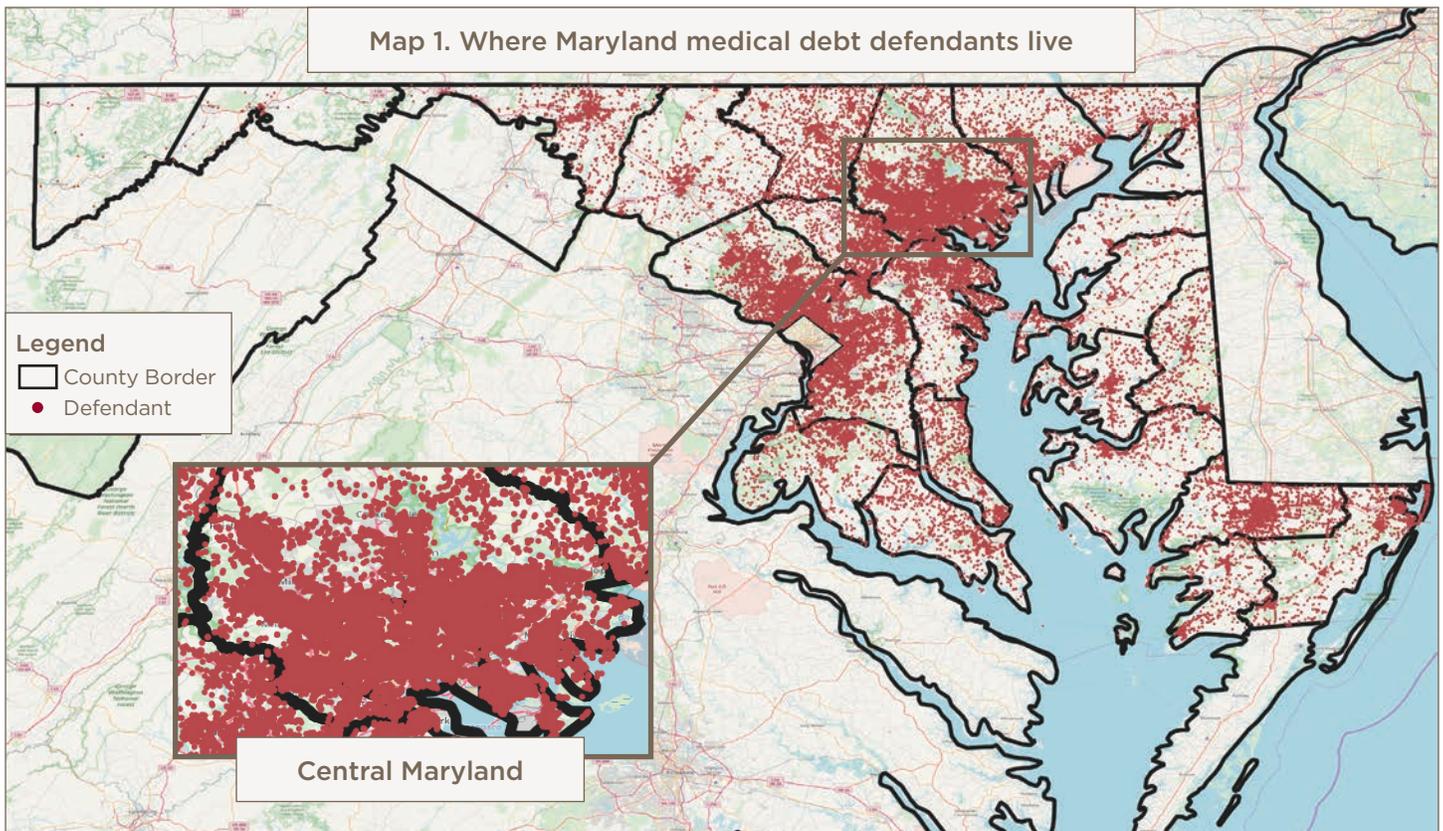
The argument of this report is simple: There is no economic rationale for Maryland hospitals to sue so many of their patients, the impact of lawsuits on patients is incredibly damaging and likely deters low-income Marylanders from seeking medical care, and the General Assembly must pass legislation to protect patients by better regulating when lawsuits can be pursued as well as increasing hospitals’ obligations to provide financial assistance for care.

Between 2009 and 2018, Maryland hospitals filed 145,746 medical debt lawsuits seeking \$268,711,620 from patients.<sup>1</sup> In addition, numerous wage garnishments and liens were filed. At least 3,278 lawsuits ended with the patients filing for bankruptcy. No doubt, \$268.7 million is a large amount of money, but numbers must be placed into context. During this same time period, Maryland hospitals, all of which are classified as not-for-profits, had operating revenues of almost \$147 billion and \$5.68 billion in net income. When compared to the hospitals’ operating income and net income, the \$268.7 million debt is relatively small. The amount of medical debt sought in lawsuits as a percentage of operating revenues is 0.18 percent and medical debt sought as a percentage of net income is 4.7 percent. These hospitals could easily write off these medical debts with minimal effect on their bottom line.

In addition, during the last five years,<sup>2</sup> the executives of these hospitals have rewarded themselves handsomely. Some 1,068 executives received \$1.66 billion in aggregate compensation. Compensation amounts in excess of \$1 million were paid 274 times to 112 individuals. To put the \$1.66 billion in executive compensation in perspective, in the last five years Maryland hospitals posted \$3.56 billion in net income. Executive compensation as a percentage of net income is 46.6 percent. Compare this to the 4.7 percent medical debt as a percentage of net income above and it becomes clear the amount sought in these lawsuits is a small fraction of hospitals’ net income.

Finally, in the last five years, the amount of charity provided by Maryland hospitals, both absolutely and relatively, has declined even as hospitals receive charity care rate payer support to offset the cost of providing charity care. These hospitals could easily reclassify the medical debt in these lawsuits to charity care with little to no impact on their financial well-being. Such a move would provide immediate and lasting relief to their patients.

Map 1. Where Maryland medical debt defendants live



Before data on medical debt lawsuits is presented, a couple of issues must be mentioned. First, all the hospitals in this report are not for profit. This does not mean that they cannot make profit,<sup>3</sup> rather, it means that they cannot directly distribute the surplus to enrich themselves. Not-for-profits are seen as an asset to the community, and any financial surplus they generate is to be used to serve the community. In exchange for this service, these not-for-profits do not have to pay most taxes that other individuals or for-profit companies are required to pay. Not-for-profits don't have to pay federal or state income taxes, property taxes, sales taxes, and donors receive tax deductions. The tax exemptions for these not-for-profit hospitals can add up to quite substantial amounts. For example, in "Breaking the Promise of Patient Care",<sup>4</sup> we found that Johns Hopkins Hospital in one year, 2017, received more than \$164 million in tax exemptions. Traditionally, hospitals provided care to the sick and indigent, as such charity care was a crucial part of their mission. This is no longer the case. As this report demonstrates, the provision of charity care has diminished.

Second, medical debt is different than other forms of debt. It is a matter of life and death that some patients take on medical debt: There is no choice. The patient will die without the care. Medical debt is often unpredictable, incurred accidentally, or through no fault of the patient or family member. There is often no way to know how much debt will

be incurred before care is provided, especially with the current complex system of hospital bills and health insurance reimbursements. Hospital billing is complex, and few people understand their bills. Furthermore, bills are riddled with errors. According to research reported in the *Wall Street Journal*, 40 to 80 percent of medical bill have errors.<sup>5</sup> In addition, the Maryland Insurance Administration finds that 15 to 16 percent of health insurance claims are routinely denied payment, leaving the patient scrambling to figure out what is happening.<sup>6</sup> Medical debt in Maryland must be handled with more care and compassion.

The fact that tens of thousands of sick and poor residents of Maryland are being victimized through medical debt lawsuits originating from wealthy and heavily subsidized nonprofit hospitals makes it clear that the state's policies on charity care and medical debt are not working.

To put an end to abusive and unnecessary medical debt lawsuits, we make two demands of Maryland's not-for-profit hospitals:

First, all Maryland not-for-profit hospitals must suspend currently open and impending medical debt lawsuits for a period of 18 months to allow time for a review and audit of all policies relating to medical debt, collections, charity care, and contracts with attorneys to collect medical debts, including to file medical debt lawsuits.

Second, Maryland's not-for-profit hospitals should declare forgiveness for all debt associated with currently outstanding medical debt lawsuits.

To ensure the volume and damage caused by medical debt lawsuits is minimized going forward, we propose the General Assembly enact the following reforms:

- » Hospitals must increase who is eligible for free and reduced-cost care under financial assistance policies, including increasing the threshold for free care up to 300 percent of the federal poverty level (FPL), with a sliding scale for patients between 300 percent and 600 percent of FPL.
- » Asset protections for patients with medical debt must be increased — including protecting liquid assets up to \$20,000, primary residences, and motor vehicles.
- » The public and private enforcement of both financial assistance policy requirements and debt collection requirements must be enhanced.
- » Medical debt collection practices must be improved by taking the following steps:
  - › Ban hospitals from placing liens on primary residences or seeking arrest warrants.
  - › Ban hospitals from garnishing wages if the patient was eligible for free or reduced care costs.
  - › Ban medical debt lawsuits for \$5,000 or less against all patients and all medical debt lawsuits against those who were uninsured at time of service.
  - › Require hospitals to offer income-based repayment plans that have reasonable terms that will allow patients to pay off their medical debt.

To make our case, this report will provide detailed tables and graphs in sections on medical debt lawsuits, the financial health of hospitals, executive compensation, and the provision of charity care.

## KEY FINDINGS

- » Between 2009 and 2018, Maryland's hospitals filed 145,746 lawsuits against their patients, seeking to collect \$269 million in medical debt. The median amount of medical debt sought by all these lawsuits was \$944. In at least 3,278 cases, the patients ultimately declared bankruptcy.<sup>7</sup>
- » Not-for-profit Maryland hospitals successfully requested 37,370 property and wage garnishment orders between 2009 to 2018 in efforts to recover \$60 million in medical debt from patients.<sup>8</sup>
- » University of Maryland Medical System, Peninsula Regional Medical Center, and Johns Hopkins Health System filed the most medical debt lawsuits against their patients, accounting for nearly half of all cases.<sup>9</sup>
- » By using lawsuits to collect medical debt, hospitals may be discouraging working-class and low-income Maryland residents, many from communities of color, from seeking medical care at some facilities. Patients with medical debt are more likely to ration needed care due to cost, which can endanger their health.<sup>10</sup> It is bitterly ironic that hospitals, as institutions dedicated to healing, have policies that contribute to patients foregoing needed medical care and services.
- » Only a small number of attorneys litigated the tens of thousands of medical debt lawsuits for the hospitals. In fact, five lawyers are responsible for filing nearly two-thirds of all the lawsuits.<sup>11</sup>

- » Over this same period in which the lawsuits were filed, Maryland hospitals posted \$5.68 billion in net income and enjoyed nine straight years of positive net income. In 2018 alone, Maryland's nonprofit hospitals earned nearly \$1 billion in net income.<sup>12</sup>
- » Over just the last five years, Maryland hospitals have paid 1,068 executives almost \$1.66 billion in compensation.<sup>13</sup> Compared as a percentage of net income, executive compensation represented 46.6 percent, while the amount sought in these lawsuits represented a mere 4.7 percent.
- » As the number of medical debt lawsuits pile up, hospital-provided charity care has plummeted. Between 2009 and 2018, the annual amount of charity care provided by Maryland hospitals dropped by 36 percent, or \$168 million. The collapse of the proportion of hospital resources going to charity care is even more dramatic: Charity care provided as a percentage of operating expenses fell by almost half, dropping 46 percent from 2009 to 2018.<sup>14</sup>
- » Between 2014 and 2018, Maryland's all-payer system provided more than \$1.8 billion in charity care rate support to help hospitals cover the costs of charity care. This means that hospitals are receiving substantial funding from rate payers to cover charity costs. They collectively received \$119.2 million in rate support beyond what they spent on charity care, resulting in a windfall for many health systems. Over the same five-year period, Maryland hospitals filed lawsuits seeking \$119.4 million in medical debt, almost the exact amount of excess rate support they received in aggregate. Of the top beneficiaries of charity care rate support, Johns Hopkins Hospital received the highest amount beyond what it spent on charity, adding over \$36.3 million to the hospital's earnings.<sup>15</sup>
- » During 2017 and 2018, Maryland hospitals on average denied charity care applications about 9.5 percent of the time. Certain hospitals, however, denied charity care applications at a much higher rate. Seven hospitals, including all four Johns Hopkins facilities, denied more than 40 percent of all charity care applications. Sixteen hospitals, including most University of Maryland facilities, rejected more than 25 percent of all charity care requests. Mt. Washington Pediatric Hospital, the sole children's hospital included in our study, rejected more than 24 percent of requests from the families of its young patients for help with their medical bills.<sup>16</sup> It is likely that some of these rejected applicants were in fact eligible for charity care, and that still others had significant financial need even though they did not meet Maryland's current stringent charity care eligibility criteria.<sup>17</sup>
- » Solutions: First, all hospitals should suspend open and pending lawsuits for at least 18 months to allow a thorough review of policies surrounding this practice and forgive all current medical debts of those being sued. Second, state legislation is required to improve protections for Maryland families struggling with medical debt by reducing the volume and damage caused by medical debt lawsuits. Legislation is also needed to expand charity care requirements so that low-income patients will be able to access financial assistance.

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# INTRODUCTION

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In 2019, the issue of hospitals and health systems suing their patients became a much-discussed topic: numerous studies, exposés, and newspaper articles highlighted the problem. In May of 2019, we published “Taking Neighbors to Court: Johns Hopkins Hospital Medical Debt Lawsuits,”<sup>18</sup> which drew attention to the large number of lawsuits filed by Johns Hopkins Hospital against its largely poor, largely neighbors of color. The study garnered press from several news outlets including *The Baltimore Sun*;<sup>19</sup> in addition, *The Baltimore Sun* editorial board demanded that Johns Hopkins Hospital at least temporarily stop filing medical debt lawsuits against its poor patients.<sup>20</sup> Johns Hopkins Hospital has ignored this demand and continues to file lawsuits against the poor and minority communities that surround it.<sup>21</sup>

Unfortunately, Johns Hopkins Hospital is not the only hospital suing its patients. Indeed, it is common practice among hospitals in the United States. In the past 12 months alone, studies and articles have been published discussing this practice in Connecticut,<sup>22</sup> Virginia,<sup>23</sup> Oklahoma,<sup>24</sup> New Mexico,<sup>25</sup> and Tennessee.<sup>26</sup> The details across these cases follow a similar pattern. The studies find that a hospital, or hospitals, are suing thousands, if not tens of thousands, poor and low-income patients who need medical care, but are unable to pay due to being uninsured or underinsured. Many of these patients state that financial assistance and/or charity care was never discussed or offered. Debt is sent to collections, leaving the patients to be harassed by debt collectors until a medical debt lawsuit is filed. Often, a patient will not show up to a court hearing for one of several reasons: not receiving the notice, inability to get the day off work, or simply avoiding the hearing as they do not have the money to pay off the debt. Regardless of the reason, the result is always a judgment for the hospital. In many cases, the hospital is able to obtain a wage garnishment or property lien against the patient. Frequently, wage garnishments are against the hospital’s own employees. For the few patients who do show up, some type of unrealistic payment scheme is offered. When

the patient fails to make the payments, the hospital can then obtain a wage garnishment or a property lien. The results for patients and their families can be disastrous: their credit rating takes a hit (hurting future ability to obtain credit as well as jeopardizing future job and housing prospects), wages or property may be garnished until the debt is paid, and stress levels are increased. This is a heavy load to bear for simply obtaining needed medical care. Patients with medical debt are more likely to ration needed care due to cost,<sup>27</sup> which further endangers their health. It is bitterly ironic that hospitals, as institutions dedicated to healing, have practices that contribute to patients foregoing needed medical care and services.

The increased scrutiny brought by public attention to these hospital policies has brought limited reforms at some hospitals, most notably at two hospitals in Virginia — Mary Washington Hospital and the University of Virginia Health System — and one in Tennessee — Methodist Le Bonheur Healthcare. Mary Washington Hospital announced a six-month suspension of lawsuits, but would not guarantee it would not file more at a later date and will do nothing for the thousands already sued.<sup>28</sup> The UVA Health System stated it would provide financial assistance on a sliding scale for families making up to 400 percent of the poverty level. It also announced it would only sue patients if debt was more than a \$1,000.<sup>29</sup> Methodist Le Bonheur Healthcare wiped out the debt sought in 5,300 medical debt lawsuits, as of Dec. 24, 2019, after scrutiny from *ProPublica*.<sup>30</sup> The hospital system also increased the wages of its workers after it was exposed that it was suing many of them over medical debts.<sup>31</sup> These reforms are improvements, but much more needs to be done to protect patient health and economic security. Patients should not have to rely on the press to shame hospitals into doing right by their communities. Moreover, the risk of being sued remains, as there is nothing preventing hospitals from returning to their former policies.

This report seeks to highlight the large number of medical debt lawsuits filed by Maryland Hospitals against patients and underscore the need for the General Assembly to enact laws to protect patients.

**“These hospitals could easily reclassify medical debt in these lawsuits to charity care with little to no impact on their financial well-being. Such a move would provide immediate and lasting relief to their patients.”**

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This report is not the first time medical debt lawsuits have been exposed in Maryland. In 2008, *The Baltimore Sun* ran a series of articles highlighting the same issues addressed above.<sup>32</sup> These articles prompted the General Assembly to pass legislation in an attempt to protect poor patients from the actions of hospitals. Yet, it is obvious that more needs to be done, as Maryland's hospitals are suing tens of thousands of patients every year. The General Assembly must once again address medical debt and medical debt lawsuits.

The argument of this report is simple: There is no economic rationale for Maryland hospitals to sue so many of their patients. Between 2009 and 2018, Maryland hospitals filed 145,746 medical debt lawsuits seeking \$268,711,620 from patients.<sup>33</sup> In addition, numerous wage garnishments and liens were filed. At least 3,278 lawsuits ended with the patients filing for bankruptcy. No doubt, \$268.7 million is a large amount of money, but numbers must be placed into context. During this same time period, Maryland hospitals, all of which are classified as not-for-profits, had operating revenues of almost \$147 billion and \$5.68 billion in net income. When compared to the hospitals' operating income and net income, the \$268.7 million debt is relatively small. The amount of medical debt sought in lawsuits as a percentage of operating revenues is 0.18 percent and medical debt sought as a percentage of net income is 4.7 percent. These hospitals could easily write off these medical debts with minimal effect on their bottom line. In addition, during the last five years,<sup>34</sup> the executives of these hospitals have rewarded themselves handsomely. 1,068 executives received \$1.66 billion in aggregate compensation. Compensation amounts in excess of \$1 million were paid 274 times to 112 individuals. To put the \$1.66 billion in executive compensation in perspective, in the last five years, Maryland hospitals posted \$3.56 billion in net income. Executive compensation as a percentage of net income is 46.6 percent. Compare this to the 4.7 percent medical debt as a percentage of net income above and it becomes clear it is a small fraction of hospitals' total costs. Finally, in the last five years, the amount of charity provided by Maryland hospitals, both absolutely and relatively, has declined even as hospitals receive charity care rate payer support to offset the cost of providing charity care. These hospitals could easily reclassify the medical debt in these lawsuits to charity care with little to no impact on their financial well-being. Such a move would provide immediate and lasting relief to their patients.

Before data on medical debt lawsuits is presented, a couple of issues must be mentioned. First, all the hospitals in this report are not for profit. This does not mean that they cannot make profit,<sup>35</sup> rather, it means that they cannot directly distribute the surplus to enrich themselves. Not-for-profits are seen as an asset to the community, and any financial surplus they generate is to be used to serve the community. In exchange for this service, these not-for-profits do not have to pay most taxes that other individuals or for-profit companies are required to pay. Not-for-profits don't have to pay federal or state income taxes, property taxes, sales taxes, and donors receive tax deductions. The tax exemptions for these not-for-profit hospitals can add up to quite substantial amounts. For example, in "Breaking the Promise of Patient Care,"<sup>36</sup> we found that Johns Hopkins Hospital in one year, 2017, received more than \$164 million in tax exemptions. Traditionally, hospitals provided care to the sick and indigent (i.e. provided charity care), as such charity care was a crucial part of their mission. This is no longer the case. As this report demonstrates, the provision of charity care has diminished. Rather than providing badly needed charity care, these not-for-profit hospitals are suing the sick and indigent.

Second, medical debt is different than other forms of debt. It is a matter of life and death that some patients take on medical debt: There is no choice. The patient will die without the care. Medical debt is often unpredictable, incurred accidentally, or through no fault of the patient or family member. There is often no way to know how much debt will be incurred before care is provided, especially with the current complex system of hospital bills and health insurance reimbursements. Hospital billing is complex, and few people understand their bills. Furthermore, bills are riddled with errors. According to research reported in *The Wall Street Journal*, 40 to 80 percent of medical bill have errors.<sup>37</sup> In addition, the Maryland Insurance Administration finds that 15 to 16 percent of health insurance claims are routinely denied payment, leaving the patient scrambling to figure out what is happening.<sup>38</sup> Medical debt in Maryland must be handled with more care and compassion.

The remainder of the report will provide detailed tables and graphs in sections on medical debt lawsuits, financial health of hospitals, executive compensation, and the provision of charity care. The report will conclude with a section on proposed policy recommendations.

# MEDICAL DEBT LAWSUITS

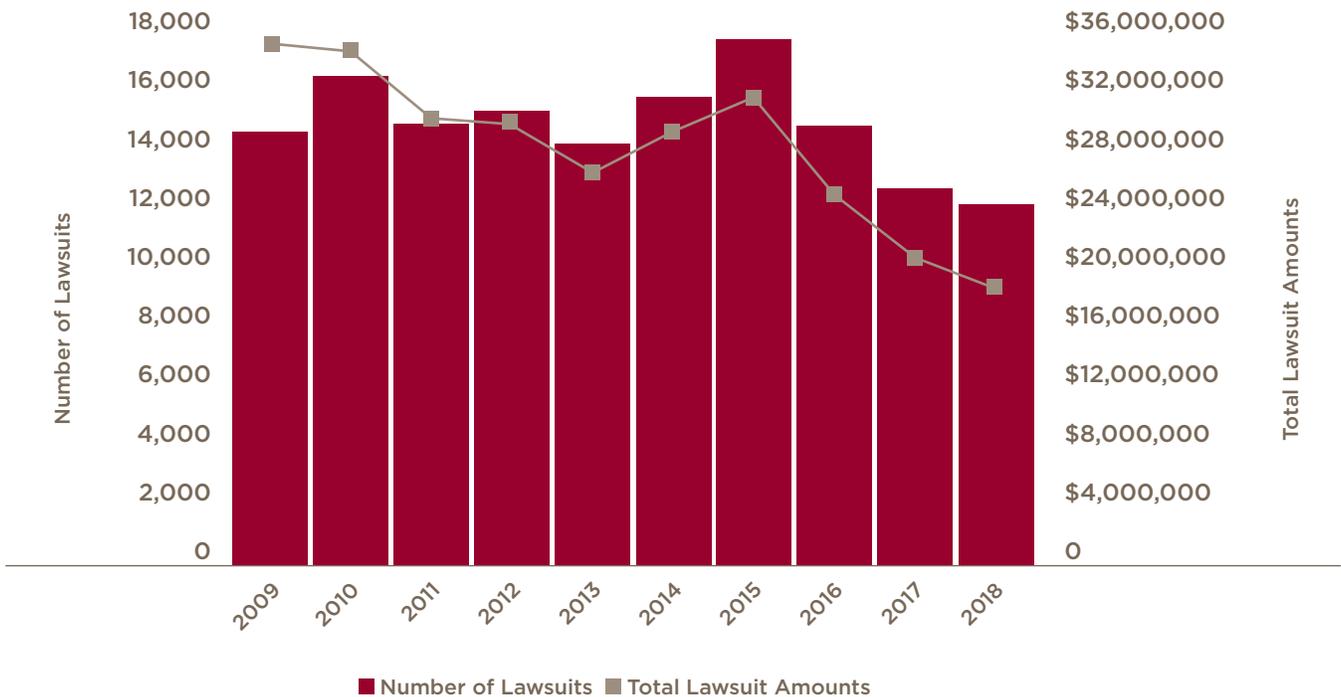
Maryland's hospitals are taking their patients to court over medical debt routinely and often. In the last 10 years, 42 of the 45 (93.3 percent) hospitals in this study have filed medical debt lawsuits seeking

hundreds of millions of dollars. Residents of every Maryland county have had medical debt lawsuits filed against them.

Table 1. **Overall Medical Debt Lawsuits Filed by Not-for-Profit Hospitals: 2009 - 2018**<sup>39</sup>

Total Lawsuits	Medical Debt Targeted by Lawsuits	Median Amounts	Total Lawsuits Resulting in Garnishment	Medical Debt Targeted by Lawsuits Through Garnishments	Total Liens	Total Medical Debt Targeted by Lawsuits Through Liens	Medical Debt Lawsuits Ending in Patient Bankruptcy
145,746	\$268,711,620	\$944	37,370	\$59,551,567	4,432	\$12,503,871	3,278

Figure 1. **Medical Debt Lawsuits in Maryland, 2009 - 2018**



Medical debt and medical debt lawsuits are a major concern for residents of Maryland. According to the Urban Institute data, 17 percent of Maryland resident have medical debt in collections, with 15 percent among white communities and 21 percent in communities of color.<sup>40</sup> Far too many of those with medical debt will end up being sued. Table 1 above, covering the period 2009-2018, highlights the major findings of this report, showing Maryland hospitals filed 145,746 medical debt lawsuits against their patients seeking \$268,711,620 in medical debt. The median amount of lawsuits filed was \$944, with a range from a low of \$10 to a high of \$808,327. The hospitals filed 37,370 wage garnishments and 4,432 liens seeking \$59,551,567 and \$12,503,871, respectively. At least 3,278 lawsuits ended with the patient filing for bankruptcy.

Figure 1 and Table 2 highlight the yearly number of medical debt lawsuits and amounts sought over the 10-year period. The number of medical debt lawsuits increased steadily from 2009 with 14,299 lawsuits filed, peaking in 2015 with 17,397 cases, and have slowly decreased in the last three years. In 2018, the number of cases was around 12,000. The overall amount of medical debt sought through lawsuits has been decreasing from a high of \$33,515,510 in 2009 to a low of \$17,849,225 in 2018. Though the number of lawsuits has been decreasing, there were still 71,763 lawsuits filed seeking \$119,433,039 in medical debt over the last five years. Even with the decline, Maryland hospitals are suing their patients far too often.

**Table 2. Medical Debt Lawsuits by Year**

Year	Medical Debt Lawsuits	Amount	Median Amount	Garnishment Total	Garnishment Amount
2009	14,299	\$33,515,510	\$1,060	4,050	\$7,771,595
2010	16,108	\$33,207,858	\$1,009	4,326	\$7,424,345
2011	14,651	\$28,778,458	\$958	4,115	\$6,644,987
2012	14,998	\$28,538,002	\$888	4,175	\$6,899,040
2013	13,927	\$25,238,519	\$876	3,448	\$5,234,874
2014	15,459	\$27,885,129	\$876	3,929	\$6,339,423
2015	17,397	\$30,043,894	\$866	4,934	\$7,265,465
2016	14,509	\$23,824,201	\$954	4,327	\$5,964,071
2017	12,455	\$19,830,590	\$1,003	2,775	\$4,182,313
2018	11,943	\$17,849,225	\$938	1,291	\$1,825,454
<b>Total</b>	<b>145,746</b>	<b>\$268,711,386</b>	<b>\$944</b>	<b>37,370</b>	<b>\$59,551,567</b>

There are 45 acute-care hospitals included in this report. Of these, 42 have filed medical debt lawsuits over the last 10 years. Of the 45 hospitals, 31 are members of hospital systems. The hospital systems and hospitals with the largest number of lawsuits are highlighted in Table 3. The University of Maryland Medical System (11 hospitals) filed the most lawsuits, followed by independent hospital Peninsula Regional Medical. The hospital systems Johns Hopkins Health System (four hospitals), MedStar Health (seven hospitals), and LifeBridge

Health (three hospitals) are the next three. Finally, independent Greater Baltimore Medical Center filed 16,780 medical debt lawsuits. These six entities accounted for 87.1 percent of all medical debt lawsuits filed and 86.6 percent of medical debt sought. For a summary of medical debt lawsuits for all the hospital systems, see Appendix 1. For more detailed hospital information, see the “Additional Resources on Hospitals and Counties” online section at <https://www.nationalnursesunited.org/preying-on-patients>.

**Table 3. Hospitals and Systems that Sued the Most Patients**

Hospitals and Systems	Total Lawsuits	Percent of Total Lawsuits	Medical Debt Targeted by Lawsuits	Percent of Total Medical Debt Targeted by Lawsuits
University of Maryland Medical System	25,430	17.4%	\$78,616,705	29.3%
Peninsula Regional Medical Center	21,831	15.0%	\$23,997,895	8.9%
Johns Hopkins Health System	21,707	14.9%	\$45,291,898	16.9%
MedStar Health	21,375	14.7%	\$36,281,760	13.5%
LifeBridge Health	19,869	13.6%	\$29,486,967	11.0%
Greater Baltimore Medical Center	16,780	11.5%	\$18,940,601	7.0%



Table 4. **Individual hospitals with more than 1,000 medical debt lawsuits, 2009 – 2018**

Hospital	System	Total Lawsuits	Medical Debt Sought by Lawsuits	Median Amount	Total Lawsuits Resulting in Garnishment	Medical Debt Sought by Lawsuits Through Garnishments
Peninsula Regional Medical Center		21,831	\$23,997,895	\$491	10,142	\$10,313,894
Greater Baltimore Medical Center		16,780	\$18,940,601	\$716	4,609	\$5,608,834
Johns Hopkins Suburban Hospital	Johns Hopkins Health System	13,742	\$30,214,414	\$895	352	\$931,786
Sinai Hospital of Baltimore	LifeBridge Health	11,690	\$17,263,061	\$907	3,776	\$5,464,815
University of Maryland Medical Center	University of Maryland Medical System	9,584	\$45,828,278	\$2,165	1,330	\$5,526,833
University of Maryland Shore Medical Center <sup>41</sup>	University of Maryland Medical System	7,969	\$14,959,294	\$1,071	138	\$247,255
MedStar Franklin Square Medical Center	MedStar Health	6,509	\$10,879,817	\$923	2,216	\$3,950,878
Northwest Hospital	LifeBridge Health	5,278	\$6,968,182	\$881	1,550	\$1,952,778
Mercy Medical Center		5,253	\$5,964,312	\$864	815	\$920,310
Saint Agnes Healthcare	Ascension Healthcare	4,138	\$6,117,483	\$891	1,040	\$1,540,617
MedStar Good Samaritan Hospital	MedStar Health	3,475	\$5,650,172	\$896	1,317	\$2,254,077
MedStar Southern Maryland Hospital Center	MedStar Health	3,335	\$6,443,532	\$1,042	742	\$1,677,445
MedStar Union Memorial Hospital	MedStar Health	3,036	\$5,472,868	\$957	1,028	\$1,847,083
Johns Hopkins Hospital	Johns Hopkins Health System	2,967	\$5,965,398	\$1,409	673	\$1,321,817
Johns Hopkins Bayview Medical Center	Johns Hopkins Health System	2,560	\$5,089,385	\$1,174	698	\$1,466,303
University of Maryland Capital Region Health at Laurel Regional and Prince George's Hospital <sup>42</sup>	University of Maryland Medical System	2,543	\$6,230,184	\$1,685	1,274	\$3,221,097

Hospital	System	Total Lawsuits	Medical Debt Sought by Lawsuits	Median Amount	Total Lawsuits Resulting in Garnishment	Medical Debt Sought by Lawsuits Through Garnishments
Johns Hopkins Howard County General Hospital	Johns Hopkins Health System	2,406	\$3,915,411	\$1,016	580	\$1,004,816
MedStar Harbor Hospital	MedStar Health	2,397	\$3,801,081	\$943	861	\$1,422,687
Carroll Hospital Center	LifeBridge Health	2,373	\$4,554,230	\$1,113	332	\$747,215
Meritus Medical Center		2,353	\$7,140,184	\$1,621	781	\$1,863,509
University of Maryland Charles Regional Medical Center	University of Maryland Medical System	2,328	\$3,223,313	\$922	257	\$457,338
Atlantic General Hospital		2,064	\$2,112,079	\$509	658	\$713,308
MedStar St. Mary's Hospital	MedStar Health	1,613	\$1,668,591	\$722	263	\$448,220
CalvertHealth Medical Center		1,422	\$2,238,242	\$914	216	\$363,049
Anne Arundel Medical Center		1,193	\$6,771,593	\$3,899	216	\$1,240,010
Holy Cross Hospital	Trinity Health	1,124	\$2,964,239	\$1,343	141	\$424,142

The number of medical debt lawsuits filed by the individual hospitals is presented in Table 4. The table lists the 26 hospitals that filed more than 1,000 lawsuits over the 10 years. These hospitals account for 57.8 percent of Maryland hospitals, yet they filed 96 percent of all medical debt lawsuits over the period. Nineteen of these hospitals are part of systems. For a list of all hospitals with the number of medical debt lawsuits, see Appendix 2.

Peninsula Regional Medical Center filed the most medical debt lawsuits in Maryland, at 21,831 seeking \$23,997,895 in medical debt, followed by Greater Baltimore Medical, at 16,780 seeking \$18,940,601 in medical debt. Johns Hopkins Suburban Hospital finishes out the top three, at 13,472 medical debt lawsuits seeking \$30,214,414 in medical debt.

Johns Hopkins Suburban has the highest amount of medical debt sought in the state. All four of the hospitals in Johns Hopkins Health System and the three hospitals in LifeBridge Health made the table with more than 1,000 cases. Six of seven hospitals in MedStar Health and four of the 11 in University of Maryland Medical System appear on the table.

Eight hospitals filed between 100 and 1000 cases and another eight hospitals filed fewer than 100 medical debt lawsuits.

No medical debt lawsuits were found for three of the hospitals: Bon Secours Hospital, Western Maryland Regional Medical Center, and Holy Cross Germantown.

Table 5. **Counties where medical debt lawsuit victims reside, 2009 - 2018**

County	Total Medical Debt Lawsuits Filed Against Residents	Medical Debt Amount	Median Amount	Total Cases Resulting in Garnishments	Garnishment Amount
Baltimore	32,617	\$51,330,059	\$928	9,016	\$13,739,450
Baltimore City	30,070	\$53,571,018	\$982	8,949	\$14,619,377
Wicomico	14,617	\$15,987,917	\$496	7,102	\$6,992,859
Montgomery	9,614	\$20,844,236	\$1,012	666	\$1,713,023
Prince George's	8,683	\$20,125,033	\$1,279	2,087	\$5,069,043
Anne Arundel	5,823	\$17,995,138	\$1,239	1,210	\$3,317,623
Worcester	4,312	\$5,324,206	\$506	1,716	\$1,981,777
Howard	3,387	\$6,890,331	\$1,133	701	\$1,285,884
Carroll	3,376	\$6,550,910	\$1,130	536	\$1,094,992
Harford	3,311	\$6,329,536	\$1,050	724	\$1,357,227
Charles	3,063	\$5,113,519	\$965	454	\$1,030,415
Dorchester	2,721	\$5,079,166	\$959	204	\$332,646
Washington	2,271	\$6,446,741	\$1,491	741	\$1,766,314
Somerset	2,051	\$2,141,205	\$431	939	\$865,053
Saint Mary's	1,880	\$2,673,450	\$808	297	\$568,427
Caroline	1,827	\$4,260,504	\$1,034	69	\$179,722
Talbot	1,739	\$3,631,645	\$1,084	32	\$82,450
Calvert	1,417	\$2,548,505	\$940	229	\$427,373
Frederick	1,184	\$3,893,446	\$1,238	133	\$498,164
Queen Anne's	1,016	\$2,606,825	\$1,186	69	\$157,290
Cecil	858	\$2,274,807	\$1,107	205	\$362,932
Kent	647	\$1,476,726	\$1,267	97	\$251,252
Allegany	62	\$240,945	\$1,306	4	\$6,249
Garrett	17	\$49,698	\$2,826	2	\$11,257

Every county had residents with medical debt lawsuits filed against them.<sup>43</sup> The larger urban areas, with higher population density, have more lawsuits, but no place in Maryland is immune. See “Additional

Resources on Hospitals and Counties” section for detailed county information at <https://www.nationalnursesunited.org/preying-on-patients>.

## Wage and Property Garnishments

Since 2009, hospitals used the Maryland courts to seize the wages or property of their patients in more than 37,000 cases in efforts to recover medical debts. Garnishment orders granted by the courts allow hospitals to take a portion of a patient's wages every pay period until the debt is paid, or to simply empty the patient's bank accounts to cover as much of the debt as possible.

The top private-sector employers of patients subjected to wage garnishments include notorious low-wage companies such as Walmart and Home

Depot, but also the hospitals themselves. In particular, Johns Hopkins, Peninsula Regional Medical Center, and the University of Maryland Medical System requested garnishment orders against hundreds of their own employees. Public-sector workers also had their wages garnished on a massive scale, including hundreds of workers for the state of Maryland, U.S. postal workers, and public school employees.

**Table 6. Top Employers of Wage Garnishment Victims**

Rank	Private-Sector Employer
1	Walmart/Sam's Club
2	Perdue Farms
3	Johns Hopkins
4	Peninsula Regional Medical Center
5	Mountaire Farms
6	Genesis Healthcare
7	Home Depot
8	MedStar
9	University Of Maryland Medical System
10	Dove Pointe
Rank	Public-Sector Employer
1	State of MD — Central Payroll
2	USPS
3	Baltimore Public Schools

## High-Volume Dockets for Maryland Medical Debt Lawsuits

Medical debt lawsuits in Maryland are typically pursued at high-volumes. On average, 40 medical debt cases were filed each day, including weekends and holidays, between 2009 and 2018. Medical debt lawsuits are often filed in bulk. There were 453 days on which 100 or more medical debt lawsuits and six days on which more than 300 medical debt lawsuits were filed. The single largest number of lawsuits filed in one day was 474 lawsuits on Dec. 9, 2009.

Medical debt lawsuits are also largely handled by a small number of attorneys. 92 percent of the 145,746 cases referenced in this report were filed by just 21 attorneys, each with more than 1,000 medical debt cases. More than 93,000 medical debt lawsuits, accounting for 64 percent of the total over 10 years, were filed by the five attorneys with the highest number of cases. The market share of these five attorneys has steadily increased over time, climbing from 48.6 percent of all medical debt cases in 2009 to 77 percent in 2018. Together, the top five attorneys filed 100 or more lawsuits on 245 days.

A single attorney was responsible for filing almost 41,000 medical debt lawsuits between 2009 and 2018, accounting for 28.1 percent of the total. In 2017 and 2018, this attorney's cases amounted to 50.8 percent and 55.1 percent of all medical debt cases filed for those years, respectively. On a single day, this attorney filed 229 medical debt lawsuits. On 59 occasions, this attorney filed 100 or more lawsuits in one day.

With such high volumes of cases, ensuring due process and just outcomes for medical debt lawsuits represents a major challenge.<sup>44</sup> According to a 2016 report by the National Center for State Courts, consumer debt cases receive little, if any, judicial attention, and almost always involve major power imbalances between defendants and plaintiffs.

“Defendants in these cases were overwhelmingly unrepresented, while plaintiffs were overwhelmingly represented by attorneys, even in small-claims cases. Serious knowledge and power imbalances between plaintiffs and defendants can undermine procedural and substantive legal protections. Defendants are almost by definition persons of limited means...Coming to court may mean losing wages, finding child care, or incurring transportation costs. Generally, unrepresented defendants face attorneys whose business model is based on processing huge numbers of cases with limited effort and whose insider knowledge often enables them to achieve one-sided outcomes through defaults or onerous settlements. After securing a judgment, plaintiffs' lawyers are able to evict, garnish wages, and seize assets.”<sup>45</sup>

For medical debt lawsuits, the imbalance of knowledge and resources between the defendant/patient and the plaintiff/hospital all but guarantees judgments for the hospital, regardless of the actual details of the case. For many patients, these judgments can jeopardize access to basic life necessities, including employment and housing. The financial impacts can last a lifetime. It is hard to deny the injustice and immorality of such a system. Maryland's not-for-profit hospitals are responsible for these lawsuits and should be compelled to immediately suspend all medical debt litigation until their debt collection practices can be revised to ensure better protection for patients. In the next section, we make clear that the hospitals of the state can easily afford to do so.

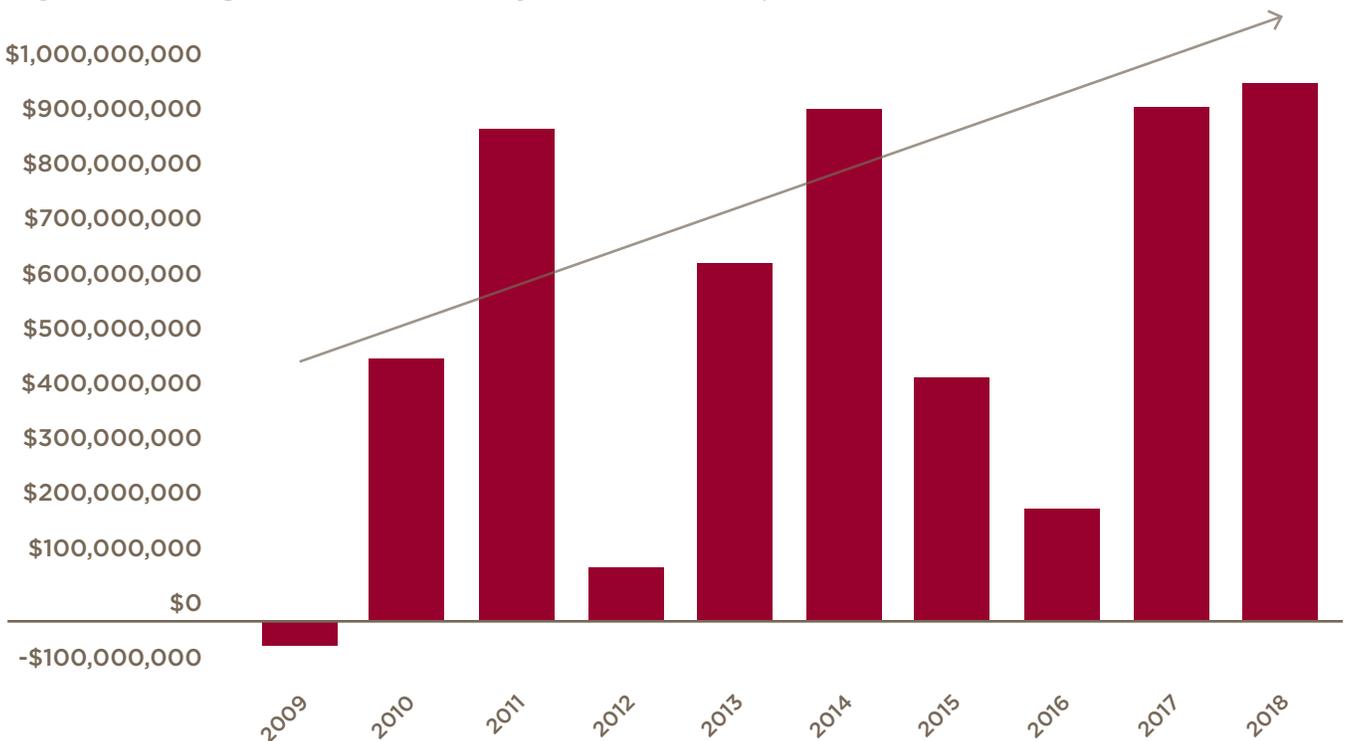
# FINANCIAL HEALTH OF MARYLAND'S NOT-FOR-PROFIT HOSPITALS AND HOSPITAL SYSTEMS

This section will highlight the financial health Maryland not-for-profit hospitals have enjoyed over the last 10 years.

Table 7. **Revenue and net income for Maryland not-for-profit hospitals, 2009 - 2018**<sup>46</sup>

Total Operating Revenues	Total Operating Expenses	Net Income
\$146,925,814,699	\$142,297,804,064	\$5,675,970,196

Figure 2. **Rising Not-for-Profit Hospital Net Income, 2009 - 2018**



Maryland not-for-profit hospitals have done very well over the last 10 years. The 45 hospitals included in this report earned almost \$147 billion in operating revenue with \$5.68 billion in net income. In the aggregate, Maryland hospitals have had nine straight years of positive net income. With a few bumps, there has been steady growth from

negative net income of almost \$45 million in 2009 in the depths of the Great Recession to positive net income just short of \$1 billion in 2018. Over the last 10 years, total net income has approached \$1 billion on four occasions. In just the last five years, net income totaled \$3.56 billion, compared to \$2.1 billion in the first five years.

Table 8. **Net income by year**

Year	Net Income
2009	-\$44,876,023
2010	\$487,261,515
2011	\$912,783,928
2012	\$98,395,088
2013	\$661,256,760
2014	\$950,764,101
2015	\$453,425,911
2016	\$205,849,605
2017	\$954,026,436
2018	\$997,082,875
<b>Total</b>	<b>\$5,675,970,196</b>

Table 9. **Revenue and net income by individual hospitals, 2009 - 2018**

Hospital name	System	Total operating revenues	Net Income
University of Maryland Medical Center	University of Maryland Medical System	\$12,606,743,000	\$692,657,000
Johns Hopkins Hospital	Johns Hopkins Health System	\$19,861,730,000	\$609,011,000
Sinai Hospital of Baltimore	LifeBridge Health	\$7,041,203,651	\$362,900,864
Holy Cross Hospital	Trinity Health	\$4,522,082,000	\$309,793,000
Saint Agnes Healthcare	Ascension Healthcare	\$4,212,130,000	\$278,388,000
University of Maryland Shore Medical Center <sup>47</sup>	University of Maryland Medical System	\$2,742,438,118	\$235,973,997

Hospital name	System	Total operating revenues	Net Income
University of Maryland Upper Chesapeake Medical Center	University of Maryland Medical System	\$2,319,937,000	\$230,520,010
Greater Baltimore Medical Center		\$4,563,670,239	\$221,161,630
Adventist Healthcare Shady Grove Medical Center	Adventist HealthCare	\$3,404,365,166	\$207,610,806
Northwest Hospital	LifeBridge Health	\$2,254,113,305	\$189,261,632
Johns Hopkins Suburban Hospital	Johns Hopkins Health System	\$2,722,053,000	\$182,209,000
MedStar Franklin Square Medical Center	MedStar Health	\$4,732,365,862	\$179,873,952
Mercy Medical Center		\$6,181,693,000	\$170,419,000
Peninsula Regional Medical Center		\$3,820,391,618	\$170,382,018
Anne Arundel Medical Center		\$5,904,222,000	\$161,933,000
Western Maryland Regional Medical Center		\$3,038,037,000	\$156,113,000
Carroll Hospital Center	LifeBridge Health	\$2,595,252,000	\$135,527,000
University of Maryland Baltimore Washington Medical Center	University of Maryland Medical System	\$3,099,211,000	\$126,634,000
Meritus Medical Center		\$2,925,273,483	\$112,378,018
MedStar Union Memorial Hospital	MedStar Health	\$3,415,900,000	\$109,137,371
MedStar Harbor Hospital	MedStar Health	\$2,003,549,625	\$106,718,380
Johns Hopkins Howard County General Hospital	Johns Hopkins Health System	\$2,459,510,000	\$94,557,000
MedStar St. Mary's Hospital	MedStar Health	\$1,410,237,991	\$88,542,767
University of Maryland Harford Memorial Hospital	University of Maryland Medical System	\$819,628,170	\$83,511,019
University of Maryland Charles Regional Medical Center	University of Maryland Medical System	\$1,067,991,147	\$77,513,321
MedStar Good Samaritan Hospital	MedStar Health	\$3,001,378,973	\$73,484,902
Frederick Regional Health System		\$3,595,001,000	\$67,711,000
MedStar Montgomery Medical Center	MedStar Health	\$1,492,444,653	\$64,384,589

Hospital name	System	Total operating revenues	Net Income
CalvertHealth Medical Center		\$1,396,539,843	\$60,794,408
Mt. Washington Pediatric Hospital	University of Maryland Medical System	\$538,886,154	\$57,899,437
Johns Hopkins Bayview Medical Center	Johns Hopkins Health System	\$5,588,855,000	\$46,080,000
Union Hospital		\$1,461,783,826	\$34,384,226
University of Maryland Rehabilitation & Orthopaedic Institute	University of Maryland Medical System	\$939,878,000	\$27,829,445
Garrett Regional Medical Center		\$448,577,259	\$21,908,061
Adventist Healthcare Washington Adventist Hospital	Adventist HealthCare	\$2,292,560,475	\$20,041,393
Atlantic General Hospital		\$1,007,127,955	\$19,584,718
University of Maryland Medical Center Midtown Campus	University of Maryland Medical System	\$1,733,746,000	\$16,514,162
University of Maryland Capital Region Health at Laurel Regional and Prince George's Hospital <sup>48</sup>	University of Maryland Medical System	\$3,331,541,473	\$15,536,464
Fort Washington Medical Center		\$424,149,011	\$6,605,068
Doctors Community Hospital		\$2,136,220,394	\$5,144,858
McCready Health		\$180,200,900	\$3,054,993
Bon Secours Baltimore Health System	Bon Secours Mercy Health	\$1,167,408,938	-\$10,339,713
MedStar Southern Maryland Hospital Center	MedStar Health	\$2,184,984,300	-\$29,264,600
University of Maryland St. Joseph Medical Center	University of Maryland Medical System	\$3,273,942,000	-\$48,319,000
Holy Cross Germantown Hospital	Trinity Health	\$1,006,860,170	-\$69,791,000

The vast majority of individual hospitals have had positive net income for the years of 2009-2018 combined. Forty-one of 45 (91 percent) hospitals had positive net income. University of Maryland Medical Center and Johns Hopkins Hospital clearly are the most financially successful. Their net income is nearly double their next competitor. The most profitable hospitals in Maryland are part of systems: 11 of the top 12 hospitals by net income belong to systems, with University of Maryland Medical System having three hospitals, while both Johns Hopkins Health System and LifeBridge Health each have two. Two-thirds of the not-for-profit hospitals averaged more than \$5 million a year in net income.

The four hospitals with negative net income are all part of systems that are very successful financially. These systems can easily subsidize their hospitals to ensure they can continue to serve their communities. Bon Secours recently merged with LifeBridge Health.<sup>49</sup> MedStar Health and University of Maryland Medical System each have one. Finally, Holy Cross German Hospital is part Trinity Health, a large Catholic hospital system.<sup>50</sup>

Table 10 highlights five Maryland-based not-for-profit health systems.<sup>51</sup> Johns Hopkins Health

System's net income of almost \$3 billion over the last 10 years is the highest in the state. Overall, these five systems have combined net income of more than \$6.4 billion. Maryland's not-for-profit hospitals and hospital systems have clearly been very successful over the last 10 years.

Yet, even as these same hospitals and hospitals systems have enjoyed financial success, they continue to take their patients to court in pursuit of medical debt. There is no economic rationale for doing so. While there is no doubt that the total amount of medical debt sought through lawsuits, \$269 million, is a large amount of money, it must be placed into proper context. Relative to the hospitals' operating revenue (\$146 billion) and net income (\$5.68 billion), \$269 million is minuscule. Medical debt sought in lawsuits as percentage of operating revenue is 0.18 percent and medical debt sought as a percentage of net income is 4.7 percent. In the aggregate, these numbers are insignificant. The hospitals and hospital systems have more than enough resources to be able to continue their operations without suing their patients. If the executives of these hospitals and hospital systems are concerned about their organizations' financial health, they might be advised to examine their own compensation.

Table 10. **Revenue and net income for Maryland's hospital systems, 2009 - 2018**<sup>52</sup>

System Names	Operating Revenue	Net Income
Johns Hopkins Health System	\$49,726,759,000	\$2,932,633,000
MedStar Health	\$45,807,500,000	\$1,590,000,000
University of Maryland Medical System	\$30,005,233,000	\$1,001,890,000
LifeBridge Health	\$11,837,362,000	\$698,563,000
Adventist HealthCare	\$7,456,976,277	\$191,077,952
<b>Total</b>	<b>\$144,833,830,277</b>	<b>\$6,414,163,952</b>

# EXECUTIVE COMPENSATION FOR MARYLAND'S NOT-FOR-PROFIT HOSPITALS AND SYSTEMS

The executives of Maryland's not-for-profit hospitals and hospital system have done very well for themselves over the last five years. In this time, 3,134 annual payments of compensation were made to 1,068 executives. In total, these executives received \$1,659,854,574 in compensation. The compensation ranged from a low of \$45,186 to a high of \$15,385,616. Only seven cases exist of compensation less than the median household income in Maryland of \$81,868.<sup>53</sup> More than \$1 million in compensation was paid 274 times to 112 individuals. According to the Economic Policy Institute, the threshold to be in the top 1 percent of incomes in Maryland is \$445,783.<sup>54</sup> 474 individuals received compensation 1,348 times that would place them in the top 1 percent income bracket for Maryland.

The executives with the highest total executive compensation over the last five years are listed in Table 12. Executives from Johns Hopkins Health System, MedStar Health, and University of Maryland Medical System occupy the top three positions. These three systems dominate the list of highest-paid executives. Johns Hopkins Health System and MedStar Health each have six executives and University of Maryland Medical System has four in the top 25. See Appendix 3 for the complete list of the 112 executives who comprise "The Merry Millionaires of Maryland" (executives who earned more than \$1 million compensation in one year).

Table 11. **Executive compensation for Maryland not-for-profit hospitals and systems, last five years<sup>55</sup>**

Total Compensation	Number of Annual Payments to Executives	Number of Individual Executives	Number of annual payments over \$1 million	Number of annual payments that put executives above the 1% of income bracket in Maryland
\$1,659,854,574	3,143	1,068	274	1,348



Table 12. **Top 25 executives, aggregate compensation, last five years**

Executive	Title	Hospital/Hospital System	Sum
Ronald R Peterson	President/Trustee	Johns Hopkins Health System	\$27,152,917
Kenneth A Samet	CEO & President	MedStar Health	\$27,097,825
Robert A Chrencik	President And CEO	University of Maryland Medical System	\$18,351,304
Michael J Curran	EVP & CFO	MedStar Health	\$14,085,633
Joy Drass	EVP	MedStar Health	\$12,023,842
Philip B Down	CEO	Doctors Community Hospital	\$9,774,490
Ronald J Werthman	Senior VP/Finance & Treasurer.	Johns Hopkins Health System	\$9,608,467
Neil Meltzer	President/CEO	Lifebridge	\$9,257,760
Judy A Reitz	VP/Operations Integration	Johns Hopkins Health System	\$8,404,638
Bonnie L Phipps	SVP-AH Group Operating Exec	St. Agnes Hospital	\$8,353,627
Eric Wagner	EVP	MedStar Health	\$7,689,392
Joanne E Pollak	SR VP, HIPAA & Internal Audit	Johns Hopkins Health System	\$7,447,590
Stephen Evans	EVP	MedStar Health	\$7,423,401
Thomas Mullen	Chair, Ex Officio	Mercy Medical Center	\$7,224,215
Karen E Olscamp	President & CEO	University of Maryland Baltimore Washington Medical Center	\$7,150,471
Brian A Gragnolati	SR VP Community Division	Johns Hopkins Health System	\$6,974,350
Henry J Franey	EVP, CFO And Treasurer	University of Maryland Medical System	\$6,941,498
Lyle E Sheldon	President/CEO/Director	University of Maryland Upper Chesapeake Medical Center	\$6,869,349
Frank Ebert MD	Physician	Medstar Union Memorial Hospital	\$6,713,540
Victoria Bayless	President And CEO	Anne Arundel Medical Center	\$6,693,523
Terry Forde	President & CEO,AHC; Board, Secretary	Adventist HealthCare	\$6,539,408
Pamela D Paulk	SR VP Human Resources	Johns Hopkins Health System	\$5,875,226
John B Chessare MD	Director/CEO GBMC Healthcare	Greater Baltimore Medical Center	\$6,446,914
Michael Mont MD	Physician	Sinai Hospital Of Baltimore Inc.	\$6,365,101
Flavio W Kruter	Physician	Carroll County General Hospital	\$6,015,246

Table 13 includes a list of the 10 highest annual compensation amounts for a single executive over the last five years. Ronald R. Peterson of Johns Hopkins Health System comes in with the highest annual rate, receiving more than \$15 million in 2013. Peterson makes the list again with his 2018 compensation

of \$3.8 million, the ninth highest. Kenneth A. Samet of MedStar makes the list four times, and Robert A. Chrencik of the University of Maryland Medical System makes the list twice. The total for the top 10 compensation rates over the last five years comes to more than \$62 million.

**Table 13. Top 10 executive annual salaries, last five years**

Year	Executive	Title	Hospital / Hospital System	Total
2013	Ronald R Peterson	President	Johns Hopkins Health System	\$15,385,619
2017	Kenneth A Samet	CEO And President	MedStar Health	\$7,751,857
2015	Robert A Chrencik	President and CEO	University of Maryland Medical System	\$6,902,166
2018	Kenneth A Samet	CEO And President	MedStar Health	\$6,621,128
2016	Kenneth A Samet	CEO And President	MedStar Health	\$4,939,105
2015	Kenneth A Samet	CEO And President	MedStar Health	\$4,389,929
2018	Karen E Olscamp	President And CEO	University of Maryland Baltimore Washington Medical Center	\$4,287,021
2017	Robert A Chrencik	President And CEO	University of Maryland Medical System	\$4,265,077
2018	Ronald R Peterson	Trustee	Johns Hopkins Howard County General Hospital	\$3,845,705
2014	John Sernulka	President/Ex-Officio	Carrol Hospital Center	\$3,687,303

Table 14. **Executive compensation by hospital, last five years combined, top 25**

Hospital name	System	Total Compensation	Number of Annual Payments to Executives	Number of Individual Executives	Number of annual payments over \$1 million	Number of annual payments that put executives above the top 1% income threshold in Maryland
Johns Hopkins Hospital	Johns Hopkins Health System	\$124,919,403	196	56	35	82
MedStar Union Memorial Hospital	MedStar Health	\$87,225,549	90	28	32	58
University of Maryland Medical Center	University of Maryland Medical System	\$80,154,293	79	26	21	76
Johns Hopkins Bayview Medical Center	Johns Hopkins Health System	\$75,318,668	107	34	19	50
MedStar Southern Maryland Hospital Center	MedStar Health	\$72,872,613	64	24	20	35
MedStar Good Samaritan Hospital	MedStar Health	\$70,259,076	86	27	11	50
Greater Baltimore Medical Center		\$64,573,261	113	35	12	53
Sinai Hospital of Baltimore	LifeBridge Health	\$63,282,197	69	28	29	53
MedStar Harbor Hospital	MedStar Health	\$62,037,197	73	24	9	43
MedStar Franklin Square Medical Center	MedStar Health	\$59,615,118	60	20	7	41
MedStar St. Mary's Hospital	MedStar Health	\$57,472,375	68	23	7	37
Johns Hopkins Howard County General Hospital	Johns Hopkins Health System	\$51,722,888	96	34	12	28

Hospital name	System	Total Compensation	Number of Annual Payments to Executives	Number of Individual Executives	Number of annual payments over \$1 million	Number of annual payments that put executives above the top 1% income threshold in Maryland
University of Maryland Medical Center Midtown Campus	University of Maryland Medical System	\$50,739,506	75	34	9	30
University of Maryland Shore Medical Center (1)	University of Maryland Medical System	\$50,441,961	96	36	8	27
Carroll Hospital Center	LifeBridge Health	\$49,766,303	94	35	11	33
University of Maryland Baltimore Washington Medical Center	University of Maryland Medical System	\$49,559,674	58	22	11	32
Northwest Hospital	LifeBridge Health	\$45,488,238	69	21	10	38
University of Maryland Upper Chesapeake Medical Center	University of Maryland Medical System	\$45,332,630	59	14	13	22
Peninsula Regional Medical Center		\$45,302,065	73	22	6	47
Johns Hopkins Suburban Hospital	Johns Hopkins Health System	\$45,245,523	81	32	7	32
MedStar Montgomery Medical Center	MedStar Health	\$44,912,119	55	18	5	17
Holy Cross Hospital	Trinity Health	\$44,639,989	82	29	9	24
University of Maryland Harford Memorial Hospital	University of Maryland Medical System	\$43,311,673	57	17	13	22
Saint Agnes Healthcare	Ascension Healthcare	\$41,192,598	58	19	5	47
University of Maryland St. Joseph Medical Center	University of Maryland Medical System	\$41,189,736	44	23	13	36

Table 14 highlights the top 25 hospitals in terms of total amount of compensation they paid their executives. The table shows the frequency with which executives received \$1 million, and how many are above the threshold of the top 1 percent in income. Johns Hopkins Hospital paid its executives the most in the last five years, paying 56 executives almost \$125 million, with 35 payments over \$1 million and 82 payments above the top 1 percent income threshold. The hospitals of Johns Hopkins Health System, MedStar Health, and University of Maryland Medical System dominate the top 25. See Appendix 4 for all the hospitals' combined executive compensation for the last five years.

As mentioned above, the hospitals and hospital systems paid almost \$1.66 billion in executive compensation. To put that figure in perspective, in the last five years Maryland hospitals posted \$3.56 billion in net income. Executive compensation as a percentage of net income is 46.6 percent, while medical debt as a percentage of net income is only 4.7 percent.<sup>56</sup> Clearly, executive compensation has a much larger impact on the hospitals' financial health than the amount sought in medical debt lawsuits. Over the last five years, these 1,068 executives could have donated just 7.2 percent of their compensation and the entire amount sought in medical debt lawsuits would have been wiped out.

The highest-paid executive in this report, Ronald R. Peterson of Johns Hopkins Health System, received \$15,385,619 in one year. In Baltimore, where Johns Hopkins Health System is located, the median household income for the years during the study was \$46,641.<sup>57</sup> It would take 328 years for the median household to match Peterson's one-year compensation. When *The Baltimore Sun* did its series in 2008 on medical debt lawsuits, Peterson was asked about Johns Hopkins Hospital suing patients. He replied: "We could have bad behavior from people who are in that category of dead-beats."<sup>58</sup> These executives benefiting from excessive compensation are the same individuals who oversee and are ultimately accountable for hospital practices on medical debt lawsuits and charity care provisions. As will be seen in the next section, the amount of charity provided in the last five years has declined even as hospitals receive rate payer support to offset the cost of providing charity care. These executives could easily reclassify the medical debt in these lawsuits as charity care with little to no impact on their financial well-being, but such action would provide immediate and lasting relief to their patients.



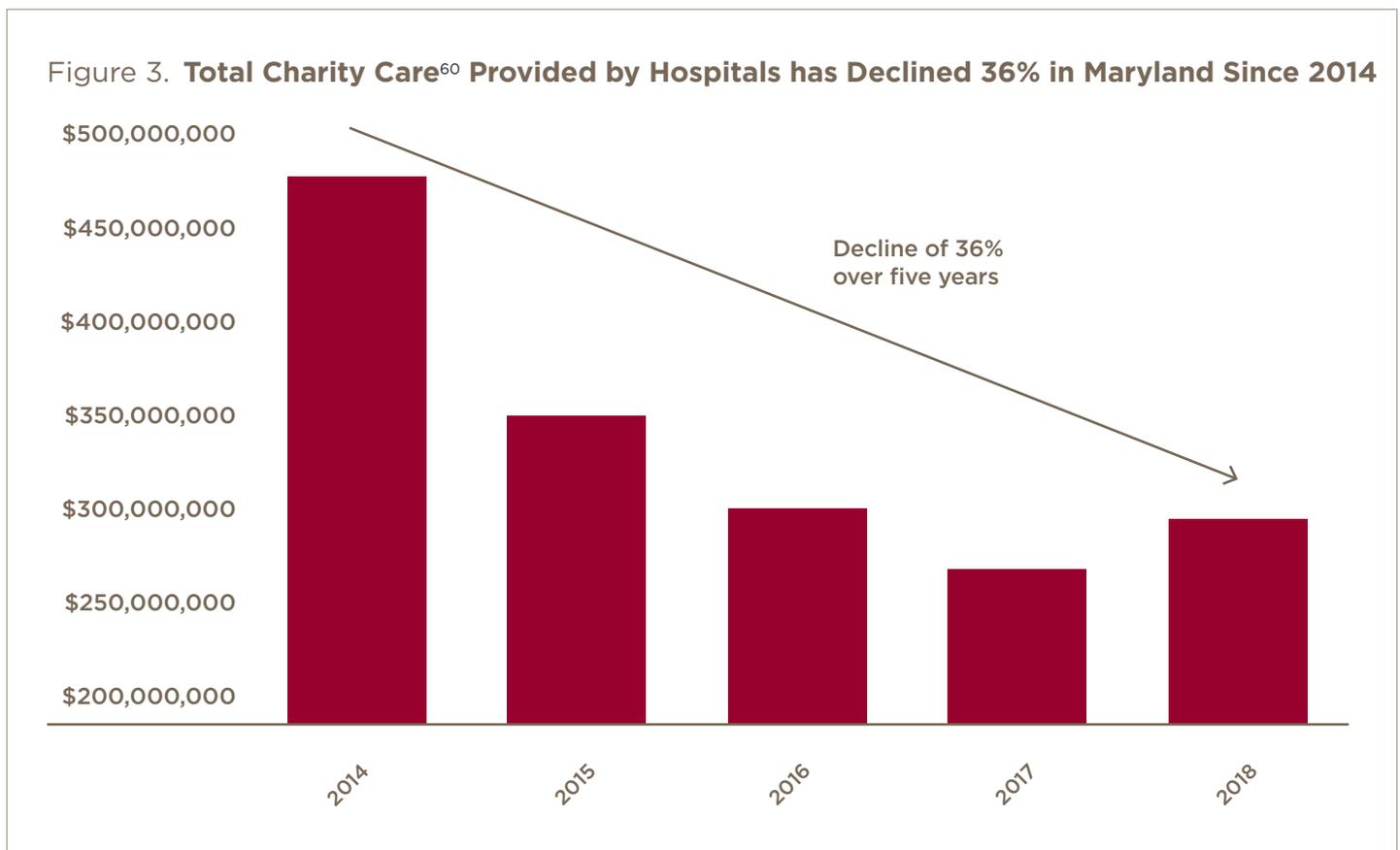
**“Over the last five years, these 1,068 executives could have donated just 7.2 percent of their compensation and the entire amount sought in medical debt lawsuits would have been wiped out.”**

# CHARITY CARE AND MARYLAND'S NOT-FOR-PROFIT HOSPITAL SYSTEMS

The state of Maryland has long required that its not-for-profit hospitals provide free or reduced cost medical care to the poor. Indeed, the enormous tax subsidies these hospitals receive through their nonprofit status is in part based on the benefits that charity care provides to Maryland communities. There is no question financial assistance plays an immensely positive role in sparing the sick or injured from financial ruin. However, many of those who should be benefiting from charity care in Maryland are not. Rather, they are being sued. While the state's not-for-profit hospitals have been filing tens of thousands of lawsuits against their patients who apparently could not afford to pay for needed

medical care, those same hospitals have slashed the amount of charity care they provide by hundreds of millions.

In the last five years that data is available, 2014 through 2018, the annual amount of charity care provided by Maryland hospitals has declined by more than a third, falling 36 percent since 2014. Maryland hospitals provided \$168 million less in charity care in 2018 than they did in 2014 (not adjusting for inflation). The decline is even more dramatic as a portion of the cost of care provided. As a percentage of operating expenses, charity care sank by almost half, falling more than 46 percent.<sup>59</sup>



**Table 15. The percentage of charity care for all hospital expenses has declined by more than 46%**

	Charity Care Provided by Maryland Hospitals	Charity Percentage of Operating Expenses (before Rate Support)	Percent Decline in Charity Care Since 2014	Percent Decline of Charity Percentage
<b>2014</b>	\$471,234,448	2.9%		
<b>2015</b>	\$353,859,199	1.9%		
<b>2016</b>	\$310,207,092	1.7%		
<b>2017</b>	\$278,681,454	1.4%		
<b>2018</b>	\$303,447,428	1.5%		
<b>Total</b>	<b>\$1,717,429,621</b>	<b>1.9%</b>	<b>35.6%</b>	<b>46.1%</b>

This collapse in the amount and proportion of hospital-provided charity care over the last five years has occurred at the same time as Maryland hospitals sued 72,000 of their patients for more than \$119 million in medical debt. Not surprisingly, 17 percent of Maryland residents struggle with medical debt in collections, as do more than one in five Marylanders of color.<sup>61</sup>

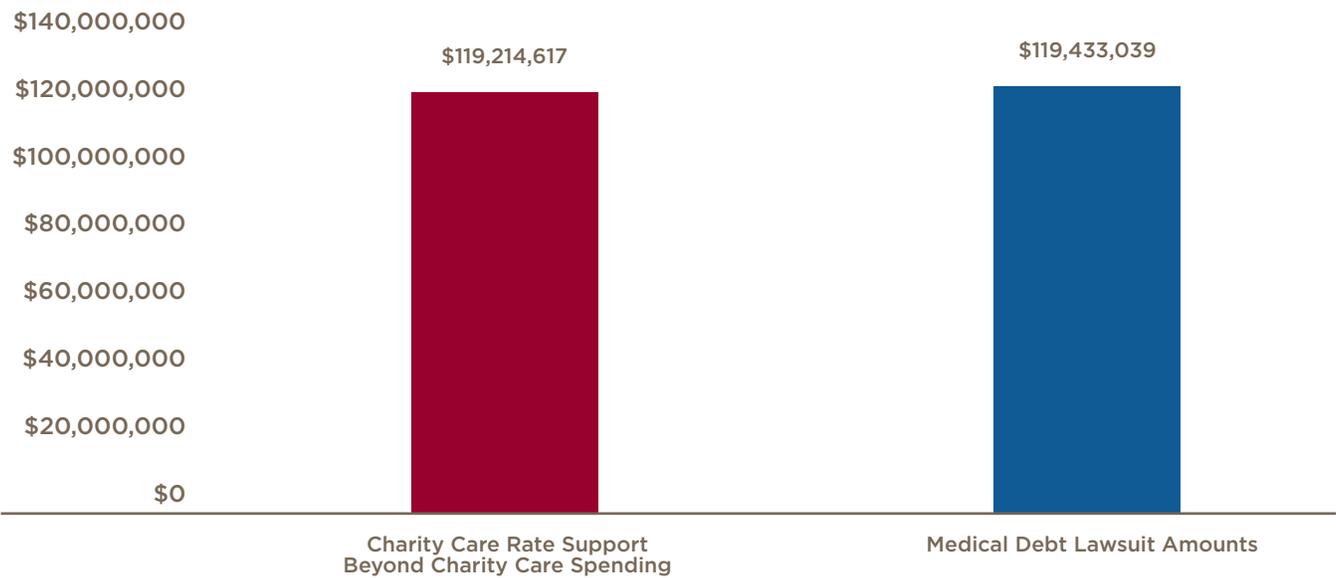
Many of those sued would have qualified for charity care based on their income levels. In our report “Taking Neighbors to Court: Johns Hopkins Hospital Medical Debt Lawsuits” and our review of Johns Hopkins Bayview’s practice of suing its patients, we found a number of victims of lawsuits with reported incomes below the thresholds required for charity care. In addition, we spoke with a number of individuals sued by Hopkins for medical debt, whose incomes indicated they would qualify for charity at the time of care, but who professed never being informed that the financial assistance program even existed. Finally, the zip codes of those sued by Hopkins were largely concentrated in high-poverty areas, indicating that many of those sued likely struggled with poverty-level incomes.<sup>62</sup>

These issues are even more egregious when we consider that many of the hospitals aggressively suing their patients are experiencing financial windfalls through reducing their levels of charity care. Maryland’s all-payer system, which controls the prices hospitals can charge for medical services, subsidizes hospital-provided charity care through “charity care rate support.”<sup>63</sup> The rate support is built into the rates or charges allowed by the state and thus increases the rates they can charge, essentially passing the cost of charity care onto all those paying for health care in Maryland.<sup>64</sup> Amazingly, the charity care rate support provided to hospitals over the last five years has exceeded the actual cost of charity care to the hospitals by more than \$119 million. That means Maryland hospitals as a whole received an extra \$119 million through charity rate support beyond what they spent on charity care; in other words, they received a financial windfall.<sup>65</sup> This amount, coincidentally, is nearly the exact amount of medical debt the hospitals sought to recover through lawsuits over the same period.

Table 16. **Maryland’s “all-payer system” provided hospitals with more than \$119 million in rate support for charity care beyond what they spent, 2014 – 2018<sup>66</sup>**

	Charity Care Provided by Maryland Hospitals	Charity Care Rate Support Provided to Hospitals by Maryland’s “All-Payer System”	Cost of Charity Care to Hospitals After Rate Support	Charity as a percent of hospital Operating Expenses (after Charity Rate Support)
2014	\$471,234,448	\$463,908,836	\$7,325,612	1.6%
2015	\$353,859,199	\$420,118,812	-\$66,259,613	-15.8%
2016	\$310,207,092	\$343,496,113	-\$33,289,021	-9.7%
2017	\$278,681,454	\$307,579,100	-\$28,897,646	-9.4%
2018	\$303,447,428	\$301,541,376.75	\$1,906,051	0.6%
<b>Total</b>	<b>\$1,717,429,621.02</b>	<b>\$1,836,644,237.82</b>	<b>-\$119,214,617</b>	<b>-6.5%</b>

Figure 4. **Charity Care Surplus Versus Medical Debt Lawsuit Amounts, 2014 – 2018**



It is important to note that the \$119 million windfall from charity care rate support wasn’t distributed equally among Maryland’s hospitals. Johns Hopkins Hospital alone received more than \$36 million in rate support in excess of its charity costs. The top 10 hospitals with the largest charity windfalls were allowed to bring in more than \$138 million of rate support in excess of what they spent on charity,

while 13 hospitals spent more than \$55 million in charity care beyond what they received in rate support. It appears that the largest and most wealthy hospital systems, especially Johns Hopkins, benefit the most from the charity rate support system (See Appendix 5 for the charity care rate support levels for all Maryland hospitals).

Table 17. **Ranking of the top 10 hospitals that benefited the most from charity care rate support, 2014 – 2018**<sup>67</sup>

Hospital name	System	Charity Care Provided – Last Five Years	Charity Care Rate Support Total – Last Five Years	Charity Care Rate Support Surplus*: Last Five Years	Rank: Largest Surplus* of Charity Rate Support
<b>Johns Hopkins Hospital</b>	Johns Hopkins Health System	\$133,216,000.00	\$169,496,418.64	\$36,280,418.64	1
<b>University of Maryland Medical Center</b>	University of Maryland Medical System	\$179,526,225.83	\$205,952,948.02	\$26,426,722.19	2
<b>University of Maryland Capital Region Health at Laurel Regional and Prince George’s Hospital</b>	University of Maryland Medical System	\$76,647,841.00	\$97,139,764.84	\$20,491,923.84	3
<b>Adventist Healthcare Washington Adventist Hospital</b>	Adventist HealthCare	\$52,505,403.02	\$65,357,107.74	\$12,851,704.72	4
<b>MedStar Franklin Square Medical Center</b>	MedStar Health	\$37,249,257.57	\$47,879,563.49	\$10,630,305.92	5
<b>Johns Hopkins Bayview Medical Center</b>	Johns Hopkins Health System	\$87,301,000.00	\$94,801,795.32	\$7,500,795.32	6
<b>MedStar Union Memorial Hospital</b>	MedStar Health	\$32,241,348.44	\$39,702,995.84	\$7,461,647.40	7
<b>MedStar Harbor Hospital</b>	MedStar Health	\$19,488,714.00	\$26,788,827.05	\$7,300,113.05	8
<b>Johns Hopkins Howard County General Hospital</b>	Johns Hopkins Health System	\$20,706,967.08	\$25,826,620.92	\$5,119,653.84	9
<b>Johns Hopkins Suburban Hospital</b>	Johns Hopkins Health System	\$19,442,300.00	\$23,295,770.26	\$3,853,470.26	10

\*Rate support received in excess of charity provided.

Another indication of the anemic charity care programs of many hospitals is made clear by the percent of charity care applications denied. During 2017 and 2018, Maryland hospitals denied charity care applications only about 9.5 percent of the time. A number of hospitals, however, were much more likely to deny charity care at a higher rate. Seven hospitals, including all four Johns Hopkins facilities, denied more than 40 percent of all charity care applications. Sixteen hospitals, including most University of Maryland facilities, rejected more than 25 percent of all charity care requests.

Mt. Washington Pediatric Hospital, the one children’s hospital included in our study, rejected more than 24 percent of requests from the families of its young patients for help with their medical bills. Table 18 lists the hospitals with the 20 highest charity care denial rates (See Appendix 6 for denial rates for all Maryland hospitals). It is likely that many of these rejected applicants were in fact eligible for charity care, and that still others had significant financial need even though they did not meet Maryland’s current stringent charity care eligibility criteria.<sup>68</sup>

Table 18. **Top 20 charity care denial rates, 2017 – 2018**<sup>69</sup>

Hospital name	System	Licensed Beds	Application for Financial Assistance Received	Application for Financial Assistance Approved	Application for Financial Assistance Denied	Percent Charity Care Denied
<b>Bon Secours Baltimore Health System</b>	Bon Secours Mercy Health	72	705	129	576	81.70%
<b>CalvertHealth Medical Center*</b>		74	366	121	245	66.90%
<b>Johns Hopkins Howard County General Hospital</b>	Johns Hopkins Health System	285	886	419	467	52.70%
<b>Adventist Healthcare Washington Adventist Hospital*</b>	Adventist HealthCare	204	1,260	634	626	49.70%
<b>Johns Hopkins Bayview Medical Center</b>	Johns Hopkins Health System	455	1,130	579	551	48.80%
<b>Johns Hopkins Hospital</b>	Johns Hopkins Health System	1,154	1,747	928	819	46.90%
<b>Johns Hopkins Suburban Hospital</b>	Johns Hopkins Health System	230	688	374	314	45.60%
<b>Holy Cross Hospital</b>	Trinity Health	449	8,277	4,691	3,586	43.30%
<b>Carroll Hospital Center*</b>	LifeBridge Health	146	338	215	123	36.40%
<b>University of Maryland Shore Medical Center</b>	University of Maryland Medical System	214	1,607	1,045	562	35.00%
<b>Adventist Healthcare Shady Grove Medical Center*</b>	Adventist HealthCare	292	1,602	1,071	531	33.10%
<b>University of Maryland Capital Region Health at Laurel Regional and Prince George's Hospital</b>	University of Maryland Medical System	365	550	375	175	31.80%
<b>University of Maryland Baltimore Washington Medical Center</b>	University of Maryland Medical System	293	2,160	1,481	679	31.40%
<b>University of Maryland Medical Center</b>	University of Maryland Medical System	751	1,707	1,237	470	27.50%
<b>University of Maryland Rehabilitation &amp; Orthopaedic Institute</b>	University of Maryland Medical System	137	220	161	59	26.80%

Hospital name	System	Licensed Beds	Application for Financial Assistance Received	Application for Financial Assistance Approved	Application for Financial Assistance Denied	Percent Charity Care Denied
University of Maryland St. Joseph Medical Center	University of Maryland Medical System	263	958	711	247	25.80%
Union Hospital*		87	258	193	65	25.20%
University of Maryland Medical Center Midtown Campus	University of Maryland Medical System	170	562	422	140	24.90%
University of Maryland Upper Chesapeake Medical Center	University of Maryland Medical System	185	3,971	3,009	962	24.20%
Mt. Washington Pediatric Hospital	University of Maryland Medical System	102	54	41	13	24.10%

\*Only one year of data available.

Perhaps it's not surprising that the charity practices of Maryland hospitals appear insufficient at a time when those hospitals are filing lawsuits against tens of thousands of their patients over medical debt. It is likely that if the hospitals were to effectively implement their charity care programs, the lawsuits would largely be unnecessary as many of those they are suing would likely receive financial assistance.<sup>70</sup>

Maryland's rate payers are in fact providing enough funding through charity rate support to cover the medical debts of all those being sued by the hospitals. Clearly, a key element to ending medical debt lawsuits will be increasing the amount of charity care provided by Maryland hospitals.

**“Maryland’s rate payers are in fact providing enough funding through charity rate support to cover the medical debts of all those being sued by the hospitals. Clearly, a key element to ending medical debt lawsuits will be increasing the amount of charity care provided by Maryland hospitals.”**



**“By using lawsuits to collect medical debt, hospitals may be discouraging working-class and low-income Maryland residents, many from communities of color, from seeking medical care at some facilities... It is bitterly ironic that hospitals, as institutions dedicated to healing, have policies that contribute to patients forgoing needed medical care and services.”**

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# DEMANDS AND POLICY PROPOSALS

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The fact that tens of thousands of sick and poor residents of Maryland are being victimized through medical debt lawsuits originating from wealthy and heavily subsidized nonprofit hospitals makes it clear that the state's policies on charity care and medical debt are not working.

To put an end to abusive and unnecessary medical debt lawsuits, we have two demands for Maryland's not-for-profit hospitals:

- » All Maryland not-for-profit hospitals suspend currently open and pending medical debt lawsuits for a period of 18 months to allow time for a review and audit of all policies relating to medical debt, collections, charity care, and contracts with attorneys to collect medical debts, including to file medical debt lawsuits.
- » Maryland's not-for-profit hospitals should forgive the medical debts of those currently being sued.

To ensure the volume and damage caused by medical debt lawsuits is minimized going forward, we propose the General Assembly enact the following reforms:

- » Hospitals must increase who is eligible for free and reduced-cost care under financial assistance policies, including increasing the threshold for free care up to 300 percent of the federal poverty level (FPL) with a sliding scale for patients between 300 and 600 percent of FPL.
- » Asset protections for patients with medical debt must be increased — including protecting liquid assets up to \$20,000, primary residences, and motor vehicles.
- » The public and private enforcement of both financial assistance policy requirements and debt collection requirements must be enhanced.
- » Medical debt collection practices must be improved by taking the following steps:
  - › Ban hospitals from placing liens on primary residences or seeking arrest warrants.
  - › Ban hospitals from garnishing wages if patient was eligible for free or reduced care costs.
  - › Ban medical debt lawsuits for \$5,000 or less against all patients and all medical debt lawsuits against those who were uninsured at time of service.
  - › Require hospitals to offer income-based repayment plans that have reasonable terms that will allow patients to pay off their medical debt.

# APPENDICES

## Appendix 1. Medical debt lawsuits by hospital system, 2009 – 2018

Hospital Systems	Total Lawsuits	Medical Debt Sought by Lawsuits	Median Amount	Total Lawsuits Resulting in Garnishment	Medical Debt Sought by Lawsuits Through Garnishments
Independent Hospitals	51,912	\$68,989,042	\$699	17,764	\$21,529,295
University of Maryland Medical System	25,430	\$78,616,705	\$1,416	3,527	\$10,626,768
Johns Hopkins Health System	21,707	\$45,291,898	\$1,035	2,308	\$4,737,656
MedStar Health	21,375	\$36,281,760	\$944	6,603	\$12,027,797
LifeBridge Health	19,869	\$29,486,967	\$924	5,976	\$8,621,324
Ascension Healthcare	4,138	\$6,117,483	\$891	1,040	\$1,540,617
Trinity Health	1,124	\$2,964,239	\$1,343	141	\$424,142
Adventist HealthCare	191	\$963,525	\$2,959	11	\$43,969
<b>Total</b>	<b>145,746</b>	<b>\$268,711,620</b>	<b>\$944</b>	<b>37,370</b>	<b>\$59,551,567</b>

## Appendix 2. Medical debt lawsuits by individual hospitals, 2009 – 2018

Hospital	System	Total Lawsuits	Medical Debt Sought by Lawsuits	Median Amount	Total Lawsuits Resulting in Garnishment	Medical Debt Sought by Lawsuits Through Garnishments
Peninsula Regional Medical Center		21,831	\$23,997,895	\$491	10,142	\$10,313,894
Greater Baltimore Medical Center		16,780	\$18,940,601	\$716	4,609	\$5,608,834
Johns Hopkins Suburban Hospital	Johns Hopkins Health System	13,742	\$30,214,414	\$895	352	\$931,786
Sinai Hospital of Baltimore	LifeBridge Health	11,690	\$17,263,061	\$907	3,776	\$5,464,815
University of Maryland Medical Center	University of Maryland Medical System	9,584	\$45,828,278	\$2,165	1,330	\$5,526,833
University of Maryland Shore Medical Center <sup>71</sup>	University of Maryland Medical System	7,969	\$14,959,294	\$1,071	138	\$247,255
MedStar Franklin Square Medical Center	MedStar Health	6,509	\$10,879,817	\$923	2,216	\$3,950,878
Northwest Hospital	LifeBridge Health	5,278	\$6,968,182	\$881	1,550	\$1,952,778
Mercy Medical Center		5,253	\$5,964,312	\$864	815	\$920,310
Saint Agnes Healthcare	Ascension Healthcare	4,138	\$6,117,483	\$891	1,040	\$1,540,617
MedStar Good Samaritan Hospital	MedStar Health	3,475	\$5,650,172	\$896	1,317	\$2,254,077
MedStar Southern Maryland Hospital Center	MedStar Health	3,335	\$6,443,532	\$1,042	742	\$1,677,445
MedStar Union Memorial Hospital	MedStar Health	3,036	\$5,472,868	\$957	1,028	\$1,847,083
Johns Hopkins Hospital	Johns Hopkins Health System	2,967	\$5,965,398	\$1,409	673	\$1,321,817
Johns Hopkins Bayview Medical Center	Johns Hopkins Health System	2,560	\$5,089,385	\$1,174	698	\$1,466,303
University of Maryland Capital Region Health at Laurel Regional and Prince George's Hospital <sup>72</sup>	University of Maryland Medical System	2,543	\$6,230,184	\$1,685	1,274	\$3,221,097
Johns Hopkins Howard County General Hospital	Johns Hopkins Health System	2,406	\$3,915,411	\$1,016	580	\$1,004,816

Hospital	System	Total Lawsuits	Medical Debt Sought by Lawsuits	Median Amount	Total Lawsuits Resulting in Garnishment	Medical Debt Sought by Lawsuits Through Garnishments
MedStar Harbor Hospital	MedStar Health	2,397	\$3,801,081	\$943	861	\$1,422,687
Carroll Hospital Center	LifeBridge Health	2,373	\$4,554,230	\$1,113	332	\$747,215
Meritus Medical Center		2,353	\$7,140,184	\$1,621	781	\$1,863,509
University of Maryland Charles Regional Medical Center	University of Maryland Medical System	2,328	\$3,223,313	\$922	257	\$457,338
Atlantic General Hospital		2,064	\$2,112,079	\$509	658	\$713,308
MedStar St. Mary's Hospital	MedStar Health	1,613	\$1,668,591	\$722	263	\$448,220
CalvertHealth Medical Center		1,422	\$2,238,242	\$914	216	\$363,049
Anne Arundel Medical Center		1,193	\$6,771,593	\$3,899	216	\$1,240,010
Holy Cross Hospital	Trinity Health	1,124	\$2,964,239	\$1,343	141	\$424,142
MedStar Montgomery Medical Center	MedStar Health	860	\$2,191,961	\$1,321	173	\$425,635
University of Maryland Baltimore Washington Medical Center	University of Maryland Medical System	848	\$1,596,844	\$1,027	313	\$580,064
University of Maryland St. Joseph Medical Center	University of Maryland Medical System	785	\$2,002,840	\$1,527	90	\$222,126
University of Maryland Medical Center Midtown Campus	University of Maryland Medical System	664	\$1,629,843	\$1,290	32	\$65,399
University of Maryland Rehabilitation & Orthopaedic Institute	University of Maryland Medical System	600	\$2,619,831	\$1,650	84	\$247,706
LifeBridge Health (only system info reported)	LifeBridge Health	528	\$701,493	\$910	318	\$456,516
Union Hospital		489	\$814,579	\$1,006	141	\$215,576
Fort Washington Medical Center		246	\$511,223	\$1,054	104	\$171,854
Adventist HealthCare (only system info reported)	Adventist HealthCare	157	\$792,683	\$2,617	1	\$4,347

Hospital	System	Total Lawsuits	Medical Debt Sought by Lawsuits	Median Amount	Total Lawsuits Resulting in Garnishment	Medical Debt Sought by Lawsuits Through Garnishments
<b>MedStar Health (only system info reported)</b>	MedStar Health	150	\$173,739	\$570	3	\$1,773
<b>Doctors Community Hospital</b>		104	\$222,233	\$682	3	\$60,297
<b>McCready Health</b>		92	\$19,194	\$133	67	\$14,938
<b>Frederick Regional Health System</b>		81	\$239,048	\$1,212	12	\$43,716
<b>University of Maryland Medical System (only system info reported)</b>	University of Maryland Medical System	47	\$261,264	\$1,954	3	\$6,864
<b>Mt. Washington Pediatric Hospital</b>	University of Maryland Medical System	39	\$39,468	\$700	2	\$1,161
<b>Johns Hopkins Health System (only system info reported)</b>	Johns Hopkins Health System	32	\$107,290	\$1,873	5	\$12,934
<b>Adventist Healthcare Washington Adventist Hospital</b>	Adventist HealthCare	21	\$112,550	\$3,794	5	\$15,479
<b>University of Maryland Harford Memorial Hospital</b>	University of Maryland Medical System	16	\$123,694	\$2,558	1	\$15,150
<b>Adventist Healthcare Shady Grove Medical Center</b>	Adventist HealthCare	13	\$58,292	\$3,674	5	\$24,142
<b>University of Maryland Upper Chesapeake Medical Center</b>	University of Maryland Medical System	7	\$101,852	\$15,005	3	\$35,776
<b>Garrett Regional Medical Center</b>		4	\$17,858	\$2,863	0	0
<b>Bon Secours Baltimore Health System</b>	Bon Secours Mercy Health	0	0	0	0	0
<b>Holy Cross Germantown Hospital</b>	Trinity Health	0	0	0	0	0

Appendix 3. **The Merry Millionaires of Maryland — Hospital executives paid more than \$1 million for a given year in compensation, last five years**

Year	Executive	Title	Hospital / Hospital System	Total
2013	Ronald R Peterson	President	Johns Hopkins Health System	\$15,385,619
2017	Kenneth A Samet	CEO And President	MedStar Health	\$7,751,857
2015	Robert A Chrencik	President and CEO	University of Maryland Medical System	\$6,902,166
2018	Kenneth A Samet	CEO And President	MedStar Health	\$6,621,128
2016	Kenneth A Samet	CEO And President	MedStar Health	\$4,939,105
2015	Kenneth A Samet	CEO And President	MedStar Health	\$4,389,929
2018	Karen E Olscamp	President And CEO	University of Maryland Baltimore Washington Medical Center	\$4,287,021
2017	Robert A Chrencik	President And CEO	University of Maryland Medical System	\$4,265,077
2018	Ronald R Peterson	Trustee	Johns Hopkins Howard County General Hospital	\$3,845,705
2014	John Sernulka	President/Ex-Officio	Carrol Hospital Center	\$3,687,303
2014	Kedrick Adkins	Former Key Employee	Holy Cross Hospital	\$3,547,825
2018	Michael J Curran	EVP & Chief Administrative Officer	MedStar Health	\$3,510,136
2014	Ronald R Peterson	President	Johns Hopkins Health System	\$3,399,523
2014	Kenneth A Samet	CEO & President	MedStar Health	\$3,395,806
2013	Brian A Gragnolati	SR VP Community Division	Johns Hopkins Health System	\$3,366,956
2016	Joy Drass	EVP	MedStar Health	\$3,237,820
2017	Michael J Curran	EVP & CFO	MedStar Health	\$3,193,284
2018	Ronald R Peterson	Trustee/Vice Chairman	Johns Hopkins Hospital	\$3,154,877
2017	Ronald J Werthman	Former Officer	Johns Hopkins Health System	\$3,002,347
2016	Ronald R Peterson	President	Johns Hopkins Health System	\$2,988,093
2018	Philip B Down	CEO	Doctors Community Hospital	\$2,949,631
2016	Michael J Curran	EVP, CFO & Treasurer	MedStar Health	\$2,913,696
2017	Ronald R Peterson	President/Trustee	Johns Hopkins Health System	\$2,765,436
2016	James Xinis	Former President and CEO	CalvertHealth Medical Center	\$2,716,296

Year	Executive	Title	Hospital / Hospital System	Total
2018	Joy Drass	EVP	MedStar Health	\$2,695,899
2018	Robert A Chrencik	President And CEO - UMMS	University of Maryland Medical System	\$2,615,047
2015	Ronald R Peterson	President	Johns Hopkins Health System	\$2,614,246
2018	Ronald J Werthman	Trustee	Johns Hopkins Hospital	\$2,599,878
2015	Michael J Curran	EVP & CFO	MedStar Health	\$2,595,452
2016	Robert A Chrencik	President And CEO	University of Maryland Medical System	\$2,586,434
2018	Mohanakumar Suntharalingam	President And CEO, UMMC	University of Maryland Medical System	\$2,583,701
2015	Michael J Curran	Director	Medstar Southern Maryland Hospital Center	\$2,565,690
2017	Joy Drass	EVP	MedStar Health	\$2,522,145
2013	Robert A Chrencik	UMMS Representative	University of Maryland Medical Center Midtown Campus	\$2,409,034
2016	Ronald J Werthman	Senior VP/Finance & Treas.	Johns Hopkins Health System	\$2,263,454
2018	Alfred A Pietsch	SVP And CFO	University of Maryland Baltimore Washington Medical Center	\$2,225,230
2016	Neil M Meltzer	President/CEO	Lifebridge	\$2,156,308
2018	Neil M Meltzer	President/CEO	Lifebridge	\$2,108,834
2016	John B Chessare MD	President/CEO	Greater Baltimore Medical Center	\$2,107,221
2013	Thomas Mullen	Chair, Ex Officio	Mercy Medical Center	\$2,098,952
2016	Bonnie L Phipps	SVP-Ah Group Operating Exec	Saint Agnes Healthcare	\$2,020,096
2014	Michael Mont MD	Physician	Sinai Hospital Of Baltimore Inc.	\$2,008,830
2017	Philip B Down	CEO	Doctors Community Hospital	\$1,992,011
2014	Robert A Chrencik	President And CEO	University of Maryland Medical System	\$1,982,580
2017	Bonnie L Phipps	Former Officer	Saint Agnes Healthcare	\$1,939,678
2015	Joy Drass	EVP	MedStar Health	\$1,912,701
2016	Jeffrey A Rivest	President & CEO - UMMC	University of Maryland Medical System	\$1,893,806
2015	Judy A Reitz	VP/Operations Integration	Johns Hopkins Health System	\$1,892,164
2018	Stephen Evans	EVP	MedStar Health	\$1,889,129
2014	Michael J Curran	EVP & CFO	MedStar Health	\$1,873,065
2015	Neil M Meltzer	President/CEO	Lifebridge	\$1,859,612

Year	Executive	Title	Hospital / Hospital System	Total
2017	Terry Forde	President & CEO,AHC; Board, Secretary	Adventist HealthCare	\$1,857,380
2015	John Sernulka	President/Ex-Officio	Carrol Hospital Center	\$1,857,187
2014	Judy A Reitz	VP/Operations Integration	Johns Hopkins Health System	\$1,857,109
2014	Glenn F Robbins	SVP & CMO	University of Maryland Medical System	\$1,855,447
2017	Lyle E Sheldon	President/Director/CEO-UMUCHS	University of Maryland Harford Memorial Hospital	\$1,854,667
2018	Walter Ettinger	SVP & CMO UMMS	University of Maryland Medical System	\$1,849,760
2014	Bonnie L Phipps	President	Saint Agnes Healthcare	\$1,834,467
2015	Bonnie L Phipps	President	Saint Agnes Healthcare	\$1,831,024
2014	J Richard O'Connell	Trustee/EVP & President West/Midwest	Holy Cross Hospital	\$1,819,059
2013	Judy A Reitz	VP/Operations Integration	Johns Hopkins Health System	\$1,806,450
2017	Neil M Meltzer	President/CEO	Lifebridge	\$1,803,225
2015	J Richard O'Connell	Director, EVP, East Group	Holy Cross Hospital	\$1,802,979
2017	Stephen Evans	EVP	MedStar Health	\$1,781,036
2017	Henry J Franey	CFO- UMMS/ Treasurer	University of Maryland Medical System	\$1,778,844
2016	Philip B Down	CEO	Doctors Community Hospital	\$1,778,534
2016	Judy A Reitz	VP/Operations Integration	Johns Hopkins Health System	\$1,759,070
2018	Eric Wagner	EVP	MedStar Health	\$1,715,479
2015	Michael Mont MD	Physician	Sinai Hospital Of Baltimore Inc.	\$1,707,175
2014	Joy Drass	EVP	MedStar Health	\$1,655,277
2016	Michael Mont MD	Physician	Sinai Hospital Of Baltimore Inc.	\$1,628,695
2015	Joanne E Pollak	SR VP, HIPAA & Internal Audit	Johns Hopkins Health System	\$1,615,829
2017	Eric Wagner	EVP	MedStar Health	\$1,609,675
2018	Pamela D Paulk	Former Officer	Johns Hopkins Hospital	\$1,606,148
2015	Philip B Down	CEO	Doctors Community Hospital	\$1,593,104
2014	Joanne E Pollak	SR VP, HIPAA & Internal Audit	Johns Hopkins Health System	\$1,589,160
2016	Joanne E Pollak	SR VP, HIPAA & Internal Audit	Johns Hopkins Health System	\$1,557,407

Year	Executive	Title	Hospital / Hospital System	Total
2017	Pamela D Paulk	Former Officer	Johns Hopkins Health System	\$1,554,192
2014	Warren Green	President/CEO/ Director	Lifebridge	\$1,545,628
2015	Ronald J Werthman	Senior VP/Finance & Treas.	Johns Hopkins Health System	\$1,538,166
2015	Steven Thompson	Executive	Johns Hopkins Health System	\$1,537,105
2018	Robert Peroutka MD	Physician	MedStar Good Samaritan Hospital	\$1,536,052
2018	Sheldon Stein	President and CEO	Mt. Washington Pediatric Hospital	\$1,530,916
2016	Stephen Evans	EVP	MedStar Health	\$1,530,828
2018	Henry J Franey	EVP, CFO And Treasurer	University of Maryland Medical System	\$1,525,530
2014	Ronald J Werthman	Senior VP/Finance & Treas.	Johns Hopkins Health System	\$1,523,621
2018	Samuel Ross MD	CEO	Bon Secours Baltimore Health System	\$1,500,546
2014	Joseph Swedish	Former Key Employee	Holy Cross Hospital	\$1,492,883
2014	Kenneth S Lewis MD JD	President/CEO	Union Hospital	\$1,477,514
2018	Flavio W Kruter	Physician	Carrol Hospital Center	\$1,475,065
2016	Eric Wagner	EVP	MedStar Health	\$1,469,793
2014	Brian A Gagnolati	SR VP Community Division	Johns Hopkins Health System	\$1,469,595
2017	Victoria Bayless	President And CEO	Anne Arundel Medical Center	\$1,465,191
2014	Philip B Down	CEO	Doctors Community Hospital	\$1,461,210
2018	Victoria Bayless	President And CEO	Anne Arundel Medical Center	\$1,458,110
2015	Thomas Mullen	Chair, Ex Officio	Mercy Medical Center	\$1,458,048
2015	Eric Wagner	EVP	MedStar Health	\$1,453,230
2016	Terry Forde	President & CEO, AHC	Adventist HealthCare	\$1,452,032
2015	Reginald J Davis MD	Med Director/ Physician	Greater Baltimore Medical Center	\$1,451,012
2014	Margaret Naleppa	President/CEO	Peninsula Regional Medical Center	\$1,446,721
2015	Terry Forde	President & CEO, AHC	Adventist HealthCare	\$1,444,501
2014	Eric Wagner	EVP	MedStar Health	\$1,441,215
2017	Thomas Mullen	Chair, Ex Officio	Mercy Medical Center	\$1,440,938
2016	Pamela D Paulk	Former Officer	Johns Hopkins Health System	\$1,434,818

Year	Executive	Title	Hospital / Hospital System	Total
2017	Mohanakumar Suntharalingam	President & CEO, UMMC	University of Maryland Medical System	\$1,433,238
2014	Reginald J Davis MD	Med Director/Physician	Greater Baltimore Medical Center	\$1,417,239
2017	Flavio W Kruter	Physician	Carrol Hospital Center	\$1,409,717
2016	Mohanakumar Suntharalingam	President & CEO	University of Maryland St. Joseph Medical Center	\$1,399,884
2013	Joanne E Pollak	SR VP & VP HIPAA	Johns Hopkins Health System	\$1,385,769
2018	David Krajewski	Executive VP/CFO	Lifebridge	\$1,385,664
2016	Frank Ebert MD	Physician	Medstar Union Memorial Hospital	\$1,377,918
2018	Victor A Khouzami MD	Chair/Physician	Greater Baltimore Medical Center	\$1,377,530
2018	Paul McAfee	Physician	University of Maryland St. Joseph Medical Center	\$1,360,681
2016	Henry J Franey	CFO- UMMS/ Treasurer	University of Maryland Medical System	\$1,359,099
2018	G Daniel Shealer Jr	Trustee	Johns Hopkins Howard County General Hospital	\$1,350,232
2014	John Wang MD	Physician	Medstar Union Memorial Hospital	\$1,346,383
2014	Frank Ebert MD	Physician	Medstar Union Memorial Hospital	\$1,346,079
2016	W Bradford Carter MD	Physician	Sinai Hospital Of Baltimore Inc.	\$1,344,903
2018	Oliver M Johnson II	EVP	MedStar Health	\$1,342,604
2017	Thomas A Kleinhanzl	President And CEO	Frederick Regional Health System	\$1,338,254
2018	Frank Ebert MD	Physician	Medstar Union Memorial Hospital	\$1,335,991
2014	Neil M Meltzer	President/CEO/ Director	Lifebridge	\$1,329,781
2017	Frank Ebert MD	Physician	Medstar Union Memorial Hospital	\$1,327,716
2015	Frank Ebert MD	Physician	Medstar Union Memorial Hospital	\$1,325,836
2017	Robert Kasdin	Executive	Johns Hopkins Health System	\$1,308,633
2018	Amy Perry	Former Executive Vice President	Lifebridge	\$1,306,612
2016	Thomas Mullen	Chair, Ex Officio	Mercy Medical Center	\$1,302,198
2015	Brian A Gagnolati	SR VP Community Division	Johns Hopkins Health System	\$1,301,576
2017	Joanne E Pollak	SR VP, HIPAA & Internal Audit	Johns Hopkins Health System	\$1,299,425

Year	Executive	Title	Hospital / Hospital System	Total
2016	Victoria Bayless	President and CEO	Anne Arundel Medical Center	\$1,297,144
2018	Lyle E Sheldon	President/Director/ CEO-UMUCHS	University of Maryland Harford Memorial Hospital	\$1,294,133
2015	Victoria Bayless	President	Anne Arundel Medical Center	\$1,293,424
2018	Neal Naff	Physician	Lifebridge	\$1,291,464
2018	Brian White	Executive Vice President	Lifebridge	\$1,289,264
2015	Carl Schindelar	EVP	MedStar Health	\$1,288,730
2017	Christine Wray	President/Director	Medstar Southern Maryland Hospital Center	\$1,287,941
2017	James Nace Do	Physician	Sinai Hospital Of Baltimore Inc.	\$1,283,144
2013	Ronald J Werthman	Senior VP/Finance & Treasurer	Johns Hopkins Health System	\$1,280,879
2015	Stephen Evans	EVP	MedStar Health	\$1,266,404
2014	Lyle E Sheldon	Presidet/CEO/ Director	University of Maryland Upper Chesapeake Medical Center	\$1,266,350
2015	Lyle E Sheldon	President/Director/ CEO-UMUCHS	University of Maryland Harford Memorial Hospital	\$1,266,350
2016	Kenneth S Lewis MD JD	President & CEO	Union Hospital	\$1,261,082
2017	Oliver M Johnson II	EVP	MedStar Health	\$1,249,301
2016	Samuel Ross MD	CEO	Bon Secours Baltimore Health System	\$1,249,241
2018	David Dalury	Physician	University of Maryland St. Joseph Medical Center	\$1,236,767
2015	Henry J Franey	CFO- UMMS/ Treasurer	University of Maryland Medical System	\$1,235,463
2017	Amy Perry	Executive Vice President	Lifebridge	\$1,234,209
2018	Christine Wray	President/Director	Medstar Southern Maryland Hospital Center	\$1,233,430
2018	Margaret Naleppa	President/CEO	Peninsula Regional Medical Center	\$1,228,850
2016	Martin Doordan	Former CEO	Anne Arundel Medical Center	\$1,228,849
2014	Clifford Solomon	Physician	University of Maryland Baltimore Washington Medical Center	\$1,227,309
2018	Bruce Wolock	Physician	University of Maryland St. Joseph Medical Center	\$1,221,957
2018	John B Chessare MD	Director/CEO GBMC Healthcare	Greater Baltimore Medical Center	\$1,219,810
2016	Henry Boucher MD	Physician	Medstar Union Memorial Hospital	\$1,209,639

Year	Executive	Title	Hospital / Hospital System	Total
2018	Bradley Chambers	President/Director	Medstar Union Memorial Hospital	\$1,209,059
2018	P Justin Tortolani MD	Director	Medstar Union Memorial Hospital	\$1,208,709
2018	Zeena Dorai	Director	Medstar Union Memorial Hospital	\$1,206,732
2013	William G Robertson	Secretary, President & CEO Of AHC	Adventist HealthCare	\$1,206,297
2013	Sally W MacConnell	VP/Faculties	Johns Hopkins Health System	\$1,200,547
2017	Ronald Delanois MD	Physician	Sinai Hospital Of Baltimore Inc.	\$1,199,908
2018	Mark R Katlic MD	Director	Sinai Hospital Of Baltimore Inc.	\$1,197,642
2018	Leigh Ann Curl MD	Director	Medstar Harbor Hospital	\$1,197,557
2015	Randy Davis	Physician/Formal Director	University of Maryland Baltimore Washington Medical Center	\$1,197,522
2015	Jeffrey A Rivest	President & CEO - UMMC	University of Maryland Medical System	\$1,194,167
2015	G Daniel Shealer Jr	VP/General Counsel & Corp	Johns Hopkins Health System	\$1,190,848
2014	Randy Davis	Physician/Formal Director	University of Maryland Baltimore Washington Medical Center	\$1,188,368
2016	Lyle E Sheldon	President/Director/CEO-UMUCHS	University of Maryland Upper Chesapeake Medical Center	\$1,187,849
2018	Barry P Ronan	President/CEO	Western Maryland Regional Medical Center	\$1,187,491
2014	Ronald Delanois MD	Physician	Sinai Hospital Of Baltimore Inc.	\$1,187,031
2014	Mr Keith R Poisson	EVP & COO	Greater Baltimore Medical Center	\$1,186,463
2018	Henry Boucher MD	Physician	Medstar Union Memorial Hospital	\$1,181,234
2014	Victoria Bayless	President	Anne Arundel Medical Center	\$1,179,654
2014	Henry Boucher MD	Physician	Medstar Union Memorial Hospital	\$1,174,616
2018	Marcus Shipley	Director; Trinity Health SVP	Holy Cross Hospital	\$1,173,668
2016	Richard O Davis PhD	Former Officer	Johns Hopkins Health System	\$1,171,021
2018	Redonda G Miller MD	President	Johns Hopkins Hospital	\$1,169,796
2014	Richard O Davis PhD	Former Officer	Johns Hopkins Health System	\$1,169,250
2018	Anand Murthi MD	Medical Director	Medstar Union Memorial Hospital	\$1,168,234

Year	Executive	Title	Hospital / Hospital System	Total
2016	Paul Tortolani MD	Director	Medstar Union Memorial Hospital	\$1,166,682
2017	Bradley Chambers	President/Director	Medstar Union Memorial Hospital	\$1,162,203
2016	Fouad Abbas MD	Physician	Sinai Hospital Of Baltimore Inc.	\$1,162,154
2016	Bimal G Rami MD	Med Director/ Physician	Greater Baltimore Medical Center	\$1,160,438
2016	Anand Murthi MD	Medical Director	Medstar Union Memorial Hospital	\$1,157,801
2018	Bimal G Rami MD	Med Director/ Physician	Greater Baltimore Medical Center	\$1,156,880
2016	Leslie Matthews	Medical Director, Orthopedics	Medstar Union Memorial Hospital	\$1,154,653
2016	Oliver M Johnson II	EVP & Secretary	MedStar Health	\$1,153,075
2015	Joseph P Ross	President & CEO	Meritus Medical Center	\$1,152,629
2015	Richard O Davis PhD	Former Officer	Johns Hopkins Health System	\$1,150,361
2016	G Daniel Shealer Jr	VP/General Counsel & Corp	Johns Hopkins Health System	\$1,148,830
2017	Barry P Ronan	President/CEO	Western Maryland Regional Medical Center	\$1,145,287
2017	John W Ashworth III	SVP Network Development	University of Maryland Medical System	\$1,142,293
2017	Henry Boucher MD	Physician	Medstar Union Memorial Hospital	\$1,141,368
2015	Ronald Delanois MD	Physician	Sinai Hospital Of Baltimore Inc.	\$1,139,970
2017	Margaret Naleppa	President/CEO	Peninsula Regional Medical Center	\$1,135,935
2018	James Nace Do	Physician	Sinai Hospital Of Baltimore Inc.	\$1,135,914
2014	Jeffrey A Rivest	President & CEO - UMMC	University of Maryland Medical System	\$1,135,753
2017	Brian White	Senior Vice President	Lifebridge	\$1,135,582
2018	Susan Nelson	EVP & CFO	MedStar Health	\$1,133,804
2017	Anand Murthi MD	Medical Director	Medstar Union Memorial Hospital	\$1,133,139
2017	Joseph P Ross	President & CEO	Meritus Medical Center	\$1,127,507
2014	Michael J Chiamonte	President/Director	Medstar Southern Maryland Hospital Center	\$1,126,054
2014	Kevin Sexton	Trustee; Pres & CEO Maryland Region	Holy Cross Hospital	\$1,121,861
2014	Fouad Abbas MD	Physician	Sinai Hospital Of Baltimore Inc.	\$1,118,837

Year	Executive	Title	Hospital / Hospital System	Total
2017	Dennis W Pullin	President/Director	Medstar Harbor Hospital	\$1,115,057
2014	Carl Schindelar	EVP	MedStar Health	\$1,105,187
2015	Pamela D Paulk	SR VP Human Resources	Johns Hopkins Health System	\$1,104,199
2016	Margaret Naleppa	President/CEO	Peninsula Regional Medical Center	\$1,103,839
2016	Walid El Ayass MD	Physician	Peninsula Regional Medical Center	\$1,101,187
2016	Thomas A Kleinhanzl	President And CEO	Frederick Regional Health System	\$1,100,632
2018	Ronald Delanois MD	Physician	Sinai Hospital Of Baltimore Inc.	\$1,092,558
2017	Judy A Reitz	Former Officer	Johns Hopkins Health System	\$1,089,845
2018	Keith D Persinger	SVP And Chief Perform. Off.	University of Maryland Medical System	\$1,089,528
2018	Samuel Moskowitz	President/Director	Medstar Franklin Square Medical Ctr	\$1,089,245
2018	Fouad Abbas MD	Physician	Sinai Hospital Of Baltimore Inc.	\$1,087,589
2016	Jason Stein	Physician	Medstar Union Memorial Hospital	\$1,085,552
2014	Flavio W Kruter	Physician	Carrol Hospital Center	\$1,082,931
2015	John B Chessare MD	President/CEO	Greater Baltimore Medical Center	\$1,082,711
2014	G Daniel Shealer Jr	VP/General Counsel & Corp	Johns Hopkins Health System	\$1,081,851
2018	Brian Mulliken	Physician	University of Maryland St. Joseph Medical Center	\$1,079,608
2015	Jonathan E Gottlieb	SVP & CMO	University of Maryland Medical System	\$1,078,285
2014	Mr John W Ellis	Sr. VP Strategy & Bus Dev	Greater Baltimore Medical Center	\$1,077,910
2018	Ali Tabrizchi	Cardiologist	Sinai Hospital Of Baltimore Inc.	\$1,072,686
2015	Kenneth S Lewis MD JD	President/CEO	Union Hospital	\$1,072,592
2015	Kedrick Adkins	Former Key Employee	Holy Cross Hospital	\$1,071,050
2017	Samuel Moskowitz	President/Director	Medstar Franklin Square Medical Ctr	\$1,069,603
2015	Margaret Naleppa	President/CEO	Peninsula Regional Medical Center	\$1,068,988
2018	Jeffrey A Matton	VP	MedStar Health	\$1,067,964
2015	Oliver M Johnson II	EVP	MedStar Health	\$1,067,184
2017	P Justin Tortolani MD	Director	Medstar Union Memorial Hospital	\$1,065,837

Year	Executive	Title	Hospital / Hospital System	Total
2016	Amy Perry	Executive Vice President	Lifebridge	\$1,065,524
2016	James Nace Do	Physician	Sinai Hospital Of Baltimore Inc.	\$1,065,015
2015	Kevin Sexton	Director, Pres & CEO Maryland Region	Holy Cross Hospital	\$1,064,264
2016	Leigh Ann Curl MD	Director	Medstar Harbor Hospital	\$1,063,953
2016	Kenneth Lewis	Executive - Union Of Cecil	University of Maryland Medical System	\$1,063,128
2016	Sally W MacConnell	SR Vice President Facilities	Johns Hopkins Health System	\$1,063,088
2018	G Daniel Shealer Jr	VP & Gen Counsel, VP Corp	Johns Hopkins Hospital	\$1,060,830
2016	Bradley Chambers	President/Director	MedStar Good Samaritan Hospital	\$1,058,264
2018	Neil Moore	President And CEO	University of Maryland Capital Region Health at Laurel Regional and Prince George's Hospital	\$1,058,087
2017	Samuel Ross MD	CEO	Bon Secours Baltimore Health System	\$1,055,478
2017	John B Chessare MD	President/CEO	Greater Baltimore Medical Center	\$1,050,496
2017	Bimal G Rami MD	Med Director/Physician	Greater Baltimore Medical Center	\$1,048,974
2015	Leonid Selya	MD	Doctors Community Hospital	\$1,048,573
2015	Nora Triola Rn PhD	Director At / , Trinity EVP & CNO	Holy Cross Hospital	\$1,047,326
2018	Joseph P Ross	President & CEO	Meritus Medical Center	\$1,046,594
2015	Sally W MacConnell	Vice President Facilities	Johns Hopkins Health System	\$1,046,141
2016	Carl Schindelar	EVP	MedStar Health	\$1,044,849
2016	Farhan Majeed	Physician	University of Maryland St. Joseph Medical Center	\$1,044,144
2017	Jeffrey A Matton	VP	MedStar Health	\$1,043,930
2016	Flavio W Kruter	Physician	Carrol Hospital Center	\$1,043,823
2014	Henry J Franey	CFO- UMMS/ Treasurer	University of Maryland Medical System	\$1,042,562
2014	Richard North MD	Physician	Sinai Hospital Of Baltimore Inc.	\$1,039,799
2018	Daniel B Smith	VP Finance & CFO	Johns Hopkins Hospital	\$1,039,241
2014	Anand Murthi MD	Medical Director	Medstar Union Memorial Hospital	\$1,038,648
2017	Leigh Ann Curl MD	Director	Medstar Harbor Hospital	\$1,034,001

Year	Executive	Title	Hospital / Hospital System	Total
2017	Fouad Abbas MD	Physician	Sinai Hospital Of Baltimore Inc.	\$1,033,554
2017	Richard O Davis PhD	Former Officer	Johns Hopkins Health System	\$1,029,932
2018	George T Grace MD	Medical Director, Reconstructive Surgery	Saint Agnes Healthcare	\$1,025,206
2017	Leonid Selya	MD	Doctors Community Hospital	\$1,022,007
2017	Kenneth Kozel	President/CEO	University of Maryland Shore Medical Center	\$1,021,641
2016	Patricia Mc Brown Esquire	Executive	Johns Hopkins Health System	\$1,021,373
2017	G Daniel Shealer Jr	VP/General Counsel & Corp Co	Johns Hopkins Health System	\$1,020,446
2017	Michael Mont MD	Physician	Sinai Hospital Of Baltimore Inc.	\$1,020,401
2014	Terry Forde	President & CEO	Adventist HealthCare	\$1,019,222
2017	John Wang MD	Chief Of Cardiac Cath Lab	Medstar Union Memorial Hospital	\$1,018,466
2015	John Wang MD	Physician	Medstar Union Memorial Hospital	\$1,017,999
2018	Sherry Perkins	EVP and COO	University of Maryland Capital Region Health at Laurel Regional and Prince George's Hospital	\$1,017,308
2018	John Wang MD	Chief Of Cardiac Cath Lab	Medstar Union Memorial Hospital	\$1,016,165
2017	John Sackett	EVP/COO, AHC; President, SGMC & BH&Ws	Adventist HealthCare	\$1,013,334
2018	Michael Dabbah	Physician	University of Maryland St. Joseph Medical Center	\$1,010,069
2017	Robert Saltzman MD	Physician	Northwest Hospital Center	\$1,005,245
2016	Leonid Selya	MD	Doctors Community Hospital	\$1,005,234
2015	Flavio W Kruter	Physician	Carrol Hospital Center	\$1,003,710
2015	Anand Murthi MD	Medical Director	Medstar Union Memorial Hospital	\$1,002,659
2017	Alae Zarif MD	Chief Of Staff, Ex-Officio	Atlantic General Hospital	\$1,000,284

Appendix 4. **Total executive compensation by hospital, last five years combined**

Hospital name	System	Total Executives Compensation	Number of Annual Payments to Executives	Number of Individual Executives	Number of annual payments over \$1 million	Number of annual payments that put executives above the top 1% income threshold in Maryland
Johns Hopkins Hospital	Johns Hopkins Health System	\$124,919,403	196	56	35	82
MedStar Union Memorial Hospital	MedStar Health	\$87,225,549	90	28	32	58
University of Maryland Medical Center	University of Maryland Medical System	\$80,154,293	79	26	21	76
University of Maryland Shore Medical Center	University of Maryland Medical System	\$50,441,961	96	36	8	27
Johns Hopkins Bayview Medical Center	Johns Hopkins Health System	\$75,318,668	107	34	19	50
MedStar Southern Maryland Hospital Center	MedStar Health	\$72,872,613	64	24	20	35
MedStar Good Samaritan Hospital	MedStar Health	\$70,259,076	86	27	11	50
Greater Baltimore Medical Center		\$64,573,261	113	35	12	53
Sinai Hospital of Baltimore	LifeBridge Health	\$63,282,197	69	28	29	53
MedStar Harbor Hospital	MedStar Health	\$62,037,197	73	24	9	43
MedStar Franklin Square Medical Center	MedStar Health	\$59,615,118	60	20	7	41
MedStar St. Mary's Hospital	MedStar Health	\$57,472,375	68	23	7	37
Johns Hopkins Howard County General Hospital	Johns Hopkins Health System	\$51,722,888	96	34	12	28
University of Maryland Medical Center Midtown Campus	University of Maryland Medical System	\$50,739,506	75	34	9	30
Carroll Hospital Center	LifeBridge Health	\$49,766,303	94	35	11	33

Hospital name	System	Total Executives Compensation	Number of Annual Payments to Executives	Number of Individual Executives	Number of annual payments over \$1 million	Number of annual payments that put executives above the top 1% income threshold in Maryland
University of Maryland Baltimore Washington Medical Center	University of Maryland Medical System	\$49,559,674	58	22	11	32
Northwest Hospital	LifeBridge Health	\$45,488,238	69	21	10	38
University of Maryland Upper Chesapeake Medical Center	University of Maryland Medical System	\$45,332,630	59	14	13	22
Peninsula Regional Medical Center		\$45,302,065	73	22	6	47
Johns Hopkins Suburban Hospital	Johns Hopkins Health System	\$45,245,523	81	32	7	32
MedStar Montgomery Medical Center	MedStar Health	\$44,912,119	55	18	5	17
Holy Cross Hospital	Trinity Health	\$44,639,989	82	29	9	24
University of Maryland Harford Memorial Hospital	University of Maryland Medical System	\$43,311,673	57	17	13	22
Saint Agnes Healthcare	Ascension Healthcare	\$41,192,598	58	19	5	47
University of Maryland St. Joseph Medical Center	University of Maryland Medical System	\$41,189,736	44	23	13	36
Anne Arundel Medical Center		\$38,344,716	66	19	6	42
University of Maryland Charles Regional Medical Center	University of Maryland Medical System	\$38,300,966	62	17	5	21
Meritus Medical Center		\$37,873,802	96	40	3	28
University of Maryland Rehabilitation & Orthopaedic Institute	University of Maryland Medical System	\$36,442,895	64	23	5	15
Western Maryland Health System		\$36,131,413	73	27	2	40

Hospital name	System	Total Executives Compensation	Number of Annual Payments to Executives	Number of Individual Executives	Number of annual payments over \$1 million	Number of annual payments that put executives above the top 1% income threshold in Maryland
Mercy Medical Center		\$35,296,181	60	17	4	40
Frederick Regional Health System		\$34,932,998	99	32	2	33
Doctors Community Hospital		\$32,663,248	71	23	8	23
Union Hospital		\$29,016,441	64	26	3	25
University of Maryland Capital Region Health at Laurel Regional and Prince George's Hospital	University of Maryland Medical System	\$28,891,437	70	32	4	14
Bon Secours Hospital	Bon Secours Mercy Health	\$23,176,522	54	23	3	15
Atlantic General Hospital		\$21,481,228	48	16	1	23
CalvertHealth Medical Center		\$18,495,224	61	22	1	6
Fort Washington Medical Center		\$5,366,554	24	14		1
McCready Health		\$4,985,792	21	7		

Appendix 5. **Ranking of hospitals that benefited the most from charity care rate support, 2014 – 2018<sup>73</sup>**

Hospital name	System	Charity Care Provided — Last Five Years	Charity Care Rate Support Total — Last Five Years	Charity Care Rate Support Surplus*: Last Five Years	Rank: Largest Surplus* of Charity Rate Support
<b>Johns Hopkins Hospital</b>	Johns Hopkins Health System	\$133,216,000.00	\$169,496,418.64	\$36,280,418.64	1
<b>University of Maryland Medical Center</b>	University of Maryland Medical System	\$179,526,225.83	\$205,952,948.02	\$26,426,722.19	2
<b>University of Maryland Capital Region Health at Laurel Regional and Prince George’s Hospital</b>	University of Maryland Medical System	\$76,647,841.00	\$97,139,764.84	\$20,491,923.84	3
<b>Adventist Healthcare Washington Adventist Hospital</b>	Adventist HealthCare	\$52,505,403.02	\$65,357,107.74	\$12,851,704.72	4
<b>MedStar Franklin Square Medical Center</b>	MedStar Health	\$37,249,257.57	\$47,879,563.49	\$10,630,305.92	5
<b>Johns Hopkins Bayview Medical Center</b>	Johns Hopkins Health System	\$87,301,000.00	\$94,801,795.32	\$7,500,795.32	6
<b>MedStar Union Memorial Hospital</b>	MedStar Health	\$32,241,348.44	\$39,702,995.84	\$7,461,647.40	7
<b>MedStar Harbor Hospital</b>	MedStar Health	\$19,488,714.00	\$26,788,827.05	\$7,300,113.05	8
<b>Johns Hopkins Howard County General Hospital</b>	Johns Hopkins Health System	\$20,706,967.08	\$25,826,620.92	\$5,119,653.84	9
<b>Johns Hopkins Suburban Hospital</b>	Johns Hopkins Health System	\$19,442,300.00	\$23,295,770.26	\$3,853,470.26	10
<b>Bon Secours Baltimore Health System</b>	Bon Secours Mercy Health	\$16,234,877.00	\$20,053,416.35	\$3,818,539.35	11
<b>MedStar Montgomery Medical Center</b>	MedStar Health	\$12,886,130.00	\$16,432,582.68	\$3,546,452.68	12
<b>Anne Arundel Medical Center</b>		\$20,253,154.00	\$23,649,709.30	\$3,396,555.30	13
<b>University of Maryland Upper Chesapeake Medical Center</b>	University of Maryland Medical System	\$21,043,712.00	\$24,402,127.18	\$3,358,415.18	14

Hospital name	System	Charity Care Provided — Last Five Years	Charity Care Rate Support Total — Last Five Years	Charity Care Rate Support Surplus*: Last Five Years	Rank: Largest Surplus* of Charity Rate Support
MedStar St. Mary's Hospital	MedStar Health	\$13,164,421.48	\$16,134,544.36	\$2,970,122.88	15
Carroll Hospital Center	LifeBridge Health	\$7,226,042.00	\$10,084,486.32	\$2,858,444.32	16
Sinai Hospital of Baltimore	LifeBridge Health	\$35,393,023.00	\$37,959,583.27	\$2,566,560.27	17
Fort Washington Medical Center		\$5,841,368.00	\$7,700,536.25	\$1,859,168.25	18
CalvertHealth Medical Center		\$23,004,284.00	\$24,793,843.74	\$1,789,559.74	19
Northwest Hospital	LifeBridge Health	\$17,756,274.00	\$19,444,491.97	\$1,688,217.97	20
Saint Agnes Healthcare	Ascension Healthcare	\$96,973,115.27	\$98,509,291.93	\$1,536,176.66	21
Greater Baltimore Medical Center		\$11,815,062.00	\$13,059,539.51	\$1,244,477.51	22
Doctors Community Hospital		\$53,494,082.00	\$54,623,629.52	\$1,129,547.52	23
University of Maryland Charles Regional Medical Center	University of Maryland Medical System	\$9,572,552.00	\$10,546,193.00	\$973,641.00	24
MedStar Southern Maryland Hospital Center	MedStar Health	\$16,646,288.79	\$17,583,088.24	\$936,799.45	25
Meritus Medical Center		\$26,239,836.74	\$27,128,162.89	\$888,326.15	26
Union Hospital		\$8,031,597.00	\$8,873,209.37	\$841,612.37	27
Mercy Medical Center		\$91,368,182.00	\$91,732,422.06	\$364,240.06	28
University of Maryland Harford Memorial Hospital	University of Maryland Medical System	\$12,253,270.00	\$12,515,299.21	\$262,029.21	29
Frederick Regional Health System		\$50,842,000.00	\$51,075,575.87	\$233,575.87	30
Atlantic General Hospital		\$14,961,755.00	\$15,191,893.15	\$230,138.15	31
McCready Health		\$1,670,158.00	\$1,854,455.32	\$184,297.32	32
Peninsula Regional Medical Center		\$43,627,300.00	\$43,529,033.01	-\$98,266.99	33

Hospital name	System	Charity Care Provided — Last Five Years	Charity Care Rate Support Total — Last Five Years	Charity Care Rate Support Surplus*: Last Five Years	Rank: Largest Surplus* of Charity Rate Support
University of Maryland Baltimore Washington Medical Center	University of Maryland Medical System	\$40,551,984.00	\$39,794,505.21	-\$757,478.79	34
Mt. Washington Pediatric Hospital	University of Maryland Medical System	\$840,801.00	\$0.00	-\$840,801.00	35
Garrett Regional Medical Center		\$13,447,237.00	\$12,160,785.44	-\$1,286,451.56	36
MedStar Good Samaritan Hospital	MedStar Health	\$23,075,190.33	\$21,788,579.20	-\$1,286,611.13	37
University of Maryland Shore Medical Center	University of Maryland Medical System	\$27,420,183.00	\$25,371,099.64	-\$2,049,083.36	38
Adventist Healthcare Shady Grove Medical Center	Adventist HealthCare	\$33,500,059.97	\$30,811,809.70	-\$2,688,250.26	39
University of Maryland Medical Center Midtown Campus	University of Maryland Medical System	\$47,449,634.00	\$44,434,485.62	-\$3,015,148.38	40
University of Maryland St. Joseph Medical Center	University of Maryland Medical System	\$30,252,251.60	\$27,212,829.33	-\$3,039,422.27	41
Holy Cross Germantown Hospital	Trinity Health	\$12,150,701.49	\$8,477,090.00	-\$3,673,611.49	42
University of Maryland Rehabilitation & Orthopaedic Institute	University of Maryland Medical System	\$8,444,000.00	\$2,469,768.05	-\$5,974,231.95	43
Western Maryland Regional Medical Center		\$54,664,815.00	\$47,629,514.10	-\$7,035,300.90	44
Holy Cross Hospital	Trinity Health	\$157,009,222.41	\$133,374,844.87	-\$23,634,377.54	45

\*Rate support received in excess of charity provided.

Appendix 6. **Charity care denial rates, 2017 - 2018 combined**<sup>74</sup>

Hospital name	System	Licensed Beds	Application for Financial Assistance Received	Application for Financial Assistance Approved	Application for Financial Assistance Denied	Percent Charity Care Denied
<b>Bon Secours Baltimore Health System</b>	Bon Secours Mercy Health	72	705	129	576	81.70%
<b>CalvertHealth Medical Center*</b>		74	366	121	245	66.90%
<b>Johns Hopkins Howard County General Hospital</b>	Johns Hopkins Health System	285	886	419	467	52.70%
<b>Adventist Healthcare Washington Adventist Hospital*</b>	Adventist HealthCare	204	1,260	634	626	49.70%
<b>Johns Hopkins Bayview Medical Center</b>	Johns Hopkins Health System	455	1,130	579	551	48.80%
<b>Johns Hopkins Hospital</b>	Johns Hopkins Health System	1,154	1,747	928	819	46.90%
<b>Johns Hopkins Suburban Hospital</b>	Johns Hopkins Health System	230	688	374	314	45.60%
<b>Holy Cross Hospital</b>	Trinity Health	449	8,277	4,691	3,586	43.30%
<b>Carroll Hospital Center*</b>	LifeBridge Health	146	338	215	123	36.40%
<b>University of Maryland Shore Medical Center</b>	University of Maryland Medical System	214	1,607	1,045	562	35.00%
<b>Adventist Healthcare Shady Grove Medical Center*</b>	Adventist HealthCare	292	1,602	1,071	531	33.10%
<b>University of Maryland Capital Region Health at Laurel Regional and Prince George's Hospital</b>	University of Maryland Medical System	365	550	375	175	31.80%
<b>University of Maryland Baltimore Washington Medical Center</b>	University of Maryland Medical System	293	2,160	1,481	679	31.40%
<b>University of Maryland Medical Center</b>	University of Maryland Medical System	751	1,707	1,237	470	27.50%

Hospital name	System	Licensed Beds	Application for Financial Assistance Received	Application for Financial Assistance Approved	Application for Financial Assistance Denied	Percent Charity Care Denied
University of Maryland Rehabilitation & Orthopaedic Institute	University of Maryland Medical System	137	220	161	59	26.80%
University of Maryland St. Joseph Medical Center	University of Maryland Medical System	263	958	711	247	25.80%
Union Hospital*		87	258	193	65	25.20%
University of Maryland Medical Center Midtown Campus	University of Maryland Medical System	170	562	422	140	24.90%
University of Maryland Upper Chesapeake Medical Center	University of Maryland Medical System	185	3,971	3,009	962	24.20%
Mt. Washington Pediatric Hospital	University of Maryland Medical System	102	54	41	13	24.10%
Meritus Medical Center		257	4,564	3,473	1,091	23.90%
Atlantic General Hospital*		48	599	466	133	22.20%
Anne Arundel Medical Center		415	945	762	183	19.40%
University of Maryland Harford Memorial Hospital	University of Maryland Medical System	89	2,092	1,751	341	16.30%
Greater Baltimore Medical Center		269	529	468	61	11.50%
University of Maryland Charles Regional Medical Center	University of Maryland Medical System	104	277	247	30	10.80%
McCready Health		3	242	218	24	9.90%
Doctors Community Hospital*		210	164	149	15	9.10%
Garrett Regional Medical Center*		27	671	627	44	6.60%

Hospital name	System	Licensed Beds	Application for Financial Assistance Received	Application for Financial Assistance Approved	Application for Financial Assistance Denied	Percent Charity Care Denied
MedStar Montgomery Medical Center	MedStar Health	115	4,309	4,111	198	4.60%
Mercy Medical Center		204	711	685	26	3.70%
Holy Cross Germantown	Trinity Health	80	1440	1388	52	3.60%
Western Maryland Health System		213	1611	1577	34	2.10%
Northwest Hospital*	LifeBridge Health	202	958	938	20	2.10%
MedStar Franklin Square Medical Center	MedStar Health	369	21,362	20,950	412	1.90%
MedStar Southern Maryland Hospital Center	MedStar Health	182	9,738	9,643	95	1.00%
MedStar St. Mary's Hospital	MedStar Health	109	9,979	9,886	93	0.90%
MedStar Good Samaritan Hospital	MedStar Health	206	18,846	18,675	171	0.90%
MedStar Union Memorial Hospital	MedStar Health	183	23,097	22,946	151	0.70%
MedStar Harbor Hospital	MedStar Health	133	14,412	14,329	83	0.60%
Peninsula Regional Medical Center		289	4,702	4,686	16	0.30%
Sinai Hospital of Baltimore	LifeBridge Health	448	3,278	3,268	10	0.30%
Frederick Regional Health System*		272	1,267	7,273		0.00%
Saint Agnes Healthcare*	Ascension Healthcare	287	943	992		0.00%
Fort Washington Medical Center		NA	NA	NA	NA	NA

\*Includes only one year of data.

## Appendix 7. Methodology

For our analysis of medical debt lawsuits filed by Maryland hospitals, we limited our focus to general acute-care hospitals. For the lawsuit data, we utilized a database of court records provided by the Maryland Volunteer Lawyers Service. The MVLS' database is made up of records taken from the Maryland Judiciary Case Search website (<http://casesearch.courts.state.md.us/casesearch/processDisclaimer.js>). We identified all civil cases with hospital or hospital system names for the plaintiff, which were entered into the court records in thousands of variations. We standardized the hospital names using names drawn from the American Hospital Association Annual Survey.<sup>75</sup> To narrow down our case data to only include medical debt lawsuits, we eliminated all case types other than contract cases and liens. We eliminated all lawsuits listing a business or organization as a defendant, and removed all cases with amounts more than \$1 million. We reviewed the docket information for hundreds of cases to ensure that the lawsuits were medical debt related. We also examined the court records available at various district courts of hundreds of additional cases to ensure they were related to medical debt.

For our review of hospital and system finances, we relied upon the Maryland Health Services Cost Review Commission's (HSCRC) hospital financial disclosures and audited financial reports.

The executive compensation data presented in the report was taken from the hospitals' and systems' IRS Form 990 filings. Some executive compensation information was listed repeatedly in the filings of hospitals that belong to systems. These duplicates were removed from our calculation of statewide executive compensation amounts. Most of the executive compensation data is for the period 2014 to 2018, but a few hospitals and hospital systems have not yet filed their data for 2018. For those hospitals and hospital systems, the period 2013 to 2017 was covered.

The data we presented on charity care and charity care rate support came from HSCRC's Maryland Hospital Community Benefit Financial Reports.

The charity care denial rates we present were calculated from data provided in the HSCRC's "Annual Report of Revenue, Expenses, and Volumes, Supplemental Schedule VIII Debt Collection/Financial Assistance Report."

## Appendix 8. Glossary

**All-payer system** — Maryland is unusual among the 50 states in that a state body, the Health Services Cost Review Commission, annually determines and sets the rate at which the state's hospitals are to be reimbursed for the medical services they provide — regardless of whether the payer is a government program or a private insurer.

**Charity care** — While there are differing definitions of charity care, this report is referring to financially subsidized low-to-no-cost care provided by hospitals to low-income patients.

**Executive compensation** — The annual payments made to hospital executives, which includes salaries, bonuses, and the value of fringe benefits, as reported in the hospitals' annual tax filings.

**Net income** — Since all hospitals in Maryland are not-for-profit, net income refers to the

monies generated when their revenues exceed expenses.

**Not-for-profit Hospital** — Refers to an institution supposedly not operated to generate profit, as defined by the federal Internal Revenue Service. Instead, the institution is intended to benefit the greater good of the community and, in exchange, is exempted from paying most federal, state, and local income, property, sales, and other taxes and donations to the institution are often tax deductible.

**Charity care rate support** — The rate at which Maryland hospitals are reimbursed by the all-payer system includes amounts intended to help them offset the costs of providing charity care. The rate support rate is determined by an average of the previous two years' worth of charity care expenses self reported by hospitals.

# ENDNOTES

- 1 As noted elsewhere in the report, a number of Maryland hospitals did not file any medical debt lawsuits or only filed a small number of cases. The figures referenced above and throughout the report are totals for all the Maryland hospitals we included in our analysis. Please see Appendix 2 for details about individual hospitals.
- 2 Most of the executive compensation data is for the period 2014 to 2018, but a few hospitals and hospital systems have not yet filed their data for 2018. For those hospitals and hospital systems, the period 2013 to 2017 was covered.
- 3 For not-for-profits, profits are referred to as “excess revenues over expenses.” In this report, we refer to profit as “net income.”
- 4 National Nurses United and AFL-CIO, “Breaking the Promise of Patient Care: How Johns Hopkins Hospital Management Shortchanges Baltimore and Puts Patients and the Community at Risk.” December 2018. [https://act.nationalnursesunited.org/page/-/files/graphics/1118\\_JHH\\_Charity\\_Care\\_Report\\_web.pdf](https://act.nationalnursesunited.org/page/-/files/graphics/1118_JHH_Charity_Care_Report_web.pdf)
- 5 Jessica Silver-Greenberg, “How to Fight a Bogus Bill,” *The Wall Street Journal*. February 18, 2011. <https://www.wsj.com/articles/SB10001424052748703312904576146371931841968> (Accessed January 2, 2020).
- 6 “Report on Semi-Annual Clean Claims Data Filing for Calendar Year 2015,” Maryland Insurance Administration, July 2017.
- 7 See Table 1 of this report.
- 8 Ibid.
- 9 See Table 3 of this report.
- 10 Michelle M. Doty, Jennifer N. Edwards, and Alyssa L. Holmgren, “Seeing Red: Americans Driven into Debt by Medical Bills.” The Commonwealth Fund, 2005.
- 11 See section on High-Volume Dockets for Maryland Medical Debt Lawsuits of this report.
- 12 See Table 7 and 8 of this report.
- 13 See Table 11 of this report.
- 14 See Table 15 of this report.
- 15 See section on charity care in this report. All together, the amount of rate support provided exceeded charity care by \$119.2 million, but not all hospitals benefited. Thirty-two hospitals received \$174.6 million in charity care rate support beyond what they spent on charity care, while 13 hospitals spent \$55.4 million on charity care beyond what they received in rate support. Please see Appendix 5 for details.
- 16 See Table 18 in this report.
- 17 AFL-CIO, National Nurses United, and Coalition for a Humane Hopkins. “Taking Neighbors to Court: Johns Hopkins Hospital Medical Debt Lawsuits.” May 2019. <https://act.nationalnursesunited.org/page/-/files/graphics/Johns-Hopkins-Medical-Debt-report.pdf> and Interested Party Comments filed by AFL-CIO, [https://mhcc.maryland.gov/mhcc/pages/hcfs/hcfs\\_con/hcfs\\_con\\_jh\\_bayview.aspx](https://mhcc.maryland.gov/mhcc/pages/hcfs/hcfs_con/hcfs_con_jh_bayview.aspx)
- 18 AFL-CIO, National Nurses United, and Coalition for a Humane Hopkins. “Taking Neighbors to Court: Johns Hopkins Hospital Medical Debt Lawsuits.” May 2019. <https://act.nationalnursesunited.org/page/-/files/graphics/Johns-Hopkins-Medical-Debt-report.pdf>.
- 19 Meredith Cohn and Lorraine Mirabella, “Johns Hopkins Hospital Sues Patients, Many Low Income, for Medical Debt.” *The Baltimore Sun*, May 17, 2019. <https://www.baltimoresun.com/health/bs-hs-hopkins-sues-patients-20190516-story.html> (Accessed May 17, 2019).
- 20 “Johns Hopkins Should Stop Suing Poor People.” *The Baltimore Sun*, May 22, 2019. <https://www.baltimoresun.com/opinion/editorial/bs-ed-0522-lawsuit-johns-hopkins-poor-20190521-story.html> (Accessed May 23, 2019).
- 21 See Maryland Judiciary Case Search for updated lawsuit information: <http://casesearch.courts.state.md.us/casesearch/inquiry-index.jsp>
- 22 Victor G. Villagra, et al. “When Hospitals and Doctors Sue Their Patients: The Medical Debt Crisis Through a New Lens.” UConn Health Disparities Institute, June 18, 2019 [https://health.uconn.edu/health-disparities/wp-content/uploads/sites/53/2019/06/HDI-Issue-Brief\\_When-Hospitals-and-Doctors-Sue-Their-Patients.pdf](https://health.uconn.edu/health-disparities/wp-content/uploads/sites/53/2019/06/HDI-Issue-Brief_When-Hospitals-and-Doctors-Sue-Their-Patients.pdf)
- 23 William E. Bruhn, et al. “Prevalence and Characteristics of Virginia Hospitals Suing Patients and Garnishing Wages for Unpaid Medical Bills.” *JAMA* 2019; 322(7):691-692. doi:10.1001/jama.2019.9144; Stephanie Armour, “When Patients Can’t Pay, Many Hospitals Are Suing,” *Wall Street Journal*, June 25, 2019. <https://www.wsj.com/articles/nonprofit-hospitals-criticized-for-debt-collection-tactics-11561467600> (Accessed June 25, 2019); Selena Simmons-Duffin, “When Hospitals Sue For Unpaid Bills, It Can Be ‘Ruinous’ For Patients.” NPR, June 25, 2019. <https://www.npr.org/sections/health-shots/2019/06/25/735385283/hospitals-earn->

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- 27 Michelle M. Doty, Jennifer N. Edwards, and Alyssa L. Holmgren, “Seeing Red: Americans Driven into Debt by Medical Bills.” *The Commonwealth Fund*, 2005.
- 28 Cathy Dyson, “MWH Suspends Policy of Suing Patients Following AMA Study.” *The Free Lance-Star*, June 27, 2019. [https://www.fredericksburg.com/news/local/mwh-suspends-policy-of-suing-patients-following-ama-study/article\\_526d34d5-e374-545f-8568-0c66ba0734e5.html](https://www.fredericksburg.com/news/local/mwh-suspends-policy-of-suing-patients-following-ama-study/article_526d34d5-e374-545f-8568-0c66ba0734e5.html) (Accessed December 10, 2019) and Cathy Dyson, “In court, Mary Washington Healthcare Suspends Lawsuits for Unpaid Bills.” *The Free Lance-Star*, July 13, 2019. [https://www.fredericksburg.com/news/in-court-mary-washington-healthcare-suspends-lawsuits-for-unpaid-bills/article\\_9999d58a-3629-5683-84dd-2e7479b16250.html](https://www.fredericksburg.com/news/in-court-mary-washington-healthcare-suspends-lawsuits-for-unpaid-bills/article_9999d58a-3629-5683-84dd-2e7479b16250.html) (Accessed December 10, 2019).
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- 33 As noted elsewhere in the report, a number of Maryland hospitals did not file any medical debt lawsuits or only filed a small number of cases. The figures referenced above and throughout the report are totals for all the Maryland hospitals we included in our analysis. Please see Appendix 2 for details about individual hospitals.

- 34 Most of the executive compensation data is for the period 2014 to 2018, but a few hospitals and hospital systems have not yet filed their data for 2018. For those hospitals and hospitals systems, the period 2013 to 2017 was covered.
- 35 For not-for-profits, profits are referred to as “excess revenues over expenses.” In this report, we refer to profit as “net income.”
- 36 National Nurses United and AFL-CIO, “Breaking the Promise of Patient Care: How Johns Hopkins Hospital Management Shortchanges Baltimore and Puts Patients and the Community at Risk.” December 2018. [https://act.nationalnursesunited.org/page/-/files/graphics/1118\\_JHH\\_CharityCare\\_Report\\_web.pdf](https://act.nationalnursesunited.org/page/-/files/graphics/1118_JHH_CharityCare_Report_web.pdf)
- 37 Jessica Silver-Greenberg, “How to Fight a Bogus Bill,” *The Wall Street Journal*. February 18, 2011. <https://www.wsj.com/articles/SB10001424052748703312904576146371931841968> (Accessed January 2, 2020).
- 38 “Report on Semi-Annual Clean Claims Data Filing for Calendar Year 2015,” Maryland Insurance Administration, July 2017.
- 39 All data based on the following source except where noted: Analysis of the case records of the Maryland Judiciary, available here: Maryland Judiciary Case Search Disclaimer: <http://casesearch.courts.state.md.us/casesearch/inquiry-index.jsp>
- 40 “Debt in America: An Interactive Map,” Urban Institute. [https://apps.urban.org/features/debt-interactive-map/?type=auto&variable=autoopen\\_pct](https://apps.urban.org/features/debt-interactive-map/?type=auto&variable=autoopen_pct) (Accessed December 13, 2019).
- 41 Includes UM Shore Medical Center at Easton, Chestertown, and Dorchester.
- 42 We combined Laurel Regional Hospital and Prince George’s Hospital because their financial data was reported together in previous years.
- 43 Please note that there were 9,183 medical debt lawsuits where the address of the defendant was not available or the defendant was from another state.
- 44 For a discussion of effects of debt collections on the poor and communities of color in Maryland, see: Robyn Dorsey and Marceline White, “No Exit: How Maryland’s Debt Collection Practices Deepen Poverty and Widen the Racial Wealth Gap.” Maryland Consumer Rights Coalition, June 2018.
- 45 Trends in State Courts, 2016; pg. 91. National Center for State Courts. <https://www.ncsc.org/-/media/Microsites/Files/Trends%202016/Meeting-the-Challenges.ashx>
- 46 Financial Information from audited financial reports and Disclosure of Hospital Financial and Statistical Data, appropriate years.
- 47 Includes data for University of Maryland Shore Medical Centers at Easton, Dorchester, and Chestertown.
- 48 The combined Laurel Regional Hospital and Prince George’s Hospitals financial data source: Disclosure of Hospital Financial and Statistical Data, Appropriate Years.
- 49 “LifeBridge Health Acquires Bon Secours Baltimore Hospital” Press Release. <https://bsmhealth.org/lifebridge-health-acquires-bon-secours-baltimore-hospital/> (Accessed January 8, 2010).
- 50 Trinity Health is a 93-hospital system with \$949 million in net income in 2018. Trinity Health Audited Financial Statements. Year Ending June 30, 2018.
- 51 Each of these hospital systems is based in Maryland and the majority of their member hospitals are located in Maryland.
- 52 Audited Financial Statements, appropriate system and years.
- 53 Maryland Quick Facts, United States Census Bureau. Median household income for 2018.
- 54 Estelle Sommeiller and Mark Price, “The New Gilded Age: Income Inequality in the US by State, Metropolitan Area, and County.” Economic Policy Institute, July 19, 2018. <https://www.epi.org/publication/the-new-gilded-age-income-inequality-in-the-u-s-by-state-metropolitan-area-and-county/>
- 55 Executive compensation was found on IRS Form 990 for appropriate years. As described on IRS Form 990, Schedule J is “For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.” Note: Multi-hospital systems often report the same executives on multiple 990 forms for individual hospitals and hospital systems. Most of the executive compensation data is for the period 2014 to 2018, but a few hospitals and hospital systems have not yet filed their data for 2018. For those hospitals and hospitals systems, the period 2013 to 2017 was covered.
- 56 For the period 2014 to 2018, medical debt as a percentage of net income would drop to 3.35 percent.
- 57 U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates.
- 58 See endnote 15, “In Their Debt.” *The Baltimore Sun*, December 21, 2008.

- 59 Charity care as a percentage of operating expenses is a figure commonly used to compare charity levels across different hospitals and over time. It measures how much a hospital spends of charity care in proportion to the total cost of medical care provided.
- 60 Refers to the cost of charity care as a percentage of operating expenses.
- 61 Debt in America: An Interactive Map. The Urban Institute. [https://apps.urban.org/features/debt-interactive-map/?type=auto&variable=autoopen\\_pct](https://apps.urban.org/features/debt-interactive-map/?type=auto&variable=autoopen_pct) (Accessed December 13, 2019).
- 62 AFL-CIO, National Nurses United, and Coalition for a Humane Hopkins. "Taking Neighbors to Court: Johns Hopkins Hospital Medical Debt Lawsuits." May 2019. <https://act.nationalnursesunited.org/page/-/files/graphics/Johns-Hopkins-Medical-Debt-report.pdf> and Interested Party Comments filed by AFL-CIO, [https://mhcc.maryland.gov/mhcc/pages/hcfs/hcfs\\_con/hcfs\\_con\\_jh\\_bayview.aspx](https://mhcc.maryland.gov/mhcc/pages/hcfs/hcfs_con/hcfs_con_jh_bayview.aspx)
- 63 Maryland Health Services Cost Review Commission, Community Benefits Program, Maryland Hospital Community Benefit Financial Report: FY 2014-2018.
- 64 Simone Singh, "Not-for-profit hospitals' provision of community benefit during the 2008 recession: An analysis of hospitals in Maryland." *Journal of Hospital Administration*, 2013. 3. 10.5430/jha.v3n3p7.
- 65 All together, the amount of rate support provided exceeded charity care by \$119.2 million, but not all hospitals benefited. Thirty-two hospitals received \$174.6 million in charity care rate support beyond what they spent on charity care, while 13 hospitals spent \$55.4 million on charity care beyond what they received in rate support. Please see Appendix 5 for details.
- 66 Maryland Health Services Cost Review Commission, Community Benefits Program, Maryland Hospital Community Benefit Financial Report: FY 2014-2018.
- 67 Maryland Health Services Cost Review Commission, Community Benefits Program, Maryland Hospital Community Benefit Financial Report: FY 2014-2018.
- 68 AFL-CIO, National Nurses United, and Coalition for a Humane Hopkins. "Taking Neighbors to Court: Johns Hopkins Hospital Medical Debt Lawsuits." May 2019. <https://act.nationalnursesunited.org/page/-/files/graphics/Johns-Hopkins-Medical-Debt-report.pdf> and Interested Party Comments filed by AFL-CIO, [https://mhcc.maryland.gov/mhcc/pages/hcfs/hcfs\\_con/hcfs\\_con\\_jh\\_bayview.aspx](https://mhcc.maryland.gov/mhcc/pages/hcfs/hcfs_con/hcfs_con_jh_bayview.aspx)
- 69 Maryland Health Services Cost Review Commission, Annual Report of Revenue, Expenses, and Volumes, Supplemental Schedule VIII Debt Collection/Financial Assistance Report, <https://hsrc.state.md.us/Pages/ar-rev.aspx>
- 70 AFL-CIO, National Nurses United, and Coalition for a Humane Hopkins. "Taking Neighbors to Court: Johns Hopkins Hospital Medical Debt Lawsuits." May 2019. <https://act.nationalnursesunited.org/page/-/files/graphics/Johns-Hopkins-Medical-Debt-report.pdf> and Interested Party Comments filed by AFL-CIO, [https://mhcc.maryland.gov/mhcc/pages/hcfs/hcfs\\_con/hcfs\\_con\\_jh\\_bayview.aspx](https://mhcc.maryland.gov/mhcc/pages/hcfs/hcfs_con/hcfs_con_jh_bayview.aspx)
- 71 Includes UM Shore Medical Center at Easton, Chestertown, and Dorchester
- 72 We combined Laurel Regional Hospital and Prince George's Hospital because their financial data was reported together in previous years.
- 73 Maryland Health Services Cost Review Commission, Community Benefits Program, Maryland Hospital Community Benefit Financial Report: FY 2014-2018.
- 74 Maryland Health Services Cost Review Commission, Annual Report of Revenue, Expenses, and Volumes, Supplemental Schedule VIII Debt Collection/Financial Assistance Report, <https://hsrc.state.md.us/Pages/ar-rev.aspx>
- 75 In two cases, we combined facilities and modified the names we used accordingly. These include University of Maryland Capital Region Health at Laurel Regional and Prince George's Hospital, and University of Maryland Shore Medical Center.





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