

GORDON·FEINBLATT^{LLC}
ATTORNEYS AT LAW

JONATHAN MONTGOMERY
410.576.4088
FAX 410.576.4032
jmontgomery@gfllaw.com

233 EAST REDWOOD STREET
BALTIMORE, MARYLAND 21202-3332
410.576.4000
www.gfllaw.com

July 10, 2017

VIA EMAIL (paul.parker@maryland.gov)
& HAND DELIVERY

Mr. Paul Parker
Director, Center for Health Care Facilities
Planning & Development
Maryland Health Care Commission
4160 Patterson Avenue
Baltimore, Maryland 21215

Re: BAYADA Hospice Comment on P-B Health Home
Health Care, Inc. CON Application:
Docket No. 16-24-2389

Dear Mr. Parker:

Enclosed please find BAYADA Home Health Care, Inc.'s written comments to the Certificate of Need application of P-B Health Home Health Care, Inc.

Respectfully Submitted,



Jonathan Montgomery

Enclosures

cc: Mr. Kevin McDonald, Chief, Certificate of Need (via email)
Ms. Suellen Wideman, Esq., Assistant Attorney General (via email)
Ms. Ruby Potter, Health Facilities Coordination Officer, MHCC (via email)
Dr. Leana S. Wen, Baltimore City Department of Health
BAYADA Home Health Care, Inc. (internal distribution)

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Re: BAYADA Hospice Comment on P-B Health Home
Health Care, Inc.
Certificate of Need Application: Docket No. 16-24-2389

Dear Mr. Parker:

Pursuant to COMAR 10.24.01.08(D)(2)(b), BAYADA Home Health Care Inc., d/b/a BAYADA Hospice (“**BAYADA**”) hereby submits to the Maryland Health Care Commission (the “**Commission**”) the following written comments to the December 9, 2016 Certificate of Need (“**CON**”) application of P-B Health Home Health Care, Inc. (“**P-B Health**”) to establish a new general hospice program in Baltimore City (the “**P-B Health Application**”).¹

I. Summary

¹ BAYADA qualifies as an interested party in this review because BAYADA has also applied to establish a new general hospice program in Baltimore City. See COMAR 10.24.01.01(B)(20)(a). Alternatively, BAYADA qualifies under COMAR 10.24.01.01(B)(20)(e): a new hospice program would compete with BAYADA for volume or for personnel or other resources. See COMAR 10.24.01.01(B)(2)(c), (d).

The people of Baltimore City deserve a new hospice care program that is financially stable and provides high quality care – such as one established by BAYADA. Unfortunately, P-B Health, an entity with no hospice experience² and which has suffered financial losses in two of the past three years, proposes to provide less care, less often, than hospice patients in Baltimore City need and deserve.

II. Cost-Effective Alternatives

A new hospice care program in Baltimore City must demonstrate that it will be cost-effective when compared to “alternative existing facilities, or through an alternative facility that has submitted a competitive application as part of a comparative review.”³ The P-B Health Application shows that P-B Health may fail to provide adequately the hospice services mandated in the Hospice Chapter.⁴ Namely, P-B Health projects treating hospice patients too late and too infrequently to be effective.

First, P-B Health estimates an unrealistically low average length of stay (ALOS) of less than three weeks per patient for its proposed program, declining from just under 21 days in 2018 to 19 days in 2021. In contrast, NHPCO data shows that average length of stay nationally is 72 days. P-B Health’s short ALOS calls into question its ability to increase access to hospice care, and positively impact end-of-life care for terminally ill patients. Effective public education and

² “P-B Health is not currently authorized to provide general hospice services in Maryland or any other state...” P-B Health Application at p. 8.

³ COMAR 10.24.01.08(G)(3)(c).

⁴ *See generally* COMAR 10.24.13.05(C).

outreach should translate into ALOS *gains* rather than losses, as the relevant stakeholders and communities become familiar with the new hospice and the benefits of hospice generally, and seek enrollment in the hospice earlier in the end-of-life phase. When patients enter hospice care late, it is hard to create a positive end-of-life experience for the patient and family, as they are typically in a state of crisis. While hospices should not extend ALOS unnecessarily, BAYADA's experience has shown that through targeted outreach campaigns/efforts, it can help convert eligible referrals into admissions earlier, thereby increasing the ALOS over time and creating a meaningful and impactful experience for both patient and family.

Second, P-B Health estimates visits per admission well below industry standards⁵ across a number of disciplines, including, for example, the following:

[TEXT CONTINUED ON NEXT PAGE]

⁵ P-B Health Response to Completeness Questions dated February 17, 2017, at Table 2B, p. 29.

TABLE 2B
 VISITS PER ADMISSION – COMPARATIVE PROJECTIONS FOR 2018⁶

Volume projection comparison 2018							
	P-B Health			BAYADA			
	Projections			Projections			
Admissions	75			39			
Deaths	60			24			
Non-death discharges	6			5			
Patients served	69			39			
Patient Days	1440			1755			
Average length of stay	20.9			45			
Average daily hospice census	8			10			
Visits by discipline							
	P-B Health			BAYADA			NHPCO National Data Set 2014
	Projected Visits	Visits/Admits	Budgeted Staff*	Projected Visits	Visits/Admits	Budgeted Staff*	Averages
Skilled Nursing	2274	30.32	0.8	904	23.18	6.86	25.3
Social work	182	2.43	0.4	222	5.69	1.80	6.2
Hospice aides	336	4.48	1.2	990	25.38	5.13	27.7
Physicians-Paid	0	0.00	0	18	0.46	0.27	0.5
Physicians-Volunteer	10	0.13	0.04	N/A	N/A	N/A	N/A
Chaplain	158	2.11	0.2	136	3.49	1.25	3.8
Other clinical	408	5.44	0.3	25	0.64	0.45	0.4

How can P-B Health offer adequate and effective end of life care with so few patient encounters?

Curiously, the only discipline for which P-B Health has not estimated visits per admission well below industry standards is nursing, where P-B Health estimates visits per admission well above the industry standard. This high number of visits per admission is unsupported by P-B Health's staffing projections, which show that P-B Health plans to add less

⁶ P-B Health Response to Completeness Questions dated February 17, 2017 at p. 29.

than an FTE nurse to provide the services.⁷ This staffing projection, by so contradicting P-B Health's projected visits, indicates that P-B Health is unprepared to undertake this project.

Finally, the calculations contained in P-B Health's revised Table 2B do not add up, making it difficult to accurately assess the viability of their model.⁸ For example, in 2018, P-B Health projects 75 admissions with an average length of stay of 20.9 days – which should mean a total of 1,567.5 patient days. But P-B Health projects 1440 patient days for 2018. Even taking the higher 1567.5 figure would yield an average daily census of just 4.3⁹ for 2018 – rather than the 8 P-B Health projected in its revised Table 2B. Finally, it is hard to understand why P-B Health estimates it will serve fewer patients in 2018 than it will admit in 2018.

III. Viability

The P-B Health Application shows that P-B Health lacks the “resources necessary to sustain” and establish a new hospice program in Baltimore City, as required by the general CON regulations.¹⁰ First, in two of the last three calendar years – namely, 2014 and 2016 – P-B Health incurred operating losses. In 2014, P-B Health incurred an operating loss of \$328,460.68.¹¹ In 2016, it incurred an operating loss of \$119,780.¹² In contrast, BAYADA's

⁷ P-B Health Response to Completeness Questions dated February 17, 2017 at revised Table 5, p. 32.

⁸ P-B Health Response to Completeness Questions dated February 17, 2017, at Table 2B, p. 29.

⁹ 1,567.5 patient days, when divided over a 365 day year, means an average of 4.3 patients per day.

¹⁰ COMAR 10.24.01.08(G)(3)(d).

¹¹ P-B Health CON Application for Prince George's County, at Appendix B, Exhibit 13.

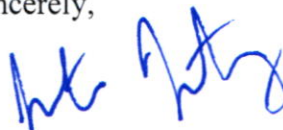
¹² P-B Health Modified Application for Prince George's County at Exhibit 3.

audited financial statements showed net income of \$12,557,000 in 2014 and \$22,702,000 in 2015. Second, P-B Health appears to project unrealistically inexpensive, or at least internally contradictory, capital startup obligations. P-B Health projects to spend \$7,500 in total to establish the hospice, all on CON application legal and consulting support.

IV. Conclusion

For the reasons set forth above, the Commission should reject the P-B Health Application. Thank you for your attention to this matter.

Sincerely,




Jonathan Montgomery

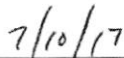
BAYADA HOME HEALTH CARE, INC.
GENERAL HOSPICE SERVICES CON APPLICATION
COMMENT ON APPLICATION DATED DECEMBER 9, 2016

Attestation by Randolph L. Brown

Affirmation: I hereby declare and affirm under the penalties of perjury that the facts stated in the July 10, 2017 response, and its attachments, of BAYADA Home Health Care, Inc. to the application of P-B Health Home Care Agency, Inc. are true and correct to the best of my knowledge, information, and belief.



Randolph L. Brown
Division Director



Date