

AMEDISYS HOSPICE OF GREATER CHESAPEAKE

CERTIFICATE OF NEED APPLICATION

**GENERAL HOSPICE SERVICES FOR RESIDENTS OF PRINCE
GEORGE'S COUNTY**

OCTOBER 7, 2016



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PART I - PROJECT IDENTIFICATION AND GENERAL INFORMATION

1. FACILITY

Name of Hospice Provider : Amedisys Hospice of Greater Chesapeake

Address:

7106 Ridge Road	Rosedale	21237	Baltimore
Street	City	Zip	County

Name of Owner (if differs from applicant):

2. OWNER

Name of owner: Amedisys Maryland, LLC

3. APPLICANT. *If the application has a co-applicant, provide the detail in section 3 and 4 as an attachment.*

Legal Name of Project Applicant (Licensee or Proposed Licensee):

Amedisys Maryland, LLC d/b/a Amedisys Hospice of Greater Chesapeake

Address:

7106 Ridge Road	Rosedale	21237	MD	Baltimore
Street	City	Zip	State	County

(877) 640-1809

Telephone:

Name of Owner/Chief Executive: Paul B. Kusserow, President

Is this applicant one of the following? (Circle or highlight description that applies.)

Licensed and Medicare certified general hospice in Maryland

Licensed and Medicare certified hospice in another state

Licensed hospital in Maryland/ other state

Licensed nursing home in Maryland/other state

Licensed and Medicare certified home health agency in Maryland/other state

Limited license hospice in Maryland

IF NONE OF THE ABOVE, NOT ELIGIBLE TO APPLY (See COMAR 10.24.13.04A.)

DO NOT COMPLETE REMAINDER OF APPLICATION

4. LEGAL STRUCTURE OF LICENSEE

Check ☒ or fill in one category below.

A. Governmental

☐

B. Corporation

- (1) Non-profit ☐
 (2) For-profit ☒
 C. Partnership
 General ☐
 Limited ☐
 Other (Specify): _____
 D. Limited Liability Company ☐
 E. Other (Specify): _____

5. PERSON(S) TO WHOM QUESTIONS REGARDING THIS APPLICATION SHOULD BE DIRECTED

A. Lead or primary contact:

Name and Title: David Kwiatkowski, MBA
 D
7106 Ridge Road Rosedale 21237 MD
 Street City Zip State
 Telephone: (410) 686-5635
 E-mail Address (required): david.kwiatkowski@amedisys.com
 Fax: (410) 686-5639

B. Additional or alternate contact:

Name and Title: Marta D. Harting
 Mailing Address:
750 East Pratt Street Baltimore 21202 MD
 Street City Zip State
 Telephone: (410) 244-7400
 E-mail Address (required): mdharting@venable.com
 Fax: (410) 244-7402

6. Brief Project Description (for identification only; see also item #13):

The establishment of a new general hospice to serve the residents of Prince George's County

7. Project Services (check applicable description):

Service	(check if description applies)
Establish a general hospice	X
Establish a General Inpatient Unit (GIP)	
Add beds to a GIP	

8. Current Capacity and Proposed Changes:

- A) List the jurisdictions in which the applicant is currently authorized to provide general hospice services. (If services provided in other state(s), list them.)

Baltimore City, Baltimore County, Harford County and Cecil County

B) Jurisdiction applicant is applying to be authorized in: Prince George's County

9. Project Location and Site Control *(Applies only to applications proposing establishment or expansion of a GIP unit):*

A. Site Size N/A acres

- B. Have all necessary State and Local land use approvals, including zoning, for the project as proposed been obtained? YES_____ NO _____ (If NO, describe below the current status and timetable for receiving necessary approvals.)

Not Applicable

C. Site Control and utilities:

(1) Title held by: _____

(2) Options to purchase held by: _____

(i) Expiration Date of Option _____

(ii) Is Option Renewable? _____ If yes, Please explain

(iii) Cost of Option _____

(3) Land Lease held by: _____

(i) Expiration Date of Lease _____

(ii) Is Lease Renewable _____ If yes, please explain

(iii) Cost of Lease _____

(4) Option to lease held by: _____

(i) Expiration date of Option _____

(ii) Is Option Renewable? _____ If yes, please explain

(iii) Cost of Option _____

(5) If site is not controlled by ownership, lease, or option, please explain how site control will be obtained.

(6) Please discuss the availability of utilities (water, electricity, sewage, etc.) for the proposed project, and the steps that will be necessary to obtain utilities.

(INSTRUCTION: IN COMPLETING THE APPLICABLE OF ITEMS 10, 11 or 12, PLEASE CONSULT THE PERFORMANCE REQUIREMENT TARGET DATES SET FORTH IN COMMISSION REGULATIONS, COMAR 10.24.01.12)

10. For new construction or renovation projects.

Project Implementation Target Dates

- A. Obligation of Capital Expenditure _____ months from approval date.
- B. Beginning Construction _____ months from capital obligation.
- C. Pre-Licensure/First Use _____ months from capital obligation.
- D. Full Utilization _____ months from first use.

11. For projects not involving construction or renovations.

Project Implementation Target Dates

- A. Obligation or expenditure of 51% of Capital Expenditure _____ months from CON approval date.
- B. Pre-Licensure/First Use _____ months from capital obligation.
- C. Full Utilization _____ months from first use.

12. For projects not involving capital expenditures.

Project Implementation Target Dates

- A. Obligation or expenditure of 51% Project Budget 1 month from CON approval date.
- B. Pre-Licensure/First Use 9 months from CON approval.
- C. Full Utilization 12 months from first use.

13. PROJECT DESCRIPTION

Executive Summary of the Project: The purpose of this BRIEF executive summary is to convey to the reader a holistic understanding of the proposed project: what it is, why you need to do it, and what it will cost. A one-page response will suffice. Please include:

- (1) Brief Description of the project – what the applicant proposes to do
- (2) Rationale for the project – the need and/or business case for the proposed project
- (3) Cost – the total cost of implementing the proposed project

(SEE EXHIBIT 1)

14. PROJECT DRAWINGS

Projects involving new construction and/or renovations should include scalable schematic drawings of the facility at least a 1/16" scale. Drawings should be completely legible and include dates.

These drawings should include the following before (existing) and after (proposed), as applicable:

- A. Floor plans for each floor affected with all rooms labeled by purpose or function, room sizes, number of beds, location of bath rooms, nursing stations, and any proposed space for future expansion to be constructed, but not finished at the completion of the project, labeled as "shell space". For projects involving new construction and/or site work a Plot Plan, showing the "footprint" and location of the facility before and after the project.
- B. For projects involving site work schematic drawings showing entrances, roads, parking, sidewalks and other significant site structures before and after the proposed project.
- D. Exterior elevation drawings and stacking diagrams that show the location and relationship of functions for each floor affected.

Not applicable.

15. FEATURES OF PROJECT CONSTRUCTION:

- A. Please Complete "**CHART 1. PROJECT CONSTRUCTION CHARACTERISTICS and COSTS**" (next page) describing the applicable characteristics of the project, if the project involves new construction. Not Applicable.
- B. Explain any plans for bed expansion subsequent to approval which are incorporated in the project's construction plan.
Not Applicable

- C. Please discuss the availability of utilities (water, electricity, sewage, etc.) for the proposed project, and the steps that will be necessary to obtain utilities.
Not Applicable

PART II - PROJECT BUDGET: COMPLETE TABLE 1 - PROJECT BUDGET

TABLE 1: PROJECT BUDGET

INSTRUCTIONS: All estimates for 1.a.-d., 2.a.-j., and 3 are for current costs as of the date of application submission and should include the costs for all intended construction and renovations to be undertaken. (DO NOT CHANGE THIS FORM OR ITS LINE ITEMS. IF ADDITIONAL DETAIL OR CLARIFICATION IS NEEDED, ATTACH ADDITIONAL SHEET.)

A. Use of Funds

1. Capital Costs (if applicable):

a.	<u>New Construction</u>	\$	_____
(1)	Building		_____
(2)	Fixed Equipment (not included in construction)		_____
(3)	Land Purchase		_____
(4)	Site Preparation		_____
(5)	Architect/Engineering Fees		_____
(6)	Permits, (Building, Utilities, Etc)		_____

SUBTOTAL \$ 0

b.	<u>Renovations</u>		
(1)	Building	\$	_____
(2)	Fixed Equipment (not included in construction)		_____
(3)	Architect/Engineering Fees		_____
(4)	Permits, (Building, Utilities, Etc.)		_____

SUBTOTAL \$ 0

c.	<u>Other Capital Costs</u>		
(1)	Major Movable Equipment		_____
(2)	Minor Movable Equipment		_____
(3)	Contingencies		_____
(4)	Other (Specify)		_____

TOTAL CURRENT CAPITAL COSTS \$ 0
(a - c)

d.	<u>Non Current Capital Cost</u>		
(1)	Interest (Gross)	\$	_____
(2)	Inflation (state all assumptions, Including time period and rate)	\$	_____

TOTAL PROPOSED CAPITAL COSTS (a - d) \$ 0

2. Financing Cost and Other Cash Requirements:

a.	Loan Placement Fees	\$	_____
b.	Bond Discount		_____

c.	Legal Fees (CON Related)	<u>\$18,000</u>
d.	Legal Fees (Other)	<u> </u>
e.	Printing	<u> </u>
f.	Consultant Fees	<u> </u>
	CON Application Assistance	<u>\$20,000</u>
	Other (Specify)	<u> </u>
g.	Liquidation of Existing Debt	<u> </u>
h.	Debt Service Reserve Fund	<u> </u>
i.	Principal Amortization	<u> </u>
	Reserve Fund	<u> </u>
j.	Other (Specify)	<u> </u>

TOTAL (a - j) \$ 38,000

3. Working Capital Startup Costs \$ 0

TOTAL USES OF FUNDS (1 - 3) \$ 38,000

B. Sources of Funds for Project:

1. Cash \$38,000
(100% financed through current operations)

2. Pledges: Gross ,
less allowance for
uncollectables
= Net

3. Gifts, bequests

4. Interest income (gross)

5. Authorized Bonds

6. Mortgage

7. Working capital loans

8. Grants or Appropriation

(a) Federal

(b) State

(c) Local

9. Other (Specify)

TOTAL SOURCES OF FUNDS (1-9) \$ 38,000

Annual Lease Costs:

a. Land	\$ <u> </u>	x <u> </u>	= \$ <u> </u>
b. Building	\$ <u>6,000</u>	x <u>12 mo</u>	= \$ <u>72,000</u>
c. Major Movable Equipment	\$ <u> </u>	x <u> </u>	= \$ <u> </u>
d. Minor Movable Equipment	\$ <u> </u>	x <u> </u>	= \$ <u> </u>
e. Other (Specify)	\$ <u> </u>	x <u> </u>	= \$ <u> </u>

PART III - CONSISTENCY WITH REVIEW CRITERIA AT COMAR

10.24.01.08G(3):

(INSTRUCTION: Each applicant must respond to all applicable criteria included in COMAR 10.24.01.08G. Each criterion is listed below.)

10.24.01.08G(3)(a). The State Health Plan.

Applicant must address each standard from the applicable chapter of the State Health Plan (10.24.13 .05); these standards are excerpted below. (All applicants must address standards A. through O. Applicants proposing a General Inpatient facility must also address P.)

Please provide a direct and concise response explaining the project's consistency with each standard. Some standards require specific documentation (e.g., policies, certifications) which should be included within the application. Copies of the State Health Plan are available on the Commission's web site

<http://mhcc.dhmh.maryland.gov/shp/Pages/default.aspx>

10.24.13 .05 Hospice Standards. The Commission shall use the following standards, as applicable, to review an application for a Certificate of Need to establish a new general hospice program, expand an existing hospice program to one or more additional jurisdictions, or to change the inpatient bed capacity operated by a general hospice.

- A. Service Area.** An applicant shall designate the jurisdiction in which it proposes to provide services.

APPLICANT RESPONSE: The Applicant ("Amedisys") proposes to provide service to residents of Prince George's County, and will establish an office in Prince George's County.

- B. Admission Criteria.** An applicant shall identify:
- (1) Its admission criteria; and
 - (2) Proposed limits by age, disease, or caregiver.

APPLICANT RESPONSE: (1) Amedisys' admissions criteria are set forth in Exhibit 2. These criteria are consistent with the criteria set forth in the Medicare conditions of participation for hospice programs and the Maryland Regulations set forth at COMAR 10.07.21.00 et seq., as well as the accreditation standards of the American Commission for Health Care.

(2) Amedisys does not restrict admissions for general hospice care services with one exception. These are pediatric patients (age <19).

C. Minimum Services.

- (1) An applicant shall provide the following services directly:
- (a) Skilled nursing care;
 - (b) Medical social services;
 - (c) Counseling (including bereavement and nutrition counseling);

APPLICANT RESPONSE:

Amedisys will employ staff that will directly provide skilled nursing care, medical social services, and counseling services. Copies of Amedisys' policies addressing nursing care, medical social services, and counseling services for both bereavement and nutritional needs are found at Exhibit 3.

- (2) An applicant shall provide the following services, either directly or through contractual arrangements:

- (a) Physician services and medical direction;

APPLICANT RESPONSE: Amedisys provides physician services through contractual agreements for medical directors and associate medical directors in conjunction with each patient's attending physician. See Exhibit 4.

- (b) Hospice aide and homemaker services;

APPLICANT RESPONSE: Amedisys will employ staff that will directly provide hospice aide services.

- (c) Spiritual services;

APPLICANT RESPONSE: Amedisys will employ staff that will directly provide spiritual services.

- (d) On-call nursing response

APPLICANT RESPONSE: Amedisys will employ staff that will directly provide oncall nursing services 24 hours a day 7 days a week.

- (e) Short-term inpatient care (including both respite care and procedures necessary for pain control and acute and chronic symptom management);

APPLICANT RESPONSE: Amedisys will provide short term inpatient care through contractual agreements at local hospitals and SNF's. Currently, Amedisys has contracts with the following facilities for inpatient hospice care: Stella Maris, Upper Chesapeake Medical Center and Harford Memorial Hospital.

- (f) Personal care;

APPLICANT RESPONSE: Amedisys will provide staff that will directly provide personal care.

(g) Volunteer services;

APPLICANT RESPONSE: Amedisys will recruit and provide volunteers to deliver direct, indirect, and bereavement care to the hospice patient and their family under the direct supervision of the hospice team.

(h) Bereavement services;

APPLICANT RESPONSE: Amedisys will employ staff that will provide bereavement services for up to 13 months following the loss of a loved one.

(i) Pharmacy services;

APPLICANT RESPONSE: Amedisys utilizes a third party provider to administer our Pharmacy contracts. The patient can continue to use their own pharmacy and billing is routed through Optum (our third party payor)

(j) Laboratory, radiology, and chemotherapy services as needed for palliative care;

APPLICANT RESPONSE: Amedisys will contract for all of these services.

(k) Medical supplies and equipment; and

APPLICANT RESPONSE: Amedisys will provide supplies and equipment through contractual arrangements.

(l) Special therapies, such as physical therapy, occupational therapy, speech therapy, and dietary services.

APPLICANT RESPONSE: Amedisys will provide these therapies through contractual arrangement.

(3) An applicant shall provide bereavement services to the family for a period of at least one year following the death of the patient.

APPLICANT RESPONSE:

Amedisys will offer bereavement services for at least one year following the death of the patient.

D. Setting. An applicant shall specify where hospice services will be delivered: in a private home; a residential unit; an inpatient unit; or a combination of settings.

APPLICANT RESPONSE:

Amedisys will provide general hospice care services to residents of Prince George's County. Amedisys will provide services in private homes, in residential facilities such as assisted living facilities and retirement homes, and inpatient facilities such as skilled nursing facilities and hospitals.

Currently, Amedisys provides services in private homes, residential units, inpatient units of health care facilities and a combination of settings depending upon each patient's individual needs.

The following are the inpatient health care facilities and their locations in which the Amedisys provides general hospice care services in its four currently-authorized jurisdictions:

1. Stella Maris- Inpatient Hospice house (Timonium, MD)
2. Citizens Nursing Home (Havre De. Grace)
3. SSC Forest Hill Operating Company- SNF (Forest Hill, MD)
4. Lorien (BelAir, Havre de Grace)
5. Fallston Nursing and Rehab Center (Belcamp, MD)
6. Calvert Manor (Rising Sun, MD)
7. Upper Chesapeake Medical Center (Belair)
8. Harford Memorial Hospital (Havre De Grace)
9. Oakwood Rehab and Nursing (Baltimore)
10. Genesis Health Care (Baltimore)
11. Westgate Hills (Baltimore)
12. SSC Catonsville (Catonsville)
13. Augsburg Lutheran Home of MD (Baltimore)
14. Riverview SNF (Essex)

In anticipation of expanding its services to serve Prince George's County residents, Amedisys has identified the following health care facilities for potential inpatient settings:

1. Hillhaven Nursing Center (Adelphi)
2. Futurecare Pineview (Clinton)
3. Manor Care (Glenarden and Hyattsville)
4. Nursing Center (DCH Campus, Lanham)
5. Bradford Oaks Center (Clinton)

- E. **Volunteers.** An applicant shall have available sufficient trained caregiving volunteers to meet the needs of patients and families in the hospice program.

APPLICANT RESPONSE:

Amedisys intends to recruit and train sufficient number of caregiving volunteers to meet the needs of the Prince George's County patients and families in need of general hospice services. The Amedisys policies and procedures for its volunteer program are found at Exhibit 5.

The volunteers participating in the current Amedisys general hospice care program (authorized to provide services in Baltimore City, Baltimore County, Harford County and Cecil County) assist, support and care for terminally ill patients and their families in many ways. Currently, Amedisys has 34 volunteers with 3 additional volunteers in training. These volunteers make a difference in the lives of the terminally ill by making home visits to provide companionship and respite. All of the existing volunteer programs of Amedisys hospice will be

implemented for Prince George's County residents.

Companionship visits allow patients to connect with a new friend who supports and encourages the patient in a manner that compliments the clinical expertise of the Amedisys professionals and local caregivers/family members. Volunteers may make just one visit or form a deep relationship with patients and caregivers after making multiple visits over several weeks, months or even a year or more. Companionship visits are made with patients in homes, apartments, assisted living facilities, nursing homes or wherever they live.

Volunteer visits made for respite provide local caregivers and family members a much needed break from their caregiving duties. Whether shopping, attending doctor appointments or taking much needed time for themselves, local caregivers can rest easy knowing someone is watching their loved one and making sure they are safe. Additionally, volunteers often assist in meal preparation and complete light errands while the local caregiver is away.

The current Amedisys hospice care program has developed a veteran to veteran volunteer program as part of the national We Honor Veterans Program.

<http://www.wehonorveterans.org/>

This Amedisys volunteer hospice care program matches veteran volunteers with terminally ill patients who are veterans for scheduling and arranging companionship visits. The veterans form a bond and foster a friendship through these visits. This unique relationship allows patients to process through the unique issues that veterans face at the end of life. Our veteran volunteers also participate in the planning and implementing of We Honor Veteran ceremonies to honor our nation's veterans for their service. These ceremonies are done individually in a patient's home or for multiple veterans living in assisted living facilities and nursing homes.

Amedisys programs have been awarded four stars in the We Honor Veterans Program. [We Honor Veterans](#), a program of the [National Hospice and Palliative Care Organization](#) (NHPCO) in collaboration with the [Department of Veterans Affairs](#) (VA), invites hospices, state hospice organizations, Hospice-Veteran Partnerships and VA facilities to join a pioneering program focused on respectful inquiry, compassionate listening and grateful acknowledgment. By recognizing the unique needs of America's veterans and their families, community providers, in partnership with VA staff, will learn how to accompany and guide them through their life stories toward a more peaceful ending.

We Honor Veterans provides educational tools and resources in advancing these goals:

- Promote Veteran-centric educational activities
- Increase organizational capacity to serve Veterans
- Support development of strategic partnerships
- Increase access and improve quality

We Honor Veterans also provides tiered recognition to organizations, known as [Partners](#), that demonstrate a systematic commitment to improving care for veterans. Partner organizations assess their ability to serve veterans and, using

resources provided as part of the program, integrate best practices for providing end-of-life care to veterans into their organization.

In addition to the veteran program, the volunteers of Amedisys assist and encourage patients in many behind the scenes ways. Several volunteers help with “Deep Harbors,” our end stage dementia program and are certified in the End Stage Dementia Specialty Program. Amedisys professionals and volunteers undergone intensive training on dementia care delivery and specialized interventions that help bring relief to patients and families, as well as their health care professionals. With evidence-based, non- pharmacologic interventions, The Amedisys dementia program is equipped to address and manage the symptoms of dementia while improving the quality of life.

Interviews are done with families to begin the process of completing patient life reviews called a Chart-A-Life. Interviews are done with families to begin the process of completing patient life reviews, known as “Chart-A-Life.”

After completing the interviews our volunteer team creates a Chart-A-Life for each patient. Currently, the volunteer teams of Amedisys create and deliver 8-10 charts a month. Finally, volunteers assist by creating birthday cards for patients, assisting in the bereavement process by participating in and helping with memorial services and volunteering their time and experience in many other creative ways to support and encourage our patients, their caregivers, loved ones and families.

F. Caregivers. An applicant shall provide, in a patient's residence, appropriate instruction to, and support for, persons who are primary caretakers for a hospice patient.

APPLICANT RESPONSE:

Amedisys will provide education and support to each hospice patient's primary caregivers.

Education for the patient and family/caregivers begins prior to admission. Amedisys professionals begin educating the group upon our first contact, whether that contact takes place at home or in health care facilities and other settings. We educate them on hospice and its benefits. We educate on rights and responsibilities of both the patient and the hospice. We educate on what to expect with respect to disease progression, signs and symptoms, how to manage changes in patient conditions and symptoms, who to call, what to do, and what medications are available and appropriate. These topics are the focus of our educational instructions, which are ongoing with every subsequent hospice care visit during the course of care.

G. Impact. An applicant shall address the impact of its proposed hospice program, or change in inpatient bed capacity, on each existing general hospice authorized to serve each jurisdiction affected by the project. This shall include projections of the project's impact on future demand for the hospice services provided by the existing general hospices authorized to serve each jurisdiction affected by the proposed project.

APPLICANT RESPONSE:

Amedisys has reviewed the data on the utilization of existing general hospice programs authorized to serve residents of Prince George's County, the need methodology for projecting the need for hospice services set forth in the State Health Plan for Facilities and Services: Hospice Services, COMAR 10.24.13, and the published hospice need projections for target year 2019 among residents of Prince George's County.

In our view, the projected net need for 2019 of 662 patients indicates a clear need for additional hospice care providers to commence their efforts to serve additional patients, their families, and the communities in Prince George's County. The need is so significant, nearly 2 new hospice patients per day, that there should be no measurable negative impact on the census of existing authorized hospices if additional hospice agencies are CON-approved to meet all or some of the net need, and the new hospices project to enroll patients at or below the current average of the existing authorized hospices.

To address the potential impact on existing agencies of addressing the projected need by expanding the number of authorized hospices, we examined the FY 2015 hospice statistics and compared them to the 2019 projected need for additional hospice patients in the nine most populous Maryland jurisdictions located in the Baltimore metropolitan and Washington, D.C. metropolitan areas. As shown on the table below, the two jurisdictions in the State with the largest projected net need are Baltimore City and Prince George's County. All of the other jurisdictions showed either insignificant net need or negative net need, that is, a sufficient level of hospice patients so as to not require any additional hospices to be CON approved and authorized at this time.

In FY 2015, the residents of Baltimore City and Prince George's County were served by seven and eight authorized hospices respectively. The average number of patients served by each authorized hospice was 332 in Baltimore City and 228 in Prince George's County. A potential negative impact of approving additional hospice agencies would be a reduction in the numbers of patients treated in those eight authorized hospices as a result of reducing their future census of hospice patients. This impact can be minimized by authorizing a sufficient but not excessive number of new hospice programs to serve the additional 662 Prince George's County residents consistent with the net need projected for 2019, and consistent with the FY 2015 patient census reported by the eight existing hospices authorized for Prince George's County.

For this reason, as shown below, we have calculated the number of new hospices needed in Prince George's County as the number of additional hospice patients projected in 2019 (662) divided by the average number of hospice patients treated in the eight authorized hospices in FY 2015 (228). This calculation yields a need for three additional hospices that could be CON-approved and authorized without producing a potential negative impact.

Amedisys can be approved for Prince George's County without having a negative impact on the existing authorized hospices. Following a ramp up period beginning on January 1, 2018, Amedisys has projected admitting 168 hospice patients in FY2020. (See TABLE 2B). At that level of future utilization, there should be no negative impact on the currently authorized Maryland hospices even if two additional hospices are CON-approved for Prince George's county with comparable or smaller patient census projections.

Hospice Statistics						
FY 2015						
	(1)	(2)	(3)	(4)	(5)	(6)
Jurisdiction	# of Authorized Hospice Agencies	Total Patients	Patients/Agency (2/1)	Gross Need 2019	Net Need 2019	Net Need for Additional Agencies (5/3)
Baltimore City	7	2,323	332	2,756	1,233	4
Prince George's County	8	1,826	228	2,474	662	3
Carroll County	5	886	177	722	85	0
Montgomery County	10	3,372	337	2,945	-200	-1
Howard County	8	878	110	1,116	-324	-3
Anne Arundel County	7	1,925	275	1,947	-418	-2
Harford County	5	1,211	242	935	-450	-2
Frederick County	3	931	310	817	-442	-1
Baltimore County	8	4,941	618	3,752	-1,677	-3

Source: Hospice PUD, FY 2015; Maryland
Hospice Need Projections; DHG HealthCare.

- H. Financial Accessibility.** An applicant shall be or agree to become licensed and Medicare-certified, and agree to accept patients whose expected primary source of payment is Medicare or Medicaid.

APPLICANT RESPONSE:

Amedisys agrees to become licensed as a general hospice in Prince George's County. Amedisys agrees to become Medicare-certified and to accept Prince George's County patients whose expected primary source of payment is Medicare and Medicaid, consistent with its practices in Harford, Cecil, Baltimore County and Baltimore City.

- I. Information to Providers and the General Public.**

(1) General Information. An applicant shall document its process for informing the following entities about the program's services, service area, reimbursement policy, office location, and telephone number:

- (a) Each hospital, nursing home, home health agency, local health department, and assisted living provider within its proposed service area;
- (b) At least five physicians who practice in its proposed service area;
- (c) The Senior Information and Assistance Offices located in its proposed service area; and
- (d) The general public in its proposed service area.

APPLICANT RESPONSE:

Amedisys has a comprehensive collection of materials that its affiliated hospices across the Country and in Maryland routinely distribute to providers and public regarding the hospice services it provides. (See Exhibit 6 for examples). Our national website can be accessed at:

<http://www.amedisys.com/patients-and-caregivers/hospice-care>

Following the CON approval to provide hospice services to Prince George's County residents, Amedisys will publish notification and information concerning its services in local newspapers and publications. All hospice materials will be provided to members of the general the public upon request.

Amedisys has significant and effective working relationship with multiple providers in Cecil, Baltimore and Harford Counties and Baltimore City, and anticipates developing similar relationships in Prince George's County with the hospitals, nursing homes, home health agencies, the Prince George's Health Department, the Senior Information and Assistance Offices and assisted living providers in the County. Amedisys intends to contact physicians who practice in the County to begin the process of informing them of the Amedisys hospice service program, and include them and others in the referral network for hospice services.

(2) Fees. An applicant shall make its fees known to prospective patients and their families before services are begun.

APPLICANT RESPONSE: As it does in its currently-authorized jurisdictions, Amedisys will make its fees known to prospective patients and their families in Prince George's County before services are begun. A sample informed consent form to assure compliance is found at Exhibit 7.

- J. **Charity Care and Sliding Fee Scale.** Each applicant shall have a written policy for the provision of charity care for indigent and uninsured patients to ensure access to hospice services regardless of an individual's ability to pay and shall provide hospice services on a charitable basis to qualified indigent persons consistent with this policy. The policy shall include provisions for, at a minimum, the following:

- (1) **Determination of Eligibility for Charity Care.** Within two business days following a patient's request for charity care services, application for medical assistance, or both, the hospice shall make a determination of probable eligibility.

APPLICANT RESPONSE:

The Amedisys Charity Care Policy is found at Exhibit 8.

- (2) **Notice of Charity Care Policy.** Public notice and information regarding the hospice's charity care policy shall be disseminated, on an annual basis, through methods designed to best reach the population in the hospice's service area, and in a format understandable by the service area population. Notices regarding the hospice's charity care policy shall be posted in the business office of the hospice and on the hospice's website, if such a site is

maintained. Prior to the provision of hospice services, a hospice shall address any financial concerns of patients and patient families, and provide individual notice regarding the hospice's charity care policy to the patient and family.

APPLICANT RESPONSE:

Amedisys will publish annual notice of the hospice's charity care policy in publications available to residents of Prince George's County, as well as distribute it policy to the Prince George's Health Department, and other agencies responsible for providing social services and services to the aging population. A written copy of the Charity Care Policy will be available to the public in the Amedisys local business office.

- (3) **Discounted Care Based on a Sliding Fee Scale and Time Payment Plan Policy.** Each hospice's charity care policy shall include provisions for a sliding fee scale and time payment plans for low-income patients who do not qualify for full charity care, but are unable to bear the full cost of services.

APPLICANT RESPONSE:

Amedisys is considering adding a sliding fee scale and time payment plans for low income residents who do not qualify for full charity care, but are unable to bear the full cost of service, as required by this standard.

When the charity care policy is amended to address this standard, a revised charity care policy will be forwarded to the Commission as a supplement to this application.

- (4) **Policy Provisions.** An applicant proposing to establish a general hospice, expand hospice services to a previously unauthorized jurisdiction, or change or establish inpatient bed capacity in a previously authorized jurisdiction shall make a commitment to provide charity care in its hospice to indigent patients. The applicant shall demonstrate that:

- (a) Its track record in the provision of charity care services, if any, supports the credibility of its commitment; and

APPLICANT RESPONSE:

- (a) **In FY 2015, Amedisys provided 47,248 days of hospice care to 922 patients; 239 days of care were provided to three charity care patients during that same period, .51% and .33% respectively.**

- (b) It has a specific plan for achieving the level of charity care to which it is committed.

APPLICANT RESPONSE:

(b) As shown on TABLES 3. and 4., Amedisys has budgeted \$53,487 for charity care in FY 2020, of which \$42,705 is attributed to Prince Georges County.

K. Quality.

(1) An applicant that is an existing Maryland licensed general hospice provider shall document compliance with all federal and State quality of care standards.

APPLICANT RESPONSE:

Amedisys is in complete compliance with all Federal and State quality of care standards and was 100% deficiency free with respect to its most recent licensure and certification survey. See Exhibit 9 for the documentation of Amedisys' current licensure, certification and accreditation status.

(2) An applicant that is not an existing Maryland licensed general hospice provider shall document compliance with federal and applicable state standards in all states in which it, or its subsidiaries or related entities, is licensed to provide hospice services or other applicable licensed health care services.

APPLICANT RESPONSE:

This Standard is not applicable.

(3) An applicant that is not a current licensed hospice provider in any state shall demonstrate how it will comply with all federal and State quality of care standards.

APPLICANT RESPONSE:

This Standard is not applicable.

(4) An applicant shall document the availability of a quality assurance and improvement program consistent with the requirements of COMAR 10.07.21.09.

APPLICANT RESPONSE:

Amedisys has a quality assurance and improvement program that is consistent with the requirements of COMAR 10.07.21.09. See Exhibit 10.

The purpose of Performance Improvement is to provide a comprehensive data based program to continually assess and improve the quality of the processes that affect patient outcomes. From Board to Bedside, the aim is providing patient centered care. The end effect will be the highest quality of care and a high level of patient perception of care and services.

Defining patient and family needs, designing well defined processes to meet those needs and achieving outcomes that patients and families have identified as having value to them are the keys to Amedisys' ability to achieve and maintain the best patient outcomes and financial viability.

(5) An applicant shall demonstrate how it will comply with federal and State hospice quality measures that have been published and adopted by the Commission.

APPLICANT RESPONSE:

Amedisys will comply with all quality measures selected and published by the Commission for assessing the quality of care.

CMS currently requires hospices to report ("pay for reporting") Hospice Item Set data for quality measures as of FY 2014. Amedisys is already reporting this data on these quality measures to CMS. No schedule has been set by CMS for public reporting of these measures. The Commission has not yet published and adopted measures for quality assessment. However, as demonstrated by its record of strong performance on existing quality of care standards (see Standard K(1) above), Amedisys will comply with any measures for quality assessment adopted by the Commission.

L. Linkages with Other Service Providers.

(1) An applicant shall identify how inpatient hospice care will be provided to patients, either directly, or through a contract with an inpatient provider that ensures continuity of patient care.

APPLICANT RESPONSE:

As indicated in response to Standard D. Setting above, Amedisys currently has contracts with providers in its four authorized jurisdictions to assure continuity of care in inpatient settings. Similar contracts will be developed with inpatient providers in Prince George's County for hospice services.

Amedisys will have a "getting started" or "compass meeting" with each newly contracted facility. At this meeting we discuss Hospice 101, our responsibilities, their responsibilities, and set up a schedule for monthly meetings ongoing. Amedisys will then inservice the facility per our contract every 6 months on hospice care.

(2) An applicant shall agree to document, before licensure, that it has established links with hospitals, nursing homes, home health agencies, assisted living providers, Adult Evaluation and Review Services (AERS), Senior Information and Assistance Programs, adult day care programs, the local Department of Social Services, and home delivered meal programs located within its proposed service area.

APPLICANT RESPONSE:

Amedisys agrees to document, before licensure, that it has established links with these facilities and programs within Prince George's County. Amedisys' plan is to go face to face with potential service providers in Prince George's County and make them aware of our hospice care services. This will occur immediately following the approval of this CON Application by the Commission.

M. Respite Care. An applicant shall document its system for providing respite care for the family and other caregivers of patients.

APPLICANT RESPONSE:

Inpatient respite care is a short-term period of inpatient care provided to the patient when needed to relieve the family or caregiver. Inpatient level of care must be provided in Medicare and/or Medicaid participating hospice inpatient units, hospitals or skilled nursing facility. Services provided in the inpatient setting must conform to the hospice's Plan of Care (POC). The hospice is the professional manager of the patient's care. Respite care may be for a maximum of five (5) days at a time. Transportation to and from the facility will be approved and coordinated by Hospice.

Amedisys will maintain contractual arrangements for the provision of respite care with qualified facilities in Prince George's County. Current Amedisys contracts for providing respite care for its four authorized jurisdictions include: Stella Maris, Citizens Nursing home, and Upper Chesapeake Medical Center. Additional contracts will be made by Amedisys with Prince George's County facilities to provide respite care to Prince George's County residents.

- N. **Public Education Programs.** An applicant shall document its plan to provide public education programs designed to increase awareness and consciousness of the needs of dying individuals and their caregivers, to increase the provision of hospice services to minorities and the underserved, and to reduce the disparities in hospice utilization. Such a plan shall detail the appropriate methods it will use to reach and educate diverse racial, religious, and ethnic groups that have used hospice services at a lower rate than the overall population in the proposed hospice's service area.

APPLICANT RESPONSE:

Amedisys has developed a unique and successful program for providing effective public education on hospice care: "The Being Mortal Campaign." This "Being Mortal" Campaign gives us a unique way to start advance care planning conversations in the communities served by Amedisys. This campaign was inspired by a documentary featuring Dr. Atul Gawande in which he interviews patients and health care providers. It investigates their experiences surrounding the difficult conversations at end of life, how he could have performed better as a health care provider, provides a roadmap, and gives examples of how to have better and more timely conversations that focus on better quality of life. The documentary demonstrates that we need to start these conversations in every community. Amedisys owns rights to show the Gawande video and intends to make it available to communities, facilities, and physicians in Prince George's County.

A second example of public education programs sponsored by the Beacon Hospice, an Amedisys company located in Boston, Massachusetts, and is directed to members of the Chinese American community. To facilitate greater understanding of hospice care, Amedisys has arranged to have the entire "Being Mortal Campaign presentation translated into Cantonese.

See Exhibit 11 for some examples of the written materials developed and distributed by Beacon Hospice.

A third example is Amedisys practice of providing interpreters to patients, and care providers/families to assist palliative care teams bridge language barriers and cultural differences with dying patients. Amedisys has translators available by phone 24/7 via CyraCom, and will make these services available in Prince George's County, where there are significant large immigrant communities requiring extensive translation services for Spanish, Asian and African languages.

A fourth example for prompting public education is the priority of Amedisys to hire from within the communities being served, and to provide public education by knowledgeable representatives who are embedded within those communities. In Baltimore, Amedisys currently employs James W. Clash, to provide community relations and business development expertise complimentary to expanding public awareness and increasing utilization of Amedisys hospice care services. Mr. Clash's resume is found at Exhibit 12. Amedisys intends to provide expanded public education and marketing in the Prince George's communities through similarly embedded and qualified individuals in order to meet the forecasted overall need for additional hospice care in the County, and Amedisys' own projections of patient visits and service.

Finally, Amedisys has committed to funding a comprehensive public education campaign for increasing hospice care utilization in Prince George's County, and has annually budgeted funds for this Campaign.

As an experienced provider of hospice care services across the United States, and in many diverse communities, Amedisys will draw upon this experience to design an effective campaign for expanding opportunities in Prince George's County. This campaign will feature strong community marketing to church congregations, speaking to local women's knitting groups, social service and missionary groups, recruiting volunteers from within the community, providing activities and services at local community and senior centers, co-marketing with meals on wheels. We will invite senior services agencies into our office to provide education to our staff, partner with them to assess need and provide education to their population. Education is key to break the stigma of hospice with African Americans and increase hospice care utilization accordingly.

- O. **Patients' Rights.** An applicant shall document its ability to comply with the patients' rights requirements as defined in COMAR 10.07.21.21.

APPLICANT RESPONSE:

Amedisys fully complies with the patients' rights requirements as defined in COMAR 10.07.21.21. See Exhibit 13 for the Amedisys Patients Rights Policies. Amedisys recognizes, respects, and promotes the rights of each individual patient and family member in accordance with fundamental human, civil, constitutional, and statutory rights. The hospice staff will collaborate with the patient to determine and define "family member(s)." The patient and the family have the right to be informed on admission, orally and in writing, of their rights and responsibilities. The agency staff will protect and promote these rights in a manner that respects their dignity and choices. If a patient has been adjudged to be incompetent under state

law by a court of proper jurisdiction, the rights of the patient are exercised by the person appointed pursuant to state law to act on the patient's behalf. If a state court has not adjudged incompetent, any legal representative designated by the patient in accordance with state law may exercise the patient's rights to the extent allowed by state law.

- P. Inpatient Unit:** In addition to the applicable standards in .05A through O above, the Commission will use the following standards to review an application by a licensed general hospice to establish inpatient hospice capacity or to increase the applicant's inpatient bed capacity.

(1) Need. An applicant shall quantitatively demonstrate the specific unmet need for inpatient hospice care that it proposes to meet in its service area, including but not limited to:

- (a) The number of patients to be served and where they currently reside;
- (b) The source of inpatient hospice care currently used by the patients identified in subsection (1) (a); and
- (c) The projected average length of stay for the hospice inpatients identified in subsection (1) (a).

(2) Impact. An applicant shall quantitatively demonstrate the impact of the establishment or expansion of the inpatient hospice capacity on existing general hospices in each jurisdiction affected by the project, that provide either home-based or inpatient hospice care, and, in doing so, shall project the impact of its inpatient unit on future demand for hospice services provided by these existing general hospices.

(3) Cost Effectiveness. An applicant shall demonstrate that:

- (a) It has evaluated other options for the provision of inpatient hospice care, including home-based hospice care, as well as contracts with existing hospices that operate inpatient facilities and other licensed facilities, including hospitals and comprehensive care facilities; and
- (b) Based on the costs or the effectiveness of the available options, the applicant's proposal to establish or increase inpatient bed capacity is the most cost-effective alternative for providing care to hospice patients.

APPLICANT RESPONSE:

This standard is not applicable because Amedisys does not propose to directly provide inpatient hospice care.

10.24.01.08G(3)(b). Need.

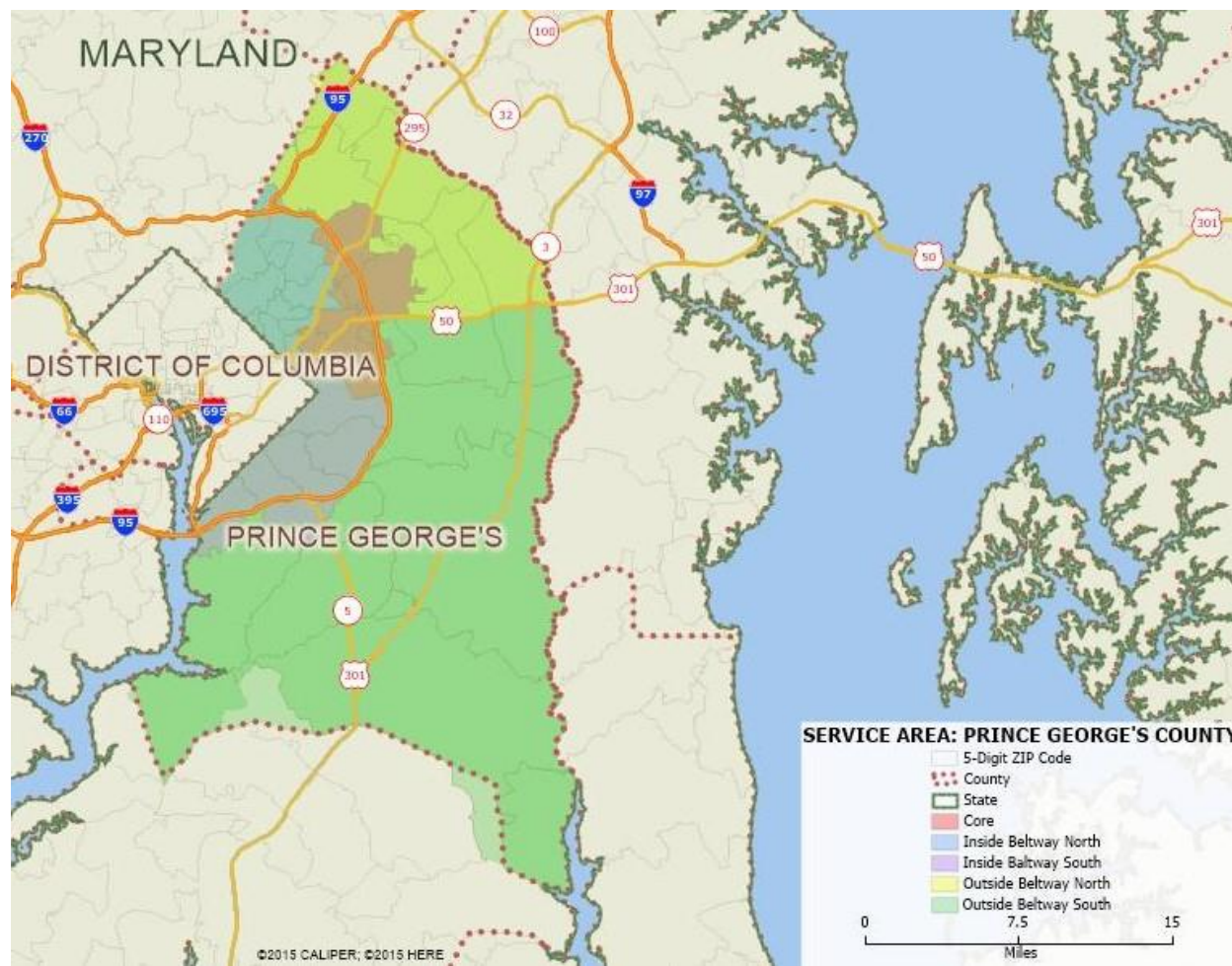
For purposes of evaluating an application under this subsection, the Commission shall consider the applicable need analysis in the State Health Plan. If no State Health Plan need analysis is applicable, the Commission shall consider whether the applicant has demonstrated unmet needs of the population to be served, and established that the proposed project meets those needs.

Please discuss the need of the population served or to be served by the Project.

Responses should include a quantitative analysis that, at a minimum, describes the Project's expected service area, population size, characteristics, and projected growth. For applications proposing to address the need of special population groups identified in this criterion, please specifically identify those populations that are underserved and describe how this Project will address their needs.

APPLICANT RESPONSE:

Amedisys anticipates serving residents throughout Prince George's County. Shown below are the population estimates for the County, its demographic characteristics, and projected growth.



Service Area Population Analysis

<u>Market Cluster</u>	<u>2016 Population</u>	<u>Projected 2016-2021 % Change</u>	<u>2016 Median HH Income</u>
<u>Core</u>	<u>108,647</u>	<u>3.9%</u>	<u>\$63,000</u>
<u>Inside Beltway - North</u>	<u>159,170</u>	<u>4.3%</u>	<u>\$58,247</u>
<u>Inside Beltway - South</u>	<u>272,719</u>	<u>4.2%</u>	<u>\$70,216</u>
<u>Outside Beltway - North</u>	<u>137,277</u>	<u>5.5%</u>	<u>\$84,595</u>
<u>Outside Beltway - South</u>	<u>146,674</u>	<u>6.9%</u>	<u>\$96,144</u>
<u>Total - Service Area</u>	<u>824,487</u>	<u>4.9%</u>	<u>\$74,417</u>
 <u>Maryland</u>	 <u>6,041,139</u>	 <u>3.9%</u>	 <u>\$74,104</u>
<u>USA</u>	<u>324,431,073</u>	<u>3.7%</u>	<u>\$55,551</u>

Source: United States Census Bureau, Claritas Population Data

Service Area Population Analysis

<u>Market Cluster</u>	<u>Unemployment Rate</u>	<u>% High School Graduates</u>	<u>% Bachelor's Degree or Higher</u>	<u>Median Home Value</u>
<u>Core</u>	<u>N/A</u>	<u>82.6%</u>	<u>22.8%</u>	<u>\$ 237,302</u>
<u>Inside Beltway - North</u>	<u>N/A</u>	<u>68.6%</u>	<u>25.3%</u>	<u>\$ 238,824</u>
<u>Inside Beltway - South</u>	<u>N/A</u>	<u>88.3%</u>	<u>22.4%</u>	<u>\$ 240,152</u>
<u>Outside Beltway - North</u>	<u>N/A</u>	<u>89.9%</u>	<u>41.1%</u>	<u>\$ 311,134</u>
<u>Outside Beltway - South</u>	<u>N/A</u>	<u>94.3%</u>	<u>42.2%</u>	<u>\$ 317,343</u>
<u>Total - Service Area</u>	<u>4.7%</u>	<u>85.3%</u>	<u>29.7%</u>	<u>\$ 266,700</u>
 <u>Maryland</u>	 <u>4.6%</u>	 <u>89.1%</u>	 <u>37.3%</u>	 <u>\$278,570</u>
<u>USA</u>	<u>4.9%</u>	<u>86.4%</u>	<u>29.4%</u>	<u>\$175,700</u>

Source: United States Census Bureau, Claritas Population Data

Amedisys is proposing to provide general hospice care services to terminally ill patients residing in Prince George's County. According to the Maryland Hospice Need Projections for Target Year 2019 (published in the Maryland Register on May 17, 2016), 2,474 terminally ill patients will be residing in Prince George's county and will need hospice services in 2019.

As reported in the FY 2015 hospice survey, 1,826 hospice patients were treated by the eight general hospice care programs authorized to serve residents of Prince George's County. Amedisys proposes to address this gap, this unmet need for services, and bring to bear its experience as an existing Maryland hospice as well as a home health agency currently

providing home health care services to residents to Prince George's and other Maryland jurisdictions.

Amedisys will serve the needs of these future hospice patients by expanding its geography from its existing four county service area (Baltimore City, Baltimore County, Cecil County, and Harford County) to a fifth jurisdiction: Prince George's County. In FY 2015, Amedisys treated 922 patients and provided over 47,000 visits. Amedisys' plan for Prince George's County is more modest, and entirely consistent with the unmet need forecasted in the State Health Plan of over 600 patients.

In order to address these unmet needs, and meet its own projections of hospice patients, visits and days of service shown on TABLE 2B, Amedisys will build on its existing foundation of relationships with health care providers, patients, and agencies in Maryland as a licensed, certified and accredited general hospice care program authorized to provide services in Baltimore City, Baltimore County, Harford County and Cecil County, as well as in Prince George's County as a licensed, certified and accredited home health care agency. These existing relationships will assure a rapidly expanded service and referral base from which to provide approximately 30% of the needed services projected in the State Health Plan for 2019.

Moreover, Amedisys' own projections of future general hospice care patients, approximately 250 patients per year, will have no measurable impact on existing hospice programs currently authorized. As discussed below, under 10.24.01.08G(3)(c). Availability of More Cost-Effective Alternatives, we believe that there are significant cost saving benefits from increasing the utilization of hospice care services to selected patients in acute care hospital settings.

Amedisys will recruit experienced health care professionals familiar with the challenges and needs of the terminally ill and their families to work with volunteers in the communities of Prince George's County to provide the highest quality services available.

10.24.01.08G(3)(c). Availability of More Cost-Effective Alternatives.

For purposes of evaluating an application under this subsection, the Commission shall compare the cost-effectiveness of providing the proposed service through the proposed project with the cost-effectiveness of providing the service at alternative existing facilities, or alternative facilities which have submitted a competitive application as part of a comparative review.

Please explain the characteristics of the Project which demonstrate why it is a less costly or a more effective alternative for meeting the needs identified.

For applications proposing to demonstrate superior patient care effectiveness, please describe the characteristics of the Project that will assure the quality of care to be provided. These may include, but are not limited to: meeting accreditation standards, personnel qualifications of caregivers, special relationships with public agencies for patient care services affected by the Project, the development of community-based services or other characteristics the Commission should take into account.

APPLICANT RESPONSE:

Amedisys is an experienced provider of general hospice care services in Maryland, and will be a high-quality and cost-effective provider of services to residents of Prince George's County. While Amedisys considers itself a superior provider of these services, its track record speaks for itself as a licensed, certified and accredited provider: 100% deficiency free.

Amedisys recognizes that providing general hospice care services to terminally ill patients can be a more cost-effective alternative than continuing to provide services in a hospital or skilled nursing facility setting. For this reason, we have sought to quantify the cost differences between providing a day of effective hospice care to a terminally ill patient and the cost of providing general acute care to a patient who died in a hospital.

With that in mind, Amedisys reviewed the discharge data reported by Maryland hospitals that treated patients age 35 + who died in those hospitals in FY 2015, with a heart disease or cancer diagnosis. This review was limited to residents of Prince George's County. These patients were considered representative of potential candidates for general hospice care services intended to be provided by Amedisys in its expanded program.

Because Maryland hospital data includes an estimate of the HSCRC approved revenues for each discharge, and the known costs of care for an Amedisys patient, an approximation of the comparative costs of care between inpatient hospital care and general hospice care was made, with the understanding that no determination can be made concerning the medical appropriateness of either alternative for any particular patient or group of patients.

The results of this review are as follows:

In FY 2016, there were approximately 253 Prince George's County residents who died in Maryland acute care general hospital for treatment of heart disease or cancer, the two primary diagnoses reported most frequently by Amedisys for its Maryland hospice patients treated in FY 2015.

These 253 patients were treated in a Maryland hospital setting for an average of 8.0 days prior to expiring at an average cost of \$31,992. In comparison, 8,126 Prince George's County patients were discharged alive for treatment in the same heart disease and cancer diagnostic categories, whose stay on average was 4.5 days, and whose cost averaged

\$14,996.

We believe that at least some proportion of the Prince George's patient population who expired in the acute care hospital setting from the kinds of clinical conditions that are routinely addressed in Amedisys' hospice care program could have benefitted from the Amedisys hospice care services being proposed in this CON application. We calculated that had those 253 patients' stays been reduced to the lower ALOS of the patients who were discharged alive, approximately \$13,866 per patient in hospital costs would have been saved: far less than the Amedisys cost of hospice care of approximately \$9,000 for a sixty day treatment period.

10.24.01.08G(3)(d). Viability of the Proposal.

For purposes of evaluating an application under this subsection, the Commission shall consider the availability of financial and non-financial resources, including community support, necessary to implement the project within the time frame set forth in the Commission's performance requirements, as well as the availability of resources necessary to sustain the project.

Please include in your response:

a. Audited Financial Statements for the past two years. In the absence of audited financial statements, provide documentation of the adequacy of financial resources to fund this project signed by a Certified Public Accountant who is not directly employed by the applicant. The availability of each source of funds listed in Part II, B. Sources of Funds for Project, must be documented.

b. Existing facilities shall provide an analysis of the probable impact of the Project on the costs and charges for services at your facility.

c. A discussion of the probable impact of the Project on the cost and charges for similar services at other facilities in the area.

d. All applicants shall provide a detailed list of proposed patient charges for affected services.

APPLICANT RESPONSE:

a. **Audited Financial Statements are found at Exhibit 14.**

b. **Not Applicable.**

c. **Amedisys does not consider its plans to provide general hospice care services to have any significant impact on the cost and charges for similar services in Prince George's County. Its projection of patient volumes, approximately 168 admissions in FY 2020, represent only a portion of the net need projected in the State Health Plan. At this level, all of the eight existing hospice care programs authorized to operate in the County can be assured of an ability to maintain their current volume of patients and visits for the next four years, as well as their cost and charges.**

d. **A listing of Amedisys patient charges for general hospice care services can be found at Exhibit 7. The Indigent and Charity Care Policies are at Exhibit 8.**

10.24.01.08G(3)(e). Compliance with Conditions of Previous Certificates of Need.

To meet this subsection, an applicant shall demonstrate compliance with all conditions applied to previous Certificates of Need granted to the applicant.

List all prior Certificates of Need that have been issued to the project applicant by the Commission since 1995, and their status.

APPLICANT RESPONSE:

This criterion is not applicable.

10.24.01.08G(3)(f). Impact on Existing Providers.

For evaluation under this subsection, an applicant shall provide information and analysis with respect to the impact of the proposed project on existing health care providers in the service area, including the impact on geographic and demographic access to services, on occupancy when there is a risk that this will increase costs to the health care delivery system, and on costs and charges of other providers.

Indicate the positive impact on the health care system of the Project, and why the Project does not duplicate existing health care resources. Describe any special attributes of the project that will demonstrate why the project will have a positive impact on the existing health care system.

As part of this criterion, complete Table 5, and provide:

1. an assessment of the sources available for recruiting additional personnel;
2. recruitment and retention plans for those personnel believed to be in short supply;
3. (for existing facilities) a report on average vacancy rate and turnover rates for affected positions,

APPLICANT RESPONSE:

- 1. Recruitment efforts to fill the clinical openings projected in this Application will be handled by Amedisys management. Sources available for recruiting personnel include, but are not limited to:**
 - a. Newspaper and magazine advertising;**
 - b. Attendance at job fairs and career days;**
 - c. Open Houses;**
 - d. Direct mailings;**
 - e. Educations affiliations;**
 - f. Internship programs;**
 - g. Word of mouth and professional relationships;**
 - h. On-line professional recruitment sources.**
- 2. Currently, none of the positions to be filled by Amedisys to provide general hospice care services to Prince George's County residents are considered to be in short supply.**
- 3. Amedisys provides hospice care services in two offices: one located in Rosedale, Baltimore County and one located in Elkton, Cecil County. Currently, the turnover rate for all staff, all positions has been 12.2% in Rosedale and 0% in Elkton. The vacancy rate has been approximately 5-150 days, with an average rate of 30 days to fill vacant positions.**

ART IV - APPLICANT HISTORY, STATEMENT OF RESPONSIBILITY, AUTHORIZATION AND SIGNATURE

1. List the name and address of each owner or other person responsible for the proposed project and its implementation. If the applicant is not a natural person, provide the date the entity was formed, the business address of the entity, the identity and percentage of ownership of all persons having an ownership interest in the entity, and the identification of all entities owned or controlled by each such person.
-

Applicant Response:

Amedisys Maryland, LLC will be the owner of the project and the entity responsible for its implementation. Amedisys Maryland, LLC has its principal office at 7106 Ridge Road, Suite 100, Rosedale MD 21237 and a satellite office located at 202 East Main Street, Elkton MD 21921.

Amedisys Maryland LLC is a limited liability company formed under the laws of the State of Maryland on January 21, 2005. Amedisys Maryland, LLC is 100% owned by Amedisys Holding, LLC, which is 100% owned by Amedisys, Inc. A corporate organization chart is attached as Exhibit 15.

The individuals who will be responsible for the implementation of the project are:

Deana Wilson, BSN
Senior Vice President, Clinical Operations, North Region
Amedisys Hospice
Amedisys, Inc.
3854 American Way, Suite A
Baton Rouge, LA 70816-4013

Laura Scripp RN CHPN
Hospice Area Vice President of Operations MD, VA and NC
Amedisys, Inc.
5959 S. Sherwood Forest Blvd.
Baton Rouge LA 70816

David Kwiatkowski, MBA
Area Hospice Outreach Manager
Hospice North Region – MD
Amedisys, Inc.
5959 S. Sherwood Forest Blvd
Baton Rouge, LA 70816

2. Is the applicant, or any person listed above now involved, or ever been involved, in the ownership, development, or management of another health care facility? If yes, provide a listing of each facility, including facility name, address, and dates of involvement.
-

Applicant Response:

Yes. Amedisys Maryland, LLC doing business as Amedisys Hospice of Greater Chesapeake has operated a general hospice program in Baltimore City, Baltimore County, Harford County and Cecil County since April 1, 2009. Amedisys Hospice of Greater Chesapeake has two office locations: 7106 Ridge Road, Suite 100, Rosedale MD 21237 (parent), and 202 East Main Street, Elkton MD 21921 (branch).

Please refer to Exhibit 16 for a list of all of the health care facilities in the Amedisys, Inc. corporate family.

3. Has the Maryland license or certification of the applicant facility, or any of the facilities listed in response to Questions 1 and 2, above, ever been suspended or revoked, or been subject to any disciplinary action (such as a ban on admissions) in the last 5 years? If yes, provide a written explanation of the circumstances, including the date(s) of the actions and the disposition. If the applicant, owner or other person responsible for implementation of the Project was not involved with the facility at the time a suspension, revocation, or disciplinary action took place, indicate in the explanation.

Applicant Response:

No.

4. Is any facility with which the applicant is involved, or has any facility with which the applicant or other person or entity listed in Questions 1 & 2, above, ever been found out of compliance with Maryland or Federal legal requirements for the provision of, payment for, or quality of health care services (other than the licensure or certification actions described in the response to Question 3, above) which have led to an action to suspend, revoke or limit the licensure or certification at any facility. If yes, provide copies of the findings of non-compliance including, if applicable, reports of non-compliance, responses of the facility, and any final disposition reached by the applicable governmental authority.

Applicant Response:

No.

Please refer to Exhibit 17 for a description of certain matters involving Amedisys, Inc. (the Applicant's ultimate parent company). Although these matters are not responsive to this question, Amedisys Maryland, LLC is disclosing them for the Commission's information.

5. Has the applicant, or other person listed in response to Question 1, above, ever pled guilty to or been convicted of a criminal offense connected in any way with the ownership, development or management of the applicant facility or any health care facility listed in response to Question 1 & 2, above? If yes, provide a written explanation of the circumstances, including the date(s) of conviction(s) or guilty plea(s).

Applicant Response:

No.

One or more persons shall be officially authorized in writing by the applicant to sign for and act for the applicant for the project which is the subject of this application. Copies of this authorization shall be attached to the application. The undersigned is the owner(s), or authorized agent of the applicant for the proposed or existing facility.

Applicant Response:

Please refer to Exhibit 18.

I hereby declare and affirm under the penalties of perjury that the facts stated in this application and its exhibits are true and correct to the best of my knowledge, information and belief.

Signature of Owner or Authorized Agent of the Applicant

Paul Kusserow, President, Amedisys Maryland, LLC

Print name and title

Date: _____

Hospice Application: Charts and Tables Supplement

TABLE 1 - PROJECT BUDGET

TABLE 2A: STATISTICAL PROJECTIONS – ENTIRE FACILITY

TABLE 2B: STATISTICAL PROJECTIONS – PROPOSED PROJECT

TABLE 3: REVENUES AND EXPENSES - ENTIRE FACILITY

TABLE 4: REVENUES AND EXPENSES - PROPOSED PROJECT

TABLE 5: MANPOWER INFORMATION

TABLE 1: PROJECT BUDGET

INSTRUCTIONS: All estimates for 1.a.-d., 2.a.-j., and 3 are for current costs as of the date of application submission and should include the costs for all intended construction and renovations to be undertaken. (DO NOT CHANGE THIS FORM OR ITS LINE ITEMS. IF ADDITIONAL DETAIL OR CLARIFICATION IS NEEDED, ATTACH ADDITIONAL SHEET.)

A. Use of Funds

1. Capital Costs (if applicable):

a.	<u>New Construction</u>	\$	_____
(1)	Building		_____
(2)	Fixed Equipment (not included in construction)		_____
(3)	Land Purchase		_____
(4)	Site Preparation		_____
(5)	Architect/Engineering Fees		_____
(6)	Permits, (Building, Utilities, Etc)		_____
SUBTOTAL		\$	0

b.	<u>Renovations</u>		
(1)	Building	\$	_____
(2)	Fixed Equipment (not included in construction)		_____
(3)	Architect/Engineering Fees		_____
(4)	Permits, (Building, Utilities, Etc.)		_____
SUBTOTAL		\$	0

c.	<u>Other Capital Costs</u>		
(1)	Major Movable Equipment		_____
(2)	Minor Movable Equipment		_____
(3)	Contingencies		_____
(4)	Other (Specify)		_____
TOTAL CURRENT CAPITAL COSTS (a - c)		\$	0

d.	<u>Non Current Capital Cost</u>		
(1)	Interest (Gross)	\$	_____
(2)	Inflation (state all assumptions, Including time period and rate)	\$	_____
TOTAL PROPOSED CAPITAL COSTS (a - d)		\$	0

2. Financing Cost and Other Cash Requirements:

a.	Loan Placement Fees	\$	_____
b.	Bond Discount		_____
c.	Legal Fees (CON Related)		\$18,000
d.	Legal Fees (Other)		_____
e.	Printing		_____
f.	Consultant Fees		_____
	CON Application Assistance		\$20,000
	Other (Specify)		_____
g.	Liquidation of Existing Debt		_____

- h. Debt Service Reserve Fund _____
- i. Principal Amortization _____
- Reserve Fund _____
- j. Other (Specify) _____

TOTAL (a - j) \$ 38,000

3. Working Capital Startup Costs \$ 0

TOTAL USES OF FUNDS (1 - 3) \$ 38,000

B. Sources of Funds for Project:

1. Cash \$38,000
(100% financed through current operations)

2. Pledges: Gross _____,
less allowance for
uncollectables _____
= Net _____

3. Gifts, bequests _____

4. Interest income (gross) _____

5. Authorized Bonds _____

6. Mortgage _____

7. Working capital loans _____

8. Grants or Appropriation _____

(a) Federal _____

(b) State _____

(c) Local _____

9. Other (Specify) _____

TOTAL SOURCES OF FUNDS (1-9) \$ 38,000

Annual Lease Costs:

a. Land	\$ _____	x _____	= \$ _____
b. Building	\$ <u>6,000</u>	x <u>12 mo</u>	= \$ <u>72,000</u>
c. Major Movable Equipment	\$ _____	x _____	= \$ _____
d. Minor Movable Equipment	\$ _____	x _____	= \$ _____
e. Other (Specify)	\$ _____	x _____	= \$ _____

Instructions: Complete Table 2A for the Entire General Hospice Program, including the proposed project, and **Table 2B** for the proposed project only using the space provided on the following pages. **Only existing facility applicants should complete Table 2A. All Applicants should complete Table 2B. Please indicate on the Table if the reporting period is Calendar Year (CY) or Fiscal Year (FY).**

TABLE 2A: STATISTICAL PROJECTIONS – ENTIRE Hospice Program

	Two Most Current Actual Years		Projected years – ending with first year at full utilization				
CY or FY (Circle) (7/1-6/30)	2014	2015	2016	2017	2018	2019	2020
Admissions	682	737	942	1017	1166	1263	1368
Deaths	522	565	740	799	914	990	1072
Non-death discharges	150	136	135	146	167	180	195
Patients served	799	862	1,103	1191	1352	1479	1602
Patient days	43,321	47,212	67,716	73133	81903	94940	105254
Average length of stay	64	60	72	70	70	70	70
Average daily hospice census	119	129	185	200	224	259	288
Visits by discipline							
Skilled nursing	13,367	17,194	20,470	22108	25298	30587	34621
Social work	1030	995	1,264	1365	1552	1853	2085
Hospice aides	11,677	14,978	16,970	18328	20888	25062	28264
Physicians - paid	25	265	23	25	30	34	36
Physicians - volunteer	0	0	0	0	0	0	0
Chaplain	1,473	1,820	2,150	2322	2631	3120	3498
Other clinical	17	36	43	46	53	62	70
Licensed beds							
Number of licensed GIP beds	0	0	0	0	0	0	0
Number of licensed Hospice House beds	0	0	0	0	0	0	0
Occupancy %	0	0	0	0	0	0	0
GIP(inpatient unit)	0	0	0	0	0	0	0
Hospice House	0	0	0	0	0	0	0

TABLE 2B: STATISTICAL PROJECTIONS – PROPOSED PROJECT

	Projected years – ending with first year at full utilization			
CY or FY (circle)	2016	2018	2019	2020
Admissions		77	120	168
Deaths		59	92	129
Non-death discharges		11	17	23
Patients served		77	140	197
Patient days		3650	12775	18980
Average length of stay		45	55	65
Average daily hospice census		10	35	52
Visits by discipline				
Skilled nursing		1643	5749	8541
Social work		91	319	475
Hospice aides		1278	4471	6643
Physicians - paid		2	4	6
Physicians - volunteer		0	0	0
Chaplain		146	511	759
Other clinical		3	10	15
Licensed beds				
Number of licensed GIP beds		0	0	0
Number of licensed Hospice House beds		0	0	0
Occupancy %		0	0	0
GIP(inpatient unit)		0	0	0
Hospice House		0	0	0

TABLE 3: REVENUES AND EXPENSES - ENTIRE Hospice Program (including proposed project)

(INSTRUCTIONS: ALL EXISTING FACILITY APPLICANTS MUST SUBMIT AUDITED FINANCIAL STATEMENTS)

	Two Most Recent Years -- Actual		Current Year Projected	Projected Years (ending with first full year at full utilization)			
CY or FY (Circle) (7/1-6/30)	2014	2015	2016	2017	2018	2019	2020
1. Revenue							
a. a. Inpatient services	163,943	170,268	185,013	199,814	221,108	262,622	292,665
b. Hospice house services	0	0	0		-	-	-
c. Home care services	6,895,528	7,577,476	11,005,491	11,885,930	13,076,489	15,224,934	16,816,063
d. Gross Patient Service Revenue	7,059,471	7,747,745	11,190,504	12,085,744	13,297,596	15,487,556	17,108,728
e. Allowance for Bad Debt	(241,779)	(230,965)	(271,117)	(292,806)	(323,771)	(383,596)	(427,004)
f. Contractual Allowance	(8,091)	(7,949)	(8,000)	(8,720)	(91,468)	(34,030)	(53,487)
g. Charity Care	8,901	7,949	8,000	8,720	91,468	34,030	53,487
h. Net Patient Services Revenue	6,817,692	7,516,779	10,919,387	11,792,938	12,973,826	15,103,960	16,681,724
i. Other Operating Revenues (Specify)	0	0	0	0	-	-	-
j. Net Operating Revenue	6,817,692	7,516,779	10,919,387	11,792,938	12,973,826	15,103,960	16,681,724
2. Expenses							
a. Salaries, Wages, and Professional Fees, (including fringe benefits)	3,466,593	3,959,223	6,075,305	6,561,329	7,658,796	8,636,660	9,166,787
b. Contractual Services	0	0	0		-	-	-
c. Interest on Current Debt	0	0	0		-	-	-
d. Interest on Project Debt	0	0	0		-	-	-
e. Current Depreciation	40,237	35,222	36,512	39,433	48,893	52,403	56,718
f. Project Depreciation	0	0	0		-	-	-
g. Current Amortization	0	0	0		-	-	-

h. Project Amortization	0	0	0		-	-	-
i. Supplies (Medical)	44,893	60,181	116,118	125,407	140,139	170,621	192,339
j. Other Pt Related Expenses	219,581	277,163	320,299	345,923	384,138	456,518	514,633
- Pharmacy							
- DME	226,173	212,492	311,699	336,635	374,751	443,606	494,797
- Ambulance	20,898	28,543	63,911	69,024	74,606	79,548	84,426
- Other (Chemo/Radiation/Labs, Xrays, GIP, RSP, etc)	243,074	201,121	343,211	370,668	396,879	420,052	444,868
** Other Admin Expenses:							
- Rent/Facilities	150,628	159,861	194,607	210,176	333,888	320,132	331,939
- Advertising	31,189	26,899	97,569	105,374	115,351	125,288	131,508
- Travel	5,898	13,292	46,348	50,056	60,560	79,038	85,450
- Office Supplies	32,399	30,988	47,472	51,270	56,059	58,802	61,682
- Other (phones, IT work, etc)	80,796	87,132	122,031	131,793	157,419	171,770	179,473
k. Total Operating Expenses	4,562,360	5,092,115	7,775,082	8,397,089	9,801,477	11,014,439	11,744,619
3. Income							
a. Income from Operation	2,255,332	2,424,664	3,144,305	3,395,849	3,172,349	4,089,521	4,937,105
b. Non-Operating Income	0	0	0	0	0	0	0
c. Subtotal	2,255,332	2,424,664	3,144,305	3,395,849	3,172,349	4,089,521	4,937,105
d. Income Taxes	n/a – taxes paid at the corporate level and not allocated to individual agencies						
e. Net Income (Loss)	2,255,332	2,424,664	3,144,305	3,395,849	3,172,349	4,089,521	4,937,105

Table 3 Cont.	Two Most Actual Ended Recent Years		Current Year Projected	Projected Years (ending with first full year at full utilization)			
CY or FY (Circle) (7/1-6/30)	2014	2015	2016	2017	2018	2019	2020
4. Patient Mix							
A. As Percent of Total Revenue							
1. Medicare	88.1%	91.0%	90.0%	90.50%	90.50%	90.50%	90.50%
2. Medicaid	9.1%	5.4%	5.6%	5.50%	5.50%	5.50%	5.50%
3. Blue Cross	1.3%	2.1%	1.5%	1.80%	1.80%	1.80%	1.80%
4. Other Commercial Insurance	1.5%	1.5%	2.9%	2.20%	2.20%	2.20%	2.20%
5. Self-Pay	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%

6. Other (Specify)	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%
7. TOTAL	100%	100%	100%	100%	100%	100%	100%
B. As Percent of Patient <u>Days</u> (as applicable)							
1. Medicare	88.5%	91.3%	90.1%	90.50%	90.27%	90.00%	90.00%
2. Medicaid	8.1%	4.5%	4.6%	4.55%	4.55%	4.55%	4.55%
3. Blue Cross	1.6%	2.5%	1.7%	2.10%	2.10%	2.10%	2.10%
4. Other Commercial Insurance	1.7%	1.6%	3.1%	2.35%	2.35%	2.35%	2.35%
5. Self-Pay	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%
6. Other (Indigent)	0.1%	0.1%	0.5%	0.50%	0.73%	1.00%	1.00%
7. TOTAL	100%	100%	100%	100%	100%	100%	100%

TABLE 4: REVENUES AND EXPENSES - PROPOSED PROJECT**(INSTRUCTIONS: Each applicant should complete this table for the proposed project only)**

	Projected Years (ending with first full year at full utilization)			
CY or FY (Circle) (7/1-6/30)	2017	2018	2019	2020
1. Revenue				
a. Inpatient services		7,307	38,131	56,949
b. Hospice House services				
c. Home care services		358,543	1,871,091	2,794,528
d. Gross Patient Service Revenue		365,850	1,909,222	2,851,478
e. Allowance for Bad Debt		(10,468)	(54,628)	(81,588)
f. Contractual Allowance		(82,050)	(23,953)	(42,705)
g. Charity Care		82,050	23,953	42,705
h. Net Patient Services Revenue		355,382	1,854,594	2,769,890
i. Other Operating Revenues (Specify)				
j. Net Operating Revenue		355,382	1,854,594	2,769,890
2. Expenses				
a. Salaries, Wages, and Professional Fees, (including fringe benefits)		638,174	1,265,007	1,651,551
b. Contractual Services				
c. Interest on Current Debt				
d. Interest on Project Debt				
e. Current Depreciation		6,700	8,100	10,200
f. Project Depreciation				
g. Current Amortization				
h. Project Amortization				
i. Supplies (medical)		5,953	29,726	44,399
j. Other Pt Related Expenses				
- Pharmacy		14,000	67,874	109,557
- DME		14,551	65,397	97,677
- Ambulance		750	2,000	3,000
- Other (Chemo/Radiation/Labs, Xrays, GIP, RSP, etc)		265	3,607	7,600

** Other Admin Expenses:		109,000	8,400	84,000
- Rent/Facilities		2,600	6,900	7,200
- Advertising		7,000	22,800	26,400
- Travel		1200	1200	1,200
- Office Supplies		16400	23700	2,400
- Other (phones, IT work, etc)				
k. Total Operating Expenses		816,592	1,580,310	2,063,783
3. Income				
a. Income from Operation		(461,210)	274,284	706,107
b. Non-Operating Income				
c. Subtotal		(461,210)	274,284	706,107
d. Income Taxes				
e. Net Income (Loss)		(461,210)	274,284	706,107

Table 4 Cont.	Projected Years (ending with first full year at full utilization)			
CY or FY (Circle) (7/1-6/30)	2017	2018	2019	2020
4. Patient Mix				
A. As Percent of Total Revenue				
1. Medicare		90.5%	90.5%	90.5%
2. Medicaid		5.5%	5.5%	5.5%
3. Blue Cross		1.8%	1.8%	1.8%
4. Other Commercial Insurance		2.2%	2.2%	2.2%
6. Other (Specify)		0.0%	0.0%	0.0%
7. TOTAL	100%	100%	100%	100%
B. As Percent of Patient Days/Visits/Procedures (as applicable)				
1. Medicare		90.0%	89.8%	89.5%
2. Medicaid		4.6%	4.6%	4.6%
3. Blue Cross		2.1%	2.1%	2.1%
4. Other Commercial Insurance		2.4%	2.4%	2.4%
5. Self-Pay		0.0%	0.0%	0.0%
6. Other (Specify)		20.0%	1.3%	1.5%
7. TOTAL	100%	100%	100%	100%

TABLE 5. MANPOWER INFORMATION

INSTRUCTIONS: List by service the staffing changes (specifying additions and/or deletions and distinguishing between employee and contractual services) required by this project. FTE data shall be calculated as 2,080 paid hours per year. Indicate the factor to be used in converting paid hours to worked hours.

Position Title	Current No. FTEs	Change in FTEs (+/-)	Average Salary	Employee/ Contractual	TOTAL COST
Administration					
Administration	2	1	110,000	EE	330,000
Direct Care					
Nursing	25	10	75,000	EE	2,625,000
Social work/services	4	1	68,000	EE	340,000
Hospice aides	20	9	35,000	EE	1,015,000
Physicians-paid	.5	.25	105,000	Contract	315,000
Physicians-volunteer					
Chaplains	4	1	60,000	EE	300,000
Bereavement staff/ VC	4	1	55,000	EE	275,000
Other clinical	5	2	85,000	EE	595,000
Support					
Other support	12	5	80,000	EE	1,360,000
transportation					150,000
				Benefits*	1,860,000
				TOTAL	<u>_9,165,000_</u>

* Indicate method of calculating benefits cost Analyzed current taxes & benefits costs – used 26% of salaries

Updated June 2016.

EXHIBITS

Exhibit #	Title
1	Executive Summary
2	Admissions Criteria
3	Policies: Nursing Care, Medical Social Services, Counseling Services
4	Physician Services
5	Volunteer Policies
6	Examples of Education Materials
7	Sample Informed Consent Form (Notice of Fees Included)
8	Charity Care Policy
9	Documentation of Amedysis Current Licensure, Certification and Accreditation Status
10	Amedysis Quality Assurance and Improvement Plan
11	Beacon Hospice Materials
12	Clash Resume
13	Patients Rights Policies
14	Audited Financial Statements
15	Organization Chart
16	Amedisys Facility Listing
17	Parent Company Description
18	Authorization