



2301 Dorsey Rd, Suite 207, Glen Burnie, MD 21061

Phone: (240) 560-5080 Toll Free: (877) 821-5082 Fax: (855) 639-0043

May 28, 2018

Ms. Ruby Potter
Health Facilities Coordinator
Maryland Health Care Commission
4160 Patterson Avenue
Baltimore, Maryland 21215

RE: CON Application for a Home Health Agency in Calvert and St. Mary's Counties
Matter No: 17-R3-2402

Dear Ms. Potter,

Correction for Home Health Agency Certificate of Need – Calvert County & St. Mary's County

Please do not hesitate to contact me directly on 240-560-5080 for any questions or additional information.

Sincerely,

Folashade Green RN, BSN, OCN, CM/DN, CRNI,
Administrator

Part IV: Home Health Agency Application: Charts and Tables Supplement

TABLE 1 - PROJECT BUDGET

TABLE 2A: STATISTICAL PROJECTIONS – FOR HHA SERVICES IN MARYLAND

TABLE 2B: STATISTICAL PROJECTIONS – FOR PROPOSED JURISDICTIONS

TABLE 3: REVENUES AND EXPENSES - FOR HHA SERVICES IN MARYLAND

TABLE 4: REVENUES AND EXPENSES - PROPOSED PROJECT

TABLE 5: STAFFING INFORMATION

TABLE 1: Project Budget

Instructions: All estimates for 1a- d; 2a- f; 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. Inflation from date of submission of project completion should only be included on the Inflation line 1e. (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. New Construction	
1) Building	\$ 0.00
2) Fixed Equipment (not included in construction)	0
3) Architect/Engineering Fees	0
4) Permits, (Building, Utilities, Etc)	0
a. SUBTOTAL New Construction	\$ 0
b. Renovations	
1) Building	\$ 0
2) Fixed Equipment (not included in construction)	\$ 0
3) Architect/Engineering Fees	\$ 0
4) Permits, (Building, Utilities, Etc.)	\$ 0
b. SUBTOTAL Renovations	\$ 0
c. Other Capital Costs	
1) Movable Equipment	\$ 2,500
2) Contingency Allowance	\$ 5,000
3) Gross Interest During Construction	
4) Other RENT - \$800 x 12 months	\$ 9,600
c. SUBTOTAL Other Capital Cost	\$
TOTAL CURRENT CAPITAL COSTS (sum of a - c)	\$
Non-Current Capital Cost	
d. Land Purchase Cost or Value of Donated Land	\$
e. Inflation (state all assumptions, including time period and rate)	\$
TOTAL PROPOSED CAPITAL COSTS (sum of a - e)	\$ 17,100
2. FINANCING COST AND OTHER CASH REQUIREMENTS	
a. Loan Placement Fees	\$
b. Bond Discount	
c. CON Application Assistance	\$5,000
c1. Legal Fees	\$2,500
c2. Other (Specify and add lines as needed)	
d. Non-CON Consulting Fees	
d1. Legal Fees	
d2. Other (Specify and add lines as needed)	
e. Debt Service Reserve Fund	\$ 27,400
f. Other Computers & Tablets- \$5,000; EMR - \$1,500 X12 months \$ 18,000	\$ 23,000
TOTAL (a - e)	\$ 57,900
3. WORKING CAPITAL STARTUP COSTS	\$
TOTAL USES OF FUNDS (sum of 1 - 3)	\$75,000

B. SOURCES OF FUNDS FOR PROJECT	
1. Cash	
2. Pledges: Gross _____, less allowance for uncollectables _____ = Net	
3. Gifts, bequests	
4. Authorized Bonds	
5. Interest income (gross)	
6. Mortgage	
7. Working capital loans	
8. Grants or Appropriation	
a. Federal	
b. State	
c. Local	
9. Other Line Of Credit	75,000
TOTAL SOURCES OF FUNDS (sum of 1-9)	\$ 75,000
ANNUAL LEASE COSTS (if applicable)	
<input type="checkbox"/> Land	
<input type="checkbox"/> Building	
<input type="checkbox"/> Moveable equipment	
<input type="checkbox"/> Other (specify)	

TABLE 2B: STATISTICAL PROJECTIONS - PROJECTED HOME HEALTH AGENCY SERVICES IN THE PROPOSED PROJECT

Instructions: All applicants should complete Table 2B for the proposed project, showing projected utilization *only for the jurisdiction(s) which is the subject of the application*. **As in Table 2A above, this table should report an unduplicated count of clients, and should indicate whether the reporting period is Calendar Year (CY) or Fiscal Year (FY).**

CY or FY (circle)	Projected years – ending with first year at full utilization			
	2018	2019	2020	2021
Client Visits	6958	7752	8369	9359
Billable	6817	7597	8202	9172
Non-Billable	141	155	167	187
TOTAL	6958	7752	8369	9359
# of Clients and Visits by Discipline				
Total Clients (Unduplicated Count)	300	324	384	413
Skilled Nursing Visits	2887	3217	3473	3884
Home Health Aide Visits	522	581	628	702
Physical Therapy Visits	2574	2868	3096	3462
Occupational Therapy Visits	696	775	837	936
Speech Therapy Visits	209	233	251	281
Medical Social Services Visits	70	78	84	94
TOTAL VISITS	6958	7752	8369	9359
Charity Visits - Minimum	10	12	13	14
Cost of Charity Visits	1,304	1,488	1,644	1,895

Billing Rates By Discipline

Skilled Nursing/Infusions	125	128	131	135
Home Health Aide	17	17	18	18
Physical Therapy	135	138	142	145
Occupational Therapy	135	138	142	145
Speech Therapy	135	138	142	145
Medical Social Services	135	138	142	145

Revenue By Discipline

Skilled Nursing/Infusions	360,843	411,786	454,926	524,282
Home Health Aide Visits	8,869	10,131	11,209	12,849
Physical Therapy Visits	347,452	396,893	439,142	503,373
Occupational Therapy Visits	93,906	107,268	118,687	136,047
Speech Therapy Visits	28,172	32,180	35,606	40,814
Medical Social Services Visits	9,391	10,727	11,869	13,605
Total	848,632	968,985	1,071,439	1,230,970

TABLE 4: REVENUES AND EXPENSES – PROJECTED HOME HEALTH AGENCY SERVICES FOR PROPOSED PROJECT

Instructions: Complete Table 4 for the proposed project, showing projected revenues and expenses *for only the jurisdiction(s) which is the subject of the application.*

Projections should be presented in current dollars. Medicaid revenues for all years should be calculated on the basis of Medicaid rates and ceilings in effect at the time of submission of this application.

Specify sources of non-operating income. State the assumptions used in projecting all revenues and expenses. Please indicate on the Table if the reporting period is Calendar Year (CY) or Fiscal Year (FY).

CY or FY (Circle)	Projected Years (ending with first full year at full utilization)			
	2018	2019	2020	2021
1. Revenue				
Gross Patient Service Revenue	848,632	968,985	1,071,439	1,230,970
Allowance for Bad Debt	10,000	11,000	12,000	18,000
Contractual Allowance	20,000	25,000	30,000	38,000
Charity Care Visits (From Table 2 above)	1,304	1,488	1,644	1,895
Net Patient Services Revenue	817,328	931,497	1,027,795	1,173,075
Other Operating Revenues (Specify)	-	-	-	-
Net Operating Revenue	817,328	931,497	1,027,795	1,173,075
2. Expenses				
Salaries, Wages, and Professional Fees, (including fringe benefits)	549,375	563,109	577,187	591,617
Contractual Services	160,000	164,000	168,100	172,303
Interest on Current Debt	0	0	0	0
Interest on Project Debt	0	0	0	0
Current Depreciation				
Project Depreciation				
Current Amortization				
Project Amortization				
Supplies	27,125	27,803	41,250	49,500
Other Expenses (Specify)	75,000	76,875	78,797	81,000
Total Operating Expenses	811,500	831,788	865,334	894,419
3. Income				
Income from Operation	5,828	162,461	162,461	278,656
Non-Operating Income	-	-	-	-
Subtotal	5,828	162,461	162,461	278,656
Income tax @ blended rate ~ 30%	1,748	29,913	48,738	83,597
Net Income (Loss)	4,079	69,797	113,723	195,059

Table 4 Cont.	Projected Years (ending with first full year at full utilization)			
CY or FY (Circle)	2018	2019	2020	2021
4A. - Payor Mix as Percent of Total Revenue				
Medicare	87.1%	86.5%	86.6%	86.7%
Medicaid	0.1%	0.1%	0.1%	0.1%
Blue Cross	5.4%	5.9%	5.8%	5.6%
Commercial Insurance	6.6%	6.6%	6.5%	6.8%
Self Pay	0.8%	0.9%	1%	0.8%
TOTAL	100%	100%	100%	100%
4B. Payor Mix as Percent of Total Visits				
Medicare	79.8%	81.7%	80.0%	81.3%
Medicaid	0.2%	0.2%	0.2%	0.2%
Blue Cross	9.8%	8.1%	8.5%	8.7%
Commercial Insurance	8.3%	8.0%	8.3%	8.3%
Self-Pay	1.9%	2%	3%	1.5%
TOTAL	100%	100%	100%	100%

TABLE 5. STAFFING INFORMATION

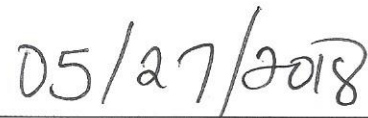
Instructions: List by service the staffing changes (specifying additions and/or deletions and distinguishing between employee and contractual services) required by this project. FTE data shall be calculated as 2,080 paid hours per year. Indicate the factor to be used in converting paid hours to worked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

Position Title	Current No. of FTEs		Change in FTEs (+/-)		Average Salary		TOTAL SALARY EXPENSE	
	Agency Staff	Contract Staff	Agency Staff	Contract Staff	Agency Staff	Contract Staff	Agency Staff	Contract Staff
Administrative Personnel			4	-	39,000	-	156,000	-
Registered Nurse			2	-	65,000	-	130,000	-
Licensed Practical Nurse			1	-	50,000	-	50,000	-
Physical Therapist			1	1	80,000	80,000	80,000	80,000
Occupational Therapist			-	0.5	-	80,000	-	40,000
Speech Therapist			-	0.25	-	80,000	-	20,000
Home Health Aide			0.5	-	47,000	-	23,500	-
Medical Social Worker				0.25	-	80,000	-	20,000
Other (Please specify.)								
							439,500	160,000
Benefits @ 25%							109,875	
TOTAL			8.5	2			549,375	160,000

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

A handwritten signature in black ink, appearing to be "A. J. [unclear]", written over a horizontal line.

Signature of Owner or Authorized Agent of the Applicant

A handwritten date "05/27/2018" in black ink, written over a horizontal line.

Date