

BAKER DONELSON

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November 10, 2017

Via Email and Federal Express

Kevin McDonald, Chief
Certificate of Need
Maryland Health Care Commission
4160 Patterson Avenue
Baltimore, Maryland 21215

Re: **Certificate of Need Application to Build Replacement
Comprehensive Care Facility For Sacred Heart Home**

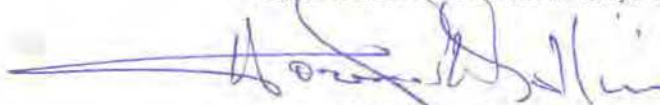
Dear Mr. McDonald:

Enclosed please find six copies of a Certificate of Need Application being filed on behalf of Sacred Heart Home, Inc. ("Sacred Heart Home") to build a replacement facility on its present campus in Prince George's County. Full size copies of the drawings are also included with this filing, and smaller copies are included in each CON application. A full copy of the application will also be emailed to you in PDF and Word form.

I hereby certify that a copy of the CON application has been provided to the local health department, as required by regulations.

Sincerely,

BAKER, DONELSON, BEARMAN,
CALDWELL & BERKOWITZ, PC



Howard L. Sollins, Shareholder

JJE/tjr

Enclosures

cc: Sister Vacha Kludziak, Sacred Heart Home Inc.
Pamela Brown-Creekmur, RN, Health Officer - Prince George's County
Ms. Ruby Potter, Health Facilities Coordination Office
Andrew L. Solberg, CON Consultant
Joseph Welkie, Jr., Vice President, Bayview Enterprises, Inc.
James E. Crisp, Partner, Gross Mendelsohn & Associates

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PART I PROJECT IDENTIFICATION AND GENERAL INFORMATION

1. FACILITY

Name of Facility: Sacred Heart Home

Address:

5805 Queens Chapel Road	Hyattsville	20782	Prince George's
Street	City	Zip	County

2. NAME OF OWNER Sacred Heart Home, Inc.

If Owner is a Corporation, Partnership, or Limited Liability Company, attach a description of the ownership structure identifying all individuals that have or will have at least a 5% ownership share in the applicant and any related parent entities. Attach a chart that completely delineates this ownership structure.

Sacred Heart Home, Inc. is a non-profit corporation that is affiliated with the Sister Servants of Mary Immaculate. See an organization chart attached as Exhibit 1.

3. APPLICANT. If the application has a co-applicant, provide the following information in an attachment.

Legal Name of Project Applicant (Licensee or Proposed Licensee): Sacred Heart Home, Inc.

Address:

5805 Queens Chapel Road	Hyattsville	20782	MD	Prince George's
Street	City	Zip	State	County
Telephone:	301-277-6500			

4. Name of Licensee or Proposed Licensee, if different from applicant:

N/A

5. **LEGAL STRUCTURE OF APPLICANT (and LICENSEE, if different from applicant).**

Check ☒ or fill in applicable information below and attach an organizational chart showing the owners of applicant (and licensee, if different).

- A. Governmental ☐
- B. Corporation ☐
- (1) Non-profit ☒
- (2) For-profit ☐
- (3) Close ☐ State & date of incorporation
MD, April 2, 1981
- C. Partnership ☐
- General ☐
- Limited ☐
- Limited liability partnership ☐
- Limited liability limited partnership ☐
- Other (Specify): _____
- D. Limited Liability Company ☐
- E. Other (Specify): _____
- To be formed: ☐
- Existing: ☒

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

A. Lead or primary contact:

Name and Title: Sister Vacha (Waclawa) Kludziak, SSMI

Company Name Sacred Heart Home

Mailing Address:

5805 Queens Chapel Road
Street

Hyattsville
City

20782 MD
Zip State

Telephone: 301-277-6500

E-mail Address (required): sistervacha@sacredhearthome.org

Fax: 301-277-3181

**If company name
is different than
applicant briefly**

describe the
relationship

B. Additional or alternate contact:

Name and Title: Howard L. Sollins, Esq

Company Name Baker, Donelson, Bearman, Caldwell & Berkowitz, PC

Mailing Address:

100 Light Street	Baltimore	21202	MD
Street	City	Zip	State

Telephone: 410-862-1101

E-mail Address (required): hsollins@bakerdonelson.com

Fax: 443-263-7569

**If company name is
different than applicant
briefly describe the
relationship** Legal Counsel

C. Additional or alternate contact:

Name and Title: John J. Eller, Atty

Company Name Baker, Donelson, Bearman, Caldwell & Berkowitz, PC

Mailing Address:

100 Light Street	Baltimore	21202	MD
Street	City	Zip	State

Telephone: 410-862-1162

E-mail Address (required): jeller@bakerdonelson.com

Fax: 443-263-7562

**If company name is
different than applicant
briefly describe the
relationship** Legal Counsel

D. Additional or alternate contact:

Name and Title: Andrew Solberg - Consultant

Company Name: A.L.S. Healthcare Consultant Services

Mailing Address:

MD

Street

City

Zip

State

Telephone: 410-730-2664

E-mail Address (required): asolberg@earthlink.net

Fax:

If company name is different than applicant briefly describe the relationship Consultant

7. **NAME OF THE OWNER OR PROPOSED OWNER OF THE REAL PROPERTY and Improvements (if different from the licensee or proposed licensee)**

Legal Name of the Owner of the Real Property
Sacred Heart Home, Inc.

Address:

5805 Queens Chapel Road

Hyattsville

20782

MD

Prince George's

Street

City

Zip

Stat	e
------	---

County

Telephone:

301-277-6500

If Owner is a Corporation, Partnership, or Limited Liability Company attach a description of the ownership structure identifying all individuals that have or will have at least a 5% ownership share in the in the real property and any related parent entities. Attach a chart that completely delineates this ownership structure.

8. **NAME OF THE Owner of the Bed Rights (i.e., the person/entity that could sell the beds included in this application to a 3rd party):**

Legal Name of the Owner of the Rights to Sell the CCF Beds

Sacred Heart Home, Inc.

If the Legal Entity that has or will have the right to sell the CCF beds is other than the Licensee or the Owner of the Real Property Identified Above Provide the Following Information.

Address:

Street City Zip State County

Telephone: _____

9. If a management company or companies is or will be involved in the clinical or financial management of the facility or will provide oversight of any construction or renovations proposed as part of this APPLICATION, identify each company or individual that will provide the services and describe the services that will be provided. Identify any ownership relationship between the management company and the owner of the facility and/or the real property or any related entity.

Name of Management Company

Address:

Street City Zip State County

Telephone: _____

10. TYPE OF PROJECT

The following list includes all project categories that require a CON pursuant to COMAR 10.24.01.02(A). Please mark all that apply in the list below.

If approved, this CON would result in (check as many as apply):

- | | |
|--|-------------------------------------|
| (1) A new health care facility built, developed, or established | <input type="checkbox"/> |
| (2) An existing health care facility moved to another site | <input type="checkbox"/> |
| (3) A change in the bed capacity of a health care facility | <input type="checkbox"/> |
| (4) A change in the type or scope of any health care service offered by a health care facility | <input type="checkbox"/> |
| (5) A health care facility making a capital expenditure that exceeds the current threshold for capital expenditures found at:
http://mhcc.maryland.gov/mhcc/pages/hcfs/hcfs_con/documents/con_capital_threshold_20140301.pdf | <input checked="" type="checkbox"/> |

11. PROJECT DESCRIPTION

A. 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

Replacement of the existing Sacred Heart Home and reducing the number of licensed beds from 102 to 44. All rooms will be private rooms. The rationale is explained in response to 11.B 0 Comprehensive Project Description. The total project costs are \$15,884,702.

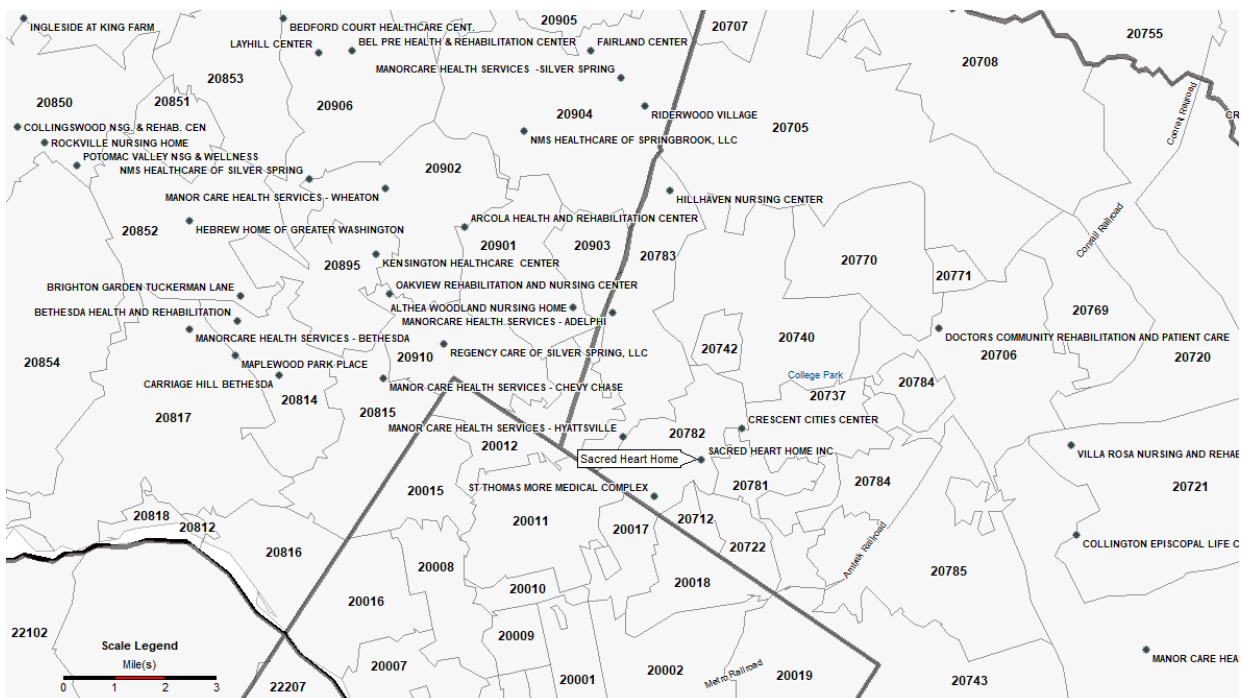
B. Comprehensive Project Description: The description should include details regarding:

- (1) Construction, renovation, and demolition plans
- (2) Changes in square footage of departments and units
- (3) Physical plant or location changes
- (4) Changes to affected services following completion of the project
- (5) Outline the project schedule.

Project Description

Sacred Heart Home (“SHH”) is an existing Comprehensive Care Facility located in Hyattsville, Maryland. It is licensed for 102 beds.

Figure 1



Sacred Heart Home's ("SHH") sole objective of this project is to address the need for a new Nursing Facility building to provide proper quality of care to the Residents and to comply with the current Health Care Federal and State regulation.

SHH was originally constructed in 1926 and operated by the Religious Order of Missionary Sisters Servants of the Holy Spirit. In the summer of 1916, the Missionary Sisters Servants of the Holy Spirit bought a large house on 60 acres of woodland in what was then rural Hyattsville (not a single building stood between Hyattsville and Washington, DC) to provide a home for religious sisters who were studying at Washington's Catholic University. To pay for the costs of maintaining the home and caring for themselves, they invited ladies who wished to live their remaining years in a religious environment to join them.

In the 1960's, after expanding and renovating the home several times, the Sisters decided they wanted to extend their caring hearts to the sick and the infirm, and on August 1, 1974, Sacred Heart home became a Medicaid-certified nursing home. It does not participate in the Medicare program as a skilled nursing facility.

Because the number of new Sisters within the Order to work at SHH was declining, the Missionary Sisters Servants of the Holy Spirit transferred sponsorship and ownership of SHH to the Order - the Sisters Servants of Mary Immaculate in 1998.

The Congregation of the Sisters Servants of Mary Immaculate was founded in 1878, in Gietrzwald, Poland. The first members of the Congregation came to the United States in 1934. In the United States, it has served both the old and the young, with both a pre-kindergarten program and nursing home in Baltimore (St. Joseph's Nursing Home) and SHH. Sisters also work with Catholic Charities, doing outreach to the homebound elderly in Cleveland, Ohio,

The mission of SHH and the Sisters Servants of Mary Immaculate is to promote the highest quality of care and spiritual values with regard to human life and dignity, according to the teachings of the Roman Catholic Church. SHH has celebrated ninety years of being in the Hyattsville area and has provided quality care to the seniors in the community, been a good neighbor and source of employment. Medicare's Nursing Home Compare shows that SHH has a federal Centers for Medicare and Medicaid Services ("CMS") Five Star Quality Rating ("Much above average").¹

¹www.medicare.gov/nursinghomecompare/profile.html#profTab=3&ID=21E009&state=MD&lat=0&lng=0&name=SACRED%2520HEART%2520HOME%2520INC&Distn=0.0; Accessed 10/25/17

The 8 acre campus is located in residential neighborhood. There are three buildings on the campus: chaplain building, Sisters' residence, and the licensed nursing home of approximately 58,000 square feet. The Nursing Home building was originally constructed in 1926 and expanded with wing additional wing and 3rd floor in 1963. Presently, SHH is a three story brick building with a basement. Its floor configuration is "L" shaped, with a central nursing station on each floor, food service, housekeeping and care support spaces. SHH consists of six semi-private rooms and 88 private rooms. Only one room has a private toilet, and four rooms have shared toilet rooms. Other residents have to go down the corridor to public toilet rooms. Community bathing rooms are also provided. The facility lacks common dining room areas, multipurpose rooms, and social areas on the floors. Overall, it has an institutional medical design rather than a residential look and feel. The building lacks sufficient desired space to enhance residents' quality of life.

As SHH's resident population comes to us with increased medical needs (as well as their families desiring more residential setting), it decided to undertake this new construction project. The Sisters Servants have worked in long-term care industry for over 60 years, and both of our facilities (SHH and St. Joseph's Nursing Home) have provided exceptional care to the residents. For instance, in the past five years, Sacred Heart Home held either first or second place in the State of Maryland Pay for Performance score system which is based on indicators for quality of care. We are fully cognizant that the presence of the Sisters makes a great difference. In recent years, our Order has experienced a decrease in vocations, and we lack new Sisters to delegate to Health Care Facilities. Therefore, it is our intent to build a new facility on the same campus with a decreased number of licensed beds from 102 to 44. We believe that having a new, more accommodating facility will allow us to provide our residents with a higher quality of life and care which cannot be met at the present environment.

Because of the old construction, the building is mostly "grandfathered" under the more modern licensure requirements. The hallways are narrow and out of compliance with the new Life Safety Code standards. The building requires constant maintenance, which includes: replacing leaking pipes, repairing damaged floors, and constantly dealing with ongoing plumbing and heating problems. The facility does not have central air conditioning or efficient Heating system. The current boilers and the heating system have reached their life capacity.

During the last ten years, SHH has made every attempt to save the building and planned for renovation. However, after numerous assessments and calculations of the budget required for the renovations, it became evident that the renovation project would be cost prohibitive. Due to the age and construction design, renovation would become limited and costly. SHH concluded that renovation will be

very expensive and the building will still be in non-compliance with the current federal and state regulations.

After the new facility is constructed and operating, the Sisters' current intention is to demolish the old building. However, that demolition is not required to enable the construction of the new facility, and the costs of that demolition are not included in this project. The Sisters Servants will also be replacing the Sisters' residence building on the campus and the old building will also be demolished, though that is not part of this CON application.

The services provided by SHS will not be affected, except for the reduction in beds. SHS is currently Medicaid certified, but not Medicare certified. The same will be true in the new facility.

SHS anticipates that construction will begin in May 2020 and will be completed in December 2021.

12. Complete Table A of the CON Table Package for Nursing Home (CCF) Applications

Exhibit 2 includes the CON Table Package.

13. Identify any community based services that are or will be offered at the facility and explain how each one will be affected by the project.

A local Alcoholics Anonymous group periodically meets at SHS. This will be unaffected by the project.

14. REQUIRED APPROVALS AND SITE CONTROL

- A. Site size: 8 acres
- B. Have all necessary State and local land use and environmental approvals, including zoning and site plan, for the project as proposed been obtained?
YES _____ NO X (If NO, describe below the current status and timetable for receiving each of the necessary approvals.)

<p>The property, located in Prince George's County is currently zoned R-55 (One Family Residential) and part of the Gateway Arts District Sector Plan of the Development District Overlay. A Natural Resource Inventory exemption and a Woodland Conservation exemption have been applied for and granted. Additional plans have to be processed and approved in order to obtain a building permit. This timeline runs from anticipated entitlement through permits and addresses major highlights of the development process. A Preliminary Plan of Subdivision (4-17004) is the initial step. The PPS will establish Adequate Public Facilities for the site. The plan is currently in the middle stage of the process with an anticipated Planning Board date in February. In addition, a Detailed Site Plan (DSP) will be required to establish the proposed use, bulk zoning regulations, and the overlay district standards. The DSP includes site layout, grading, setbacks, parking requirements, landscaping, lighting and architectural</p>

elevations. The Prince George's County sequence of approvals requires that the PPS be approved before the DSP. The Detailed Site Plan is in the intermediate stage with an anticipated Planning Board date in late March. The PPS is not subject to an appeal and can be certified shortly after the Planning Board. On the other hand, the DSP is subject to a 30-day appeal period by the District Council. If the Council does not choose to call up the DSP, then the plan can be certified shortly after. Engineering design can commence during the processing of the DSP. Work on the Final Plat and can commence during the appeal period of the DSP. A Final Plat will have to be recorded prior to the issuance of a fine grading permit. The existing Record Plat is sufficient for a Rough Grading Permit. The Engineering plans that will be required are the Technical Stormwater Management Plan, Water and Sewer Plan, Storm Drain Plan, Erosion and Sediment Control Plan, Grading (Rough & Fine) Permit Plans, and a Building Permit Plan. Prince George's County will be responsible for reviewing and approving most of the plans by themselves or through a third party reviewer except for the Water and Sewer Plan and the Sediment Control Plan which will be reviewed by the Washington Suburban Sanitary Commission and the Soil Conservation District respectively. The above process is dependent upon review agency reactions and Planning Board and District Council decisions. A Permit Timetable is included in Exhibit 3.

C. Form of Site Control (Respond to the one that applies. If more than one, explain.):

- (1) Owned by: Sacred Heart Home, Inc.
- (2) Options to purchase held by: _____
Please provide a copy of the purchase option as an attachment.
- (3) Land Lease held by: _____
Please provide a copy of the land lease as an attachment.
- (4) Option to lease held by: _____
Please provide a copy of the option to lease as an attachment.
- (5) Other: _____
Explain and provide legal documents as an attachment.

15. **PROJECT SCHEDULE**

In completing this section, please note applicable performance requirements time frames set forth in Commission regulations, COMAR 10.24.01.12. Ensure that the information presented in the following table reflects information presented in Application Item 11 (Project Description).

	Proposed Project Timeline	
Obligation of 51% of capital expenditure from approval date	24	months
Initiation of Construction within 4 months of the effective date of a binding construction contract	2	months

	Proposed Project Timeline	
Time to Completion of Construction from date of capital obligation	19	months

16. 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, 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".
- B. 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.
- C. Specify dimensions and square footage of patient rooms.

Exhibit 4 includes the project drawings.

17. FEATURES OF PROJECT CONSTRUCTION

- A. if the project involves new construction or renovation, complete the Construction and Renovation Square Footage worksheet in the CON Table Package (Table B)

Exhibit 2 includes the CON Table Package.

- B. Discuss the availability and adequacy of utilities (water, electricity, sewage, natural gas, etc.) for the proposed project and identify the provider of each utility. Specify the steps that will be necessary to obtain utilities.

All utilities exist on-site.

PART II PROJECT BUDGET

Complete the Project Budget worksheet in the CON Table Package (Table C).

Note: Applicant should include a list of all assumptions and specify what is included in each budget line, as well the source of cost estimates and the manner in which all cost estimates are derived. Explain how the budgeted amount for contingencies was determined and why the amount budgeted is adequate for the project given the nature of the project and the current stage of design (i.e., schematic, working drawings, etc.)

Exhibit 2 includes the CON Table Package.

**PART III APPLICANT HISTORY, STATEMENT OF RESPONSIBILITY,
AUTHORIZATION AND RELEASE OF INFORMATION, AND SIGNATURE**

1. List names and addresses of all owners and individuals responsible for the proposed project and its implementation.

Sr. Danuta Zielinska	1220 Tugwell Drive; Catonsville, MD 21228
Sr. Vacha Kludziak	5805 Queens Chapel Road, Hyattsville, MD 20782
Sr. Krystyna Mroczek	1220 Tugwell Drive; Catonsville, MD 21228

2. Are the applicant, owners, or the responsible persons listed in response to Part 1, questions 2, 3, 4, 7, and 9 above now involved, or have they ever been involved, in the ownership, development, or management of another health care facility? If yes, provide a listing of these facilities, including facility name, address, and dates of involvement.

YES – the Sisters Servants since 1959, own and operate St. Joseph’s Nursing Home, 1222 Tugwell Drive, Catonsville, MD 21228

3. Has the Maryland license or certification of the applicant facility, or any of the facilities listed in response to Question 2, above, 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, owners or individuals responsible for implementation of the Project were not involved with the facility at the time a suspension, revocation, or disciplinary action took place, indicate in the explanation.

NO

4. Other than the licensure or certification actions described in the response to Question 3, above, has any facility with which any applicant is involved, or has any facility with which any applicant has in the past been involved (listed in response to Question 2, above) received inquiries in last from 10 years from any federal or state authority, the Joint Commission, or other regulatory body regarding possible non-compliance with any state, federal, or Joint Commission requirements for the provision of, the quality of, or the payment for health care services that have resulted in actions leading to the possibility of penalties, admission bans, probationary status, or other sanctions at the applicant facility or at any facility listed in response to Question 2? If yes, provide, for each such instance, copies of any settlement reached, proposed findings or final findings of non-compliance and related documentation including reports of non-compliance, responses of the facility, and any final disposition or conclusions reached by the applicable authority.

NO

5. Have the applicant, owners or responsible individuals listed in response to Part 1, questions 2, 3, 4, 7, and 9, above, ever pled guilty to or been convicted of a criminal offense in any way connected with the ownership, development or management of the applicant facility or any of the health care facilities listed in response to Question 2, above? If yes, provide a written explanation of the circumstances, including as applicable the court, the date(s) of conviction(s), diversionary disposition(s) of any type, or guilty plea(s).

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 Board-designated official of the proposed or existing facility.

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.

November 5, 2017
Date

Sister Vacha Kludziak
Signature of Owner or Board-designated Official
Administrator

Position/Title

Sister Vacha Kludziak

Printed Name

**PART IV CONSISTENCY WITH GENERAL REVIEW CRITERIA AT COMAR
10.24.01.08G(3):**

INSTRUCTION: Each applicant must respond to all criteria included in COMAR 0.24.01.08G(3), listed below.

An application for a Certificate of Need shall be evaluated according to all relevant State Health Plan standards and other review criteria.

If a particular standard or criteria is covered in the response to a previous standard or criteria, the applicant may cite the specific location of those discussions in order to avoid duplication. When doing so, the applicant should ensure that the previous material directly pertains to the requirement and the directions included in this application form. Incomplete responses to any requirement will result in an information request from Commission Staff to ensure adequacy of the response, which will prolong the application's review period.

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

Every Comprehensive Care Facility ("CCF" -- more commonly known as a nursing home) applicant must address each applicable standard from **COMAR 10.24.08: State Health Plan for Facilities and Services -- Nursing Home and Home Health Services.**² Those standards follow immediately under **10.24.08.05 Nursing Home Standards.**

Please provide a direct, concise response explaining the project's consistency with each standard. In cases where demonstrating compliance with a standard requires the provision of specific documentation, please include the documentation as a part of the application.

10.24.08.05 Nursing Home Standards.

A. General Standards. The Commission will use the following standards for review of all nursing home projects.

- (1) *Bed Need. The bed need in effect when the Commission receives a letter of intent for the application will be the need projection applicable to the review.***

The most recent MHCC Comprehensive Care Bed Need Projections for Prince George's County were for target year 2016 and were published by the MHCC in the Maryland Register on 4/29/2016.

- (2) *Medical Assistance Participation.***

- (a) Except for short-stay, hospital-based skilled nursing facilities required to meet .06B of this Chapter, the Commission may approve a Certificate of Need for a nursing home only for an applicant that participates, or proposes to participate, in the Medical Assistance Program, and only if the applicant submits documentation or agrees to submit documentation of a written Memorandum of**

²[1] Copies of all applicable State Health Plan chapters are available from the Commission and are available on the Commission's web site here: http://mhcc.maryland.gov/mhcc/pages/hcfs/hcfs_shp/hcfs_shp

Understanding with Medicaid to maintain the proportion of Medicaid patient days required by .05A 2(b) of this Chapter.

- (b) Each applicant shall agree to serve a proportion of Medicaid patient days that is at least equal to the proportion of Medicaid patient days in all other nursing homes in the jurisdiction or region, whichever is lower, calculated as the weighted mean minus 15.5% based on the most recent Maryland Long Term Care Survey data and Medicaid Cost Reports available to the Commission as shown in the Supplement to COMAR 10.24.08: Statistical Data Tables, or in subsequent updates published in the Maryland Register.
- (c) An applicant shall agree to continue to admit Medicaid residents to maintain its required level of participation when attained and have a written policy to this effect.
- (d) Prior to licensure, an applicant shall execute a written Memorandum of Understanding with the Medical Assistance Program of the Department of Health and Mental Hygiene to:
 - (i) Achieve or maintain the level of participation required by .05A 2(b) of this Chapter; and
 - (ii) Admit residents whose primary source of payment on admission is Medicaid.
 - (iii) An applicant may show evidence why this rule should not apply.

SHH participates in the Medical Assistance Program, and the new facility will, as well. Not having had a prior CON, SHH has never signed an MOU. SHH will sign the MOU prior to seeking First Use Review. The most recently published applicable Medicaid percentage requirement (*Maryland Register*, Vol 44, Issue 7, March 31, 2017) is 39.94%. In CY 2016, SHH's Medicaid percentage was 77.7%. SHH's projected Medicaid utilization exceeds the MOU minimum.

(3) *Community-Based Services. An applicant shall demonstrate commitment to providing community-based services and to minimizing the length of stay as appropriate for each resident by:*

- (a) Providing information to every prospective resident about the existence of alternative community-based services, including, but not limited to, Medicaid home and community-based waiver programs and other initiatives to promote care in the most appropriate settings;
- (b) Initiating discharge planning on admission; and
- (c) Permitting access to the facility for all "Olmstead" efforts approved by the Department of Health and Mental Hygiene and the Department of Disabilities to provide education and outreach for residents and

their families regarding home and community-based alternatives.

SHH provides information to all prospective residents about the existence of alternative community-based services, including but not limited to Medicaid home and community-based waiver programs, home care, medical day care, assisted living, and other initiatives to promote care in the most appropriate settings. Please see Exhibit 5 for examples of such material distributed to prospective residents at SHH.

SHH initiates discharge planning on admission as part of its development of the Resident Care Plan. Please see Exhibit 6, which includes SHH's Discharge Planning Policy.

SHH permits access to the facility for all Olmstead efforts approved by the Department of Health and Mental Hygiene to provide education and outreach for residents and their families.

(4) *Nonelderly Residents. An applicant shall address the needs of its nonelderly (<65 year old) residents by:*

(a) Training in the psychosocial problems facing nonelderly disabled residents; and

(b) Initiating discharge planning immediately following admission with the goal of limiting each nonelderly resident's stay to 90 days or less, whenever feasible, and voluntary transfer to a more appropriate setting.

SHH does not have a restriction on non-elderly residents, but requests for admission from this population are typically not received. . SHH does not participate in Medicare, which generally pays for post-hospitalization rehabilitation. Typically, residents at SHH are not there for short term rehabilitation but, rather, for long term and end-of-life care.

However, should non-elderly persons choose admission to SHH, SHH would address the needs of non-elderly residents by, among other things, placing non-elderly residents near each other to the extent feasible. SHH provides in-service education for staff and utilizes local hospitals and social service agencies on a consulting basis to develop its inservice programs. SHH's social worker maintains contact with appropriate government agencies relating to career and technical education in order to facilitate vocational rehabilitation services, should non-elderly residents ever need them. SHH also provides wireless Internet access to allow interconnectivity to community news and opportunities.

SHH also initiates discharge planning with the goal of limiting each resident's (including nonelderly resident's) stay to 90 days or less, whenever feasible, and voluntary transfer to a more appropriate setting.

An initial care plan is developed for each resident immediately following admission. During the care plan session, discharge planning will be discussed. Discharge potential will be documented on all care plan notes for the resident.

- (5) ***Appropriate Living Environment. An applicant shall provide to each resident an appropriate living environment, including, but not limited to:***

(a) In a new construction project:

- (i) Develop rooms with no more than two beds for each patient room;**
- (ii) Provide individual temperature controls for each patient room; and**
- (iii) Assure that no more than two residents share a toilet.**

The project entails construction of all private rooms. As a result, SHH will fully comply with this standard.: SHH will not have any rooms with more than two beds. Each room will have individual temperature controls. No more than two residents will share a toilet.

(b) In a renovation project:

- (i) Reduce the number of patient rooms with more than two residents per room;**
- (ii) Provide individual temperature controls in renovated rooms; and**
- (iii) Reduce the number of patient rooms where more than two residents share a toilet.**

- (c) An applicant may show evidence as to why this standard should not be applied to the applicant.**

Sections (b) and (c) are not applicable.

- (6) ***Public Water. Unless otherwise approved by the Commission and the Office of Health Care Quality in accordance with COMAR 10.07.02.26, an applicant for a nursing home shall demonstrate that its facility is, or will be, served by a public water system.***

SHH is already served by a public water system.

- (7) ***Facility and Unit Design. An applicant must identify the special care needs of the resident population it serves or intends to serve and demonstrate that its proposed facility and unit design features will best meet the needs of that population. This includes, but is not limited to:***

- (a) Identification of the types of residents it proposes to serve and their diagnostic groups;**
- (b) Citation from the long term care literature, if available, on what types of design features have been shown to best serve those types of residents;**
- (c) An applicant may show evidence as to how its proposed model, which is not otherwise documented in the literature, will best serve the needs of the proposed resident population.**

SHH is aware of changes in the philosophy of nursing home design and invited architects to propose innovative options in the design of the new facility. After

several presentations, and considerable discussion, SHH chose the household model as providing the residents with a “warmer” stay.

The Nursing Home model that dominated the Nursing industry years ago was originally modeled after the floor plan concepts of a hospital, with a central nursing station positioned to provide direct views down the double loaded corridors which radiate from this central position. And like hospitals, utilitarian finishes, lighting alarms and other aspects of the interior environment created an institutional look and feel.

However, despite the fact that both the hospital and the nursing home provided a high quality of care, the goal for the length of stay was very different. The hospital stay was as short as possible, whereas the nursing home, as the very name implies, was as permanent as any home should be. And the typical nursing home of the 50's and 60's felt anything but homelike to the “resident” (“patient” as they were called then, echoing the hospital similarities) and their family.

This aversion to the institutionality of the typical nursing environment, gave rise to the evolution of the “Assisted Living” environment, which came on the scene in the '70s, and provided a far less institutional, much more residential, living environment than the nursing home had.

However, in many cases, the Assisted Living settings were not designed to provide the level of care that a nursing home could. This ultimately yielded two concepts which revolutionized the Nursing Home environment:

1. “The Green House® Model” (which is a highly prescriptive new construction model) has 10 to 12 private bedrooms and bathrooms, with a kitchen, living room, and dining room in one big area called “The Hearth.” This drastically reduces the scale of the entire facility for the “residents” (not “patients”). Despite the benefits to the residents of the clear home-like scale, this concept posed some operational and financial challenges; and
2. “The Eden Alternative” (which could be applied to existing Nursing Homes) has less institutional finishes, furniture and lighting, as well as the inclusion of plants and animals.

The resolution which has evolved to provide improved operational efficiencies is the “household model”, which, like the “Green House” strives to create the scale of a more home-like living environment, while still providing economies of operations by overlapping Nursing service areas and dining service areas for more efficient staffing ratios.

In the specific case of Sacred Heart’s proposed new nursing “community,” the 44 beds are divided into four “households” of 11 residents, each with their own private bedroom and bath room with shower and their own living/activity space. Two households share a dining and nursing service area that operates as 22 residents.

Two such groupings of 22 residents form the entire population of 44 (in 4 Households of 11), are served by facility-wide spaces such as rehabilitation, salon, multi-purpose room, chapel and a central landscaped courtyard. A lower level ‘back of house’ service area includes the central kitchen, laundry, staff lounge and lockers, storage, and mechanical and electrical spaces.

- (8) *Disclosure. An applicant shall disclose whether any of its principals have ever pled guilty to, or been convicted of, a criminal offense in any way connected with the ownership, development, or management of a health care facility.***

None of SHH's principals have ever pled guilty to, or been convicted of, a criminal offense in any way connected with the ownership, development, or management of a health care facility.

- (9) *Collaborative Relationships. An applicant shall demonstrate that it has established collaborative relationships with other types of long term care providers to assure that each resident has access to the entire long term care continuum.***

As an existing facility, SHH has a broad range of collaborative relationships. These include:

- Washington Adventist Hospital, Takoma Park, Maryland
- Prince George's Hospital Center, Cheverly, Maryland
- Providence Hospital, Washington, DC
- Doctors Community Hospital, Lanham, Maryland
- Holy Cross Hospital, Silver Spring, Maryland
- Malta House, Hyattsville, Maryland
- Marian Assisted Living, Brookeville, Maryland
- Bartholomew House, Bethesda, Maryland
- St. Joseph Nursing Home, Catonsville, Maryland
- Basilica of the National Shrine of the Immaculate Conception, Washington, DC
- St. Jerome's Catholic Church, Hyattsville, Maryland
- St. Mark's Catholic Church, Adelphi, Maryland
- St. James' Catholic Church, Mt Rainier, Maryland
- St. John Baptist De La Salle, Hyattsville, Maryland
- Redeemer Lutheran Church, Hyattsville, Maryland
- DeMatha High School, Hyattsville, Maryland
- Elizabeth Seton High School, Bladensburg, Maryland

- B. New Construction or Expansion of Beds or Services. The Commission will review proposals involving new construction or expansion of comprehensive care facility beds, including replacement of an existing facility or existing beds, if new outside walls are proposed, using the following standards in addition to .05A(1)-(9):**

(1) **Bed Need.**

- (a) An applicant for a facility involving new construction or expansion of beds or services, using beds currently in the Commission's inventory, must address in detail the need for the beds to be developed in the proposed project by submitting data including, but not limited to: demographic changes in the target population; utilization trends for the past five years and expected changes in the next five years; and demonstrated unmet needs of the target population.
- (b) For a relocation of existing comprehensive care facility beds, an applicant must demonstrate need for the beds at the new site, including, but not limited to: demonstrated unmet needs; utilization trends for the past five years and expected changes in the next five years; and how access to, and/or quality of, needed services will be improved.

SHH is not seeking to expand beds. In fact, it is proposing to reduce its licensed bed capacity from 102 to 44.

The MHCC's most recently published bed need projections (*Maryland Register*, Vol 43, Issue 9, April 29, 2016) indicate a bed excess in Prince George's County, so the reduction in licensed beds would be consistent with the MHCC's projections.

Figure 2
MHCC's Most Recent Nursing Home Bed Need Projections for Prince George's County

Jurisdiction	Bed Inventory as of January 31, 2016					2016 Projected Bed Need			
	Licensed Beds	CON Approved Beds	Waiver Beds	Temporarily Delicensed Beds	Total Bed Inventory	Gross Bed Need Projection	Unadjusted Net Bed Need	Community-Based Services Adjustment	2016 Net Bed Need
WESTERN MARYLAND									
Allegany	900	0	22	8	930	784	-146	40	0
Carroll	921	0	10	0	931	750	-181	45	0
Frederick	1,080	0	0	0	1,080	1,235	155	89	66
Garrett	316	0	0	0	316	262	-54	12	0
Washington	1,138	0	4	0	1,142	1,003	-139	54	0
MONTGOMERY COUNTY									
Montgomery	4,518	0	32	22	4,572	3,651	-921	235	0
SOUTHERN MARYLAND									
Calvert	302	0	0	0	302	325	23	28	0
Charles	489	0	0	0	489	421	-68	31	0
Prince George's	2,817	150	35	0	3,002	2,817	-185	169	0
St. Mary's	285	0	0	0	285	317	32	18	14

The Maryland Department of Planning projects that the population in Prince George's County will continue to grow, especially the age cohort that uses SHH. The 65+ age group grew by 26.8% between 2010 and 2015 and is projected to grow by another 39.9% between 2015 and 2025.

Table 1
Population by Age Cohort
Prince George's County
2010 – 2025

Age Group	2010	2015	% Change '10-'15	2020	% Change '15-'20	2025	% Change '20-'25
0-4	58,564	57,710	-1.5%	58,660	1.6%	58,530	-0.2%
5-19	177,844	171,640	-3.5%	165,520	-3.6%	163,370	-1.3%
20-44	320,316	334,590	4.5%	338,370	1.1%	343,070	1.4%
45-64	225,183	233,040	3.5%	228,140	-2.1%	220,050	-3.5%
65+	81,513	103,360	26.8%	123,810	19.8%	144,640	16.8%
Total	863,420	900,350	4.3%	914,500	1.6%	929,650	1.7%

SHH has operated in excess of 90 percent occupancy for each of the last five years.

Table 2
Beds, Potential Days, Percent Occupancy, Medicaid Days, and Medicaid
Percent
Sacred Heart Home
2012-2016

	2012	2013	2014	2015	2016
Beds	102	102	102	102	102
	3	3	3	3	3
Potential Days	7,230	7,230	7,230	7,230	7,230
	3	3	3	3	3
# Patient Days	6,058	5,088	5,950	5,897	5,045
% Occupancy	96.9%	94.2%	96.6%	96.4%	94.1%

Sources: 2012-2015: MHCC Public Use Database; 2016: SHH

(2) Facility Occupancy.

(a) The Commission may approve a nursing home for expansion only if all of its beds are licensed and available for use, and it has been operating at 90 percent or higher, average occupancy for the most recent consecutive 24 months.

(b) An applicant may show evidence why this rule should not apply.

Not applicable. SHH is not seeking to expand its beds.

(3) Jurisdictional Occupancy.

(a) The Commission may approve a CON application for a new nursing home only if the average jurisdictional occupancy for all nursing homes in that jurisdiction equals or exceeds a 90 percent occupancy level for at least the most recent 12 month period, as shown in the Medicaid Cost Reports for the latest fiscal year, or the latest Maryland Long Term Care Survey, if no Medicaid Cost Report is filed. Each December, the Commission will issue a report on nursing home occupancy.

(b) An applicant may show evidence why this rule should not apply.

Not applicable. SHH is not a new nursing home.

(4) Medical Assistance Program Participation.

(a) An applicant for a new nursing home must agree in writing to serve a proportion of Medicaid residents consistent with .05A 2(b) of this Chapter.

Not Applicable. SHH is not a new nursing home.

(b) An applicant for new comprehensive care facility beds has three years during which to achieve the applicable proportion of Medicaid participation from the time the facility is licensed, and must show a good faith effort and reasonable progress toward achieving this goal in years one and two of its operation.

Not Applicable. SHH is not a new nursing home.

(c) An applicant for nursing home expansion must demonstrate either that it has a current Memorandum of Understanding (MOU) with the Medical Assistance Program or that it will sign an MOU as a condition of its Certificate of Need.

Not Applicable.

(d) An applicant for nursing home expansion or replacement of an existing facility must modify its MOU upon expansion or replacement of its facility to encompass all of the nursing home beds in the expanded facility, and to include a Medicaid percentage that reflects the most recent Medicaid participation rate.

Please see the response to COMAR 10.24.08.05A(2), above.

(e) An applicant may show evidence as to why this standard should not be applied to the applicant.

Not Applicable.

(5) Quality. An applicant for expansion of an existing facility must demonstrate that it has no outstanding Level G or higher deficiencies, and that it maintains a demonstrated program of quality assurance.

SHH has no outstanding Level G or higher deficiencies. SHH maintains a

demonstrated program of quality assurance. Exhibit 7 includes SHH's Quality Assurance Policy.

- (6) ***Location. An applicant for the relocation of a facility shall quantitatively demonstrate how the new site will allow the applicant to better serve residents than its present location.***

Not Applicable. SHH is proposing to build the replacement facility on the same campus.

C. Renovation of Facility. The Commission will review projects involving renovation of comprehensive care facilities using the following standards in addition to .05A(1)-(9).

- (1) ***Bed Status. The number of beds authorized to the facility is the current number of beds shown in the Commission's inventory as authorized to the facility, provided:***

- (a) That the right to operate the facility, or the beds authorized to the facility, remains in good standing; and
- (b) That the facility provides documentation that it has no outstanding Level G or higher deficiency reported by the Office of Health Care Quality.

Not Applicable. This is not a renovation project.

- (2) ***Medical Assistance Program Participation. An applicant for a Certificate of Need for renovation of an existing facility:***

- (a) Shall participate in the Medicaid Program;
- (b) May show evidence as to why its level of participation should be lower than that required in .05A2(b) of this Chapter because the facility has programs that focus on discharging residents to community-based programs or an innovative nursing home model of care;
- (c) Shall present a plan that details how the facility will increase its level of participation if its current and proposed levels of participation are below those required in .05A2(b) of this Chapter; and
- (d) Shall agree to accept residents who are Medicaid-eligible upon admission

Not Applicable. This is not a renovation project.

- (3) ***Physical Plant. An applicant must demonstrate how the renovation of the facility will improve the quality of care for residents in the renovated facility, and, if applicable will eliminate or reduce life safety code waivers***

from the Office of Health Care Quality and the State Fire Marshall's Office.

Not Applicable. This is not a renovation project.

10.24.01.08G(3)(b). Need.

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.

INSTRUCTIONS: Fully address the way in which the proposed project is consistent with any specific applicable need standard or need projection methodology in the State Health Plan.

If the current bed need projection published by the MHCC based on the need formula in the State Health Plan does not project a need for all of the beds proposed, the applicant should identify the need that will be addressed by the proposed project by quantifying the need for all facility and service capacity proposed for development, relocation or renovation in the project.

If the project involves modernization of an existing facility through renovation and/or expansion, provide a detailed explanation of why such modernization is needed by the service area population of the nursing home. Identify and discuss relevant building or life safety code issues, age of physical plant issues, or standard of care issues that support the need for the proposed modernization.

Please assure that all sources of information used in the need analysis are identified and identify all the assumptions made in the need analysis with respect to demand for services, the projected utilization rate(s), and the relevant population considered in the analysis with information that supports the validity of these assumptions. The existing and/or intended service area population of the applicant should be clearly defined.

Complete the Statistical Projection (Tables D and E, as applicable) worksheets in the CON Table Package, as required. Instructions are provided in the cover sheet of the CON package. Table D must be completed if the applicant is an existing facility. Table E must be completed if the application is for a new facility or service or if it is requested by MHCC staff.

The State Health Plan does have a nursing home bed need projection (such as it is). Please see the response to the State Health Plan Nursing Home Standard COMAR 10.24.08.05.B (1) - Bed Need, which is hereby incorporated by reference.

As stated previously, SHH's sole objective of this project is to address the need for a new nursing facility building to provide proper quality of care to the Residents and to comply with the current Health Care Federal and State regulation.

The Nursing Home building was originally constructed in 1926 and expanded with wing additional wing and 3rd floor in 1963. Presently, SHS is a three story brick

building with a basement. Its floor configuration is “L” shaped, with a central nursing station on each floor, food service, housekeeping and care support spaces. SHS consists of six semi-private rooms and 88 private rooms, serving a population of 100 residents. Only one room has private toilet, and four rooms have shared toilet rooms. Other residents have to go down the corridor to public toilet rooms not designed for assistance. Community bathing rooms are also provided. The facility lacks common dining room areas, multipurpose rooms, and social areas on the floors. Overall, it has an institutional medical design rather than residential. The building does not have enough space to enhance residents’ quality of life.

Because of the old construction, the building is mostly “grandfathered” under the more modern licensure requirements. The hallways are narrow and out of compliance with the new Life Safety Code standards. The building requires constant maintenance, which includes: replacing leaking pipes, repairing damaged floors, and constantly dealing with ongoing plumbing and heating problems. The facility does not have central air conditioning or efficient Heating system. The current boilers and the heating system have reached their life capacity.

During the last ten years, SHH has made every attempt to save the building and planned for renovation. However, after numerous assessments and calculations of the budget required for the renovations, it became evident that the renovation project would be cost prohibitive. Due to the age and construction design, renovation would become limited and costly. SHH concluded that renovation will be very expensive and the building will still be in non-compliance with the current federal and state regulations.

The mission of SHH and the Sisters Servants of Mary Immaculate is to promote the highest quality of care and spiritual values with regard to human life and dignity, according to the teachings of the Roman Catholic Church. SHH has celebrated ninety years of being in the Hyattsville area and has provided quality care to the seniors in the community, been a good neighbor and source of employment. Medicare’s Nursing Home Compare shows that SHH has a CMS Five Star Quality Rating (“Much above average”).³

As SHH’s resident population comes with increased medical needs (as well as their families desiring more residential setting), SHH decided to undertake this new construction project. The Sisters Servants have worked in long-term care industry for over 60 years, and both facilities (SHH and St. Joseph’s Nursing Home) have provided exceptional care to the residents. For instance, in the past five years, SHH held either first or second place in the State of Maryland Pay for Performance score system which is based on indicators for quality of care. It is fully cognizant that the presence of the

³www.medicare.gov/nursinghomecompare/profile.html#profTab=3&ID=21E009&state=MD&lat=0&lng=0&name=SACRED%2520HEART%2520HOME%2520INC&Distn=0.0

Sisters makes a great difference. In recent years, the Order has experienced a decrease in vocations, and it lacks new Sisters to delegate to Health Care Facilities. Therefore, it is SHH's intent to build a new facility on the same campus with a decreased number of licensed beds from 102 to 44. A new, more accommodating facility will allow SHH to provide residents with a higher quality of life and care which cannot be met at the present environment.

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

The Commission shall compare the cost effectiveness of the proposed project with the cost effectiveness of providing the service through alternative existing facilities, or through an alternative facility that has submitted a competitive application as part of a comparative review.

INSTRUCTIONS: Please describe the planning process that was used to develop the proposed project. This should include a full explanation of the primary goals or objectives of the project or the problem(s) being addressed by the project. It should also identify the alternative approaches to achieving those goals or objectives or solving those problem(s) that were considered during the project planning process, including the alternative of the services being provided by existing facilities.

For all alternative approaches, provide information on the level of effectiveness in goal or objective achievement or problem resolution that each alternative would be likely to achieve and the costs of each alternative. The cost analysis should go beyond development cost to consider life cycle costs of project alternatives. This narrative should clearly convey the analytical findings and reasoning that supported the project choices made. It should demonstrate why the proposed project provides the most effective goal and objective achievement or the most effective solution to the identified problem(s) for the level of cost required to implement the project, when compared to the effectiveness and cost of alternatives including the alternative of providing the service through alternative existing facilities, or through an alternative facility that has submitted a competitive application as part of a comparative review.

SHH dates back to 1926. It is an old and out of date building. The mechanical system is a steam driven system, and the air conditioning is provided with window AC units.

Initially, in 2015, SHH looked into replacing the steam system (which requires a lot of maintenance) with a hot water system. SHH engaged a consulting engineering firm to evaluate SHH's options. The price to remove and replace the system was estimated to be \$5,000,000. Parallel to that, SHH worked with an architectural firm to look at the design effort that it would take to modernize the existing facility. Modernizing the facility was discussed with various agencies in the County. The magnitude of the renovations impacted much of the facility that had been "grandfathered" due the age of the facility. Each agency that SHH approached had improvements related to ADA, and/or current codes that added scope to the project. The cost of the renovation project would have been approximately \$14,000,000.

Consequently, SHH decided to look at a new replacement facility on campus, as opposed to renovating the existing 1924 building.

At the time, based on a smaller footprint, the cost of a new facility would be closer to \$10,000,000. SHH developed a scope of work for the new facility. It was decided that for the Sisters to be able to provide the quality of care that they do now, a smaller 44 bed facility would be the basis for the design. The Sisters have a facility that is this size in Catonsville, St. Joseph's Nursing Home, that was used as a model.

In 2016, the SHH team solicited design proposals from architects. The 11 unit per pod household layout and design provides a significant improvement to the Sisters' and the staff's ability to provide the best care for the residents.

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

The Commission shall consider the availability of financial and nonfinancial resources, including community support, necessary to implement the project within the time frames set forth in the Commission's performance requirements, as well as the availability of resources necessary to sustain the project.

INSTRUCTIONS: Please provide a complete description of the funding plan for the project, documenting the availability of equity, grant(s), or philanthropic sources of funds and demonstrating, to the extent possible, the ability of the applicant to obtain the debt financing proposed. Describe the alternative financing mechanisms considered in project planning and provide an explanation of why the proposed mix of funding sources was chosen.

- **Complete applicable Revenue & Expense Tables and the Workforce and Bedside Care Staffing worksheets in the CON Table Package, as required (Tables H and I for all applicants and Table F for existing facilities and/or Table G, for new facilities, new services, and when requested by MHCC staff). Attach additional pages as necessary detailing assumptions with respect to each revenue and expense line item. Instructions are provided in the cover sheet of the CON package and on each worksheet. Explain how these tables demonstrate that the proposed project is sustainable and provide a description of the sources and methods for recruitment of needed staff resources for the proposed project, if applicable. If the projections are based on Medicare percentages above the median for the jurisdiction in which the nursing home exists or is proposed, explain why the projected Medicare percentages are reasonable.**
- **Audited financial statements for the past two years should be provided by all applicant entities and parent companies to demonstrate the financial condition of the entities involved and the availability of the equity contribution. If audited financial statements are not available for the entity or individuals that will provide the equity contribution, submit documentation of the financial condition of the entities and/or individuals providing the funds and the availability of such funds. Acceptable documentation is a letter signed by an independent Certified Public Accountant. Such letter shall detail the financial information considered by the CPA in reaching the conclusion that adequate funds are available.**

- If debt financing is required and/or grants or fund raising is proposed, detail the experience of the entities and/or individuals involved in obtaining such financing and grants and in raising funds for similar projects. If grant funding is proposed, identify the grant that has been or will be pursued and document the eligibility of the proposed project for the grant.
- Describe and document relevant community support for the proposed project.
- Identify the performance requirements applicable to the proposed project (see Part I question 15) and explain how the applicant will be able to implement the project in compliance with those performance requirements. Explain the process for completing the project design, obtaining State and local land use, environmental, and design approvals, contracting and obligating the funds within the prescribed time frame. Describe the construction process or refer to a description elsewhere in the application that demonstrates that the project can be completed within the applicable time frame(s).

Exhibit 8 includes audited financial reports for the most recent two years.

Exhibit 9 includes a letter from a potential lender stating its interest in financing this project.

As the CON Application Table Package shows, SHH is financially viable and will remain so after it implements this project.

Exhibit 10 includes letters of support. As more are received, SHH will forward them to the MHCC.

SHH Believes that it will be subject to the following performance requirements.

COMAR 10.24.01.12C(3)(b):

- (c) Major (greater than \$5,000,000) additions, replacements, modernizations, relocations, or conversions to an existing health care facility has up to 24 months to obligate 51 percent of the approved capital expenditure, and up to 24 months after the effective date of a binding construction contract to complete the project;

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

An applicant shall demonstrate compliance with all terms and conditions of each previous Certificate of Need granted to the applicant, and with all commitments made that earned preferences in obtaining each previous Certificate of Need, or provide the Commission with a written notice and explanation as to why the conditions or commitments were not met.

INSTRUCTIONS: List all of the Maryland Certificates of Need that have been issued to the project applicant, its parent, or its affiliates or subsidiaries over the prior 15 years, including their terms and conditions, and any changes to approved Certificates that

needed to be obtained. Document that these projects were or are being implemented in compliance with all of their terms and conditions or explain why this was not the case.

SHH has no CONs since 1992.

10.24.01.08G(3)(f). Impact on Existing Providers and the Health Care Delivery System.

An applicant shall provide information and analysis with respect to the impact of the proposed project on existing health care providers in the health planning region, including the impact on geographic and demographic access to services, on occupancy, on costs and charges of other providers, and on costs to the health care delivery system.

INSTRUCTIONS: Please provide an analysis of the impact of the proposed project. Please assure that all sources of information used in the impact analysis are identified and identify all the assumptions made in the impact analysis with respect to demand for services, payer mix, access to service and cost to the health care delivery system including relevant populations considered in the analysis, and changes in market share, with information that supports the validity of these assumptions. Provide an analysis of the following impacts:

- a) On the volume of service provided by all other existing health care providers that are likely to experience some impact as a result of this project;
- b) On the payer mix of all other existing health care providers that are likely to experience some impact on payer mix as a result of this project. If an applicant for a new nursing home claims no impact on payer mix, the applicant must identify the likely source of any expected increase in patients by payer.
- c) On access to health care services for the service area population that will be served by the project. (State and support the assumptions used in this analysis of the impact on access);
- d) On costs to the health care delivery system.

If the applicant is an existing nursing home, provide a summary description of the impact of the proposed project on costs and charges of the applicant nursing home, consistent with the information provided in the Project Budget, the projections of revenues and expenses, and the work force information.

SHH does not believe that this project will have much impact on other providers, except to provide them with a larger potential base of residents, as SHH is reducing its own bed capacity. Given the MHCC's bed need projections, it should view the reduction in beds at SHH in a positive light.

SHH anticipates that it will experience approximately a 25% increase in Private Pay patient days because it will have a new facility with all private rooms, and each room will have its own bathroom.

	2017	2023	% Change
Patent Days	32,8233	15,738	
% Private Pay	19.3%	50%	
Private Pay Days	6,335	7,869	24.2%

This project will have almost no impact on the costs or charges at SHH. Using the data from the Revenue and Expense table, the Total Operating Expenses per patient day are projected to increase only \$0.81, despite the fact that SHH is reducing its licensed beds by more than 50%.

	2017	2023
Patent Days	32,823	15,738
Total Operating Expenses	\$8,108,896	\$3,900,808
Expenses/Patient Day	\$247.05	\$247.86

Exhibits

1. Organizational Chart
2. CON Application Table Package
3. Permit Timetable
4. Project Drawings
5. Material Distributed to Prospective Residents
6. Discharge Planning Policy
7. Quality Assurance Policy
8. Financial Statements
9. Letter Regarding Financing
10. Letters of Support
11. Table of Assumptions
12. Affirmations

EXHIBIT 1

Sisters Servants of Mary Immaculate American Province

SSMI Provincial House

```
graph TD; A["SSMI Provincial House"] --- B["Sacred Heart Home Inc  
SSMI Hyattsville, MD"]; A --- C["Ministry of the Basilica  
SSMI Silver Spring, MD"]; A --- D["St Joseph Nursing Home  
SSMI Catonsville, MD"]; A --- E["Catholic Charities  
SSMI Cleveland, OH"];
```

Sacred Heart Home Inc
SSMI Hyattsville, MD

Ministry of the Basilica
SSMI Silver Spring, MD

St Joseph Nursing Home
SSMI Catonsville, MD

Catholic Charities
SSMI Cleveland, OH

EXHIBIT 2

TABLE A. BED CAPACITY BY FLOOR AND NURSING UNIT BEFORE AND AFTER PROJECT

<i>INSTRUCTION : Identify the location of each nursing unit (add or delete rows if necessary) and specify the room and bed count before and after the project. Applicants should add columns and recalculate formulas to address any rooms with 3 and 4 bed capacity.</i>										
Before the Project						After Project Completion				
Service Location (Floor/Wing)	Current Licensed Beds	Based on Physical Capacity				Based on Physical Capacity				
		Room Count			Physical Bed Capacity	Service Location (Floor/Wing)	Room Count			Physical Bed Capacity
		Private	Semi-Private	Total Rooms			Private	Semi-Private	Total Rooms	
COMPREHENSIVE CARE						COMPREHENSIVE CARE				
	102	96	3	99	102	Level 1	44	0	44	44
				0	0			N/A	N/A	N/A
				0	0			N/A	N/A	N/A
				0	0		N/A	N/A	N/A	N/A
				0	0		N/A	N/A	N/A	N/A
SUBTOTAL Comprehensive Care	102	96	3	99	102	SUBTOTAL	44		44	44
ASSISTED LIVING						ASSISTED LIVING				
						Level 1	N/A	N/A	N/A	N/A
							N/A	N/A	N/A	N/A
TOTAL ASSISTED LIVING						TOTAL ASSISTED LIVING	0	0	0	0
Other (Specify/add rows as needed)				0	0	Other (Specify/add rows as needed)	N/A	N/A	N/A	N/A
TOTAL OTHER						TOTAL OTHER	0	0	0	0
FACILITY TOTAL	102	96	3	99	102	FACILITY TOTAL	44	0	44	44

TABLE B. PROPOSED NEW CONSTRUCTION AND RENOVATION SQUARE FOOTAGE

INSTRUCTION: Account for all existing and proposed square footage by floor. Further breakdown by nursing unit and building wing are at Applicants discretion and should be used by applicants if it adds valuable information to the description of the existing and proposed facilities. Add or delete rows if necessary.

Gross Square Footage by Floor/Nursing Unit/Wing	DEPARTMENTAL GROSS SQUARE FEET				
	Current	To be Added Thru New Construction	To Be Renovated	To Remain As Is	Total After Project Completion
Service Level	15,208	14,185	N/A	N/A	14,185
Level 1	15,304	46,057	N/A	N/A	46,057
Level 2	13,735	N/A	N/A	N/A	0
Level 3	10,160	N/A	N/A	N/A	0
					0
					0
					0
					0
					0
					0
					0
					0
					0
					0
					0
					0
Total	54,407	60,242	0	0	60,242

N/A

TABLE C. PROJECT BUDGET

INSTRUCTION: Estimates for Capital Costs (1.a-e), Financing Costs and Other Cash Requirements (2.a-g), and Working Capital Startup Costs (3) must reflect current costs as of the date of application and include all costs for construction and renovation. Explain the basis for construction cost estimates, renovation cost estimates, contingencies, interest during construction period, and inflation in an attachment to the application. If the project involves services other than CCF such as assisted living explain the allocation of costs between the CCF and the other service(s). NOTE: Inflation should only be included in the inflation allowance line A.1.e. The value of donated land for the project should be included on Line A.1.d as a use of funds and on line B.8 as a source of funds

	CCF Nursing Home	Other Service Areas	Total
A. USE OF FUNDS			
1. CAPITAL COSTS			
a. New Construction			
(1) Building	\$6,906,485		\$6,906,485
(2) Fixed Equipment	\$435,863		\$435,863
(3) Site and Infrastructure	\$5,175,556		\$5,175,556
(4) Architect/Engineering Fees	\$938,843		\$938,843
(5) Permits (Building, Utilities, Etc.)	\$60,000		\$60,000
SUBTOTAL New Construction	\$13,516,747	\$0	\$13,516,747
b. Renovations			
(1) Building			\$0
(2) Fixed Equipment (not included in construction)			\$0
(3) Architect/Engineering Fees			\$0
(4) Permits (Building, Utilities, Etc.)			\$0
SUBTOTAL Renovations	\$0	\$0	\$0
c. Other Capital Costs			
(1) Movable Equipment	\$200,000		\$200,000
(2) Contingency Allowance	\$946,172		\$946,172
(3) Gross interest during construction period	\$144,090		\$144,090
(4) Other (Specify/add rows if needed)			\$0
SUBTOTAL Other Capital Costs	\$1,290,262	\$0	\$1,290,262
TOTAL CURRENT CAPITAL COSTS	\$14,807,009	\$0	\$14,807,009
d. Land Purchased/Donated			
e. Inflation Allowance	\$742,693		\$742,693
TOTAL CAPITAL COSTS	\$15,549,702	\$0	\$15,549,702
2. Financing Cost and Other Cash Requirements			
a. Loan Placement Fees	\$300,000		\$300,000
b. Bond Discount			\$0
c. CON Application Assistance			
c1. Legal Fees	\$25,000		\$25,000
c2. Other (Specify/add rows if needed)	\$10,000		\$10,000
d. Non-CON Consulting Fees			\$0
d1. Legal Fees			
d2. Other (Specify/add rows if needed)			\$0
e. Debt Service Reserve Fund			\$0
f. Other (Specify/add rows if needed)			\$0
SUBTOTAL	\$335,000	\$0	\$335,000
3. Working Capital Startup Costs			\$0
TOTAL USES OF FUNDS	\$15,884,702	\$0	\$15,884,702
B. Sources of Funds			
1. Cash	\$8,000,000		\$8,000,000
2. Philanthropy (to date and expected)			\$0
3. Authorized Bonds			\$0
4. Interest Income from bond proceeds listed in #3			\$0
5. Mortgage	\$3,884,702		\$3,884,702
6. Working Capital Loans			\$0
7. Grants or Appropriations			
a. Federal			\$0
b. State			\$0
c. Local			\$0

8. Other (Specify/add rows if needed) Interest Free From Sisters Servants of Mary Immaculate	\$4,000,000		\$4,000,000
TOTAL SOURCES OF FUNDS	\$15,884,702		\$15,884,702
Annual Lease Costs (if applicable)			
1. Land			\$0
2. Building			\$0
3. Major Movable Equipment			\$0
4. Minor Movable Equipment			\$0
5. Other (Specify/add rows if needed)			\$0

* Describe the terms of the lease(s) below, including information on the fair market value of the item(s), and the number of years, annual cost, and the interest rate for the lease.

TABLE D. UTILIZATION PROJECTIONS - ENTIRE FACILITY

INSTRUCTION: Complete this table for the entire facility, including the proposed project. Account for all inpatient and outpatient volume that produce or will produce revenue. Indicate on the table if the reporting period is Calendar Year (CY) or Fiscal Year (FY). For sections 3 & 4, the number of beds and occupancy percentage should be reported on the basis of licensed beds. In an attachment to the application, provide an explanation or basis for the projections and specify all assumptions used. Applicants must explain why the assumptions are reasonable.

	Two Most Recent Years (Actual)		Current Year Projected	Projected Years - ending with full utilization and financial stability (3 to 5 years post project completion) Add columns if needed.						
Indicate CY or FY	CY 2015	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023	
1. ADMISSIONS										
a. Comprehensive Care (public)	24	43	42	40	40	15	10	13	13	
b. Comprehensive Care (CCRC Restricted)	0	0	0	0	0	0	0	0	0	
Total Comprehensive Care	24	43	42	40	40	15	10	13	13	0
c. Assisted Living	0	0	0	0	0	0	0	0	0	
d. Other (Specify/add rows of needed)	0	0	0	0	0	0	0	0	0	
TOTAL ADMISSIONS										
2. PATIENT DAYS										
a. Comprehensive Care (public)	35,897	35,045	32,823	32,823	32,762	28,902	20,666	15,739	15,738	
b. Comprehensive Care (CCRC Restricted)	0									
Total Comprehensive Care	35,897	35,045	32,823	32,823	32,762	28,902	20,666	15,739	15,738	0
c. Assisted Living										
d. Other (Specify/add rows of needed)										
TOTAL PATIENT DAYS	35,897	35,045	32,823	32,823	32,762	28,902	20,666	15,739	15,738	
3. NUMBER OF BEDS										
a. Comprehensive Care (public)	102	102	102	102	102	102	102	44	44	
b. Comprehensive Care (CCRC Restricted)	0									
Total Comprehensive Care Beds	102	102	102	102	102	102	102	44	44	0
c. Assisted Living										
d. Other (Specify/add rows of needed)										
TOTAL BEDS	102	102	102	102	102	102	102	44	44	0

TABLE D. UTILIZATION PROJECTIONS - ENTIRE FACILITY

INSTRUCTION: Complete this table for the entire facility, including the proposed project. Account for all inpatient and outpatient volume that produce or will produce revenue. Indicate on the table if the reporting period is Calendar Year (CY) or Fiscal Year (FY). For sections 3 & 4, the number of beds and occupancy percentage should be reported on the basis of licensed beds. In an attachment to the application, provide an explanation or basis for the projections and specify all assumptions used. Applicants must explain why the assumptions are reasonable.

[illegible]

TABLE E. UTILIZATION PROJECTIONS - NEW FACILITY OR SERVICE

INSTRUCTION: After consulting with Commission Staff, complete this table for the new facility or service (the proposed project). Account for all inpatient and outpatient volume that produce or will produce revenue. Indicate on the table if the reporting period is Calendar Year (CY) or Fiscal Year (FY). For sections 3 & 4, the number of beds and occupancy percentage should be reported on the basis of proposed beds. In an attachment to the application, provide an explanation or basis for the projections and specify all assumptions used. Applicants must explain why the assumptions are reasonable.

	Projected Years - ending with full utilization and financial stability (3 to 5 years post project completion) Add columns if needed.						
<i>Indicate CY or FY</i>							
1. ADMISSIONS							
a. Comprehensive Care (public)							
b. Comprehensive Care (CCRC Restricted)							
Total Comprehensive Care	0	0	0	0	0	0	0
c. Assisted Living							
d. Other (Specify/add rows of needed)							
TOTAL ADMISSIONS							
2. PATIENT DAYS							
a. Comprehensive Care (public)							
b. Comprehensive Care (CCRC Restricted)							
Total Comprehensive Care	0	0	0	0	0	0	0
c. Assisted Living							
TOTAL PATIENT DAYS							
3. NUMBER OF BEDS							
a. Comprehensive Care (public)							
b. Comprehensive Care (CCRC Restricted)							
Total Comprehensive Care Beds	0	0	0	0	0	0	0
c. Assisted Living							
d. Other (Specify/add rows of needed)							
TOTAL BEDS	0	0	0	0	0	0	0
4. OCCUPANCY PERCENTAGE <i>*IMPORTANT NOTE: Leap year formulas should be changed by applicant to reflect 366 days per year.</i>							
a. Comprehensive Care (public)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
b. Comprehensive Care (CCRC Restricted)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Total Comprehensive Care Beds	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
c. Assisted Living	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
d. Other (Specify/add rows of needed)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
TOTAL OCCUPANCY %	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
5. OUTPATIENT (specify units used for charging and recording revenues)							
a. Adult Day Care							
b. Other (Specify/add rows of needed)							
TOTAL OUTPATIENT VISITS	0	0	0	0	0	0	0

TABLE F. REVENUES & EXPENSES, UNINFLATED - ENTIRE FACILITY

INSTRUCTION: Complete this table for the entire facility, including the proposed project. The table should reflect current dollars (no inflation). Projected revenues and expenses should be consistent with the utilization projections in Table D reflecting changes in volume and with the costs of the Workforce identified in Table H. Indicate on the table if the reporting period is Calendar Year (CY) or Fiscal Year (FY). In an attachment to the application, provide an explanation or basis for the projected revenue and expenses specifying all assumptions used. Applicants must explain why the assumptions are reasonable. Revenue should be projected based on actual charges with calculations detailed in the attachment and Contractual Allowance should not be included if it is a positive adjustment to gross revenue. Specify the sources of non-operating income.

	Two Most Recent Years (Actual)		Current Year Projected	Projected Years - ending with full utilization and financial stability (3 to 5 years post project completion) Add columns if needed.						
Indicate CY or FY	CY 2015	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023	
1. REVENUE										
a. Inpatient Services	\$ 8,993,564	\$ 9,050,867	\$ 8,256,586	\$ 8,256,586	\$ 8,361,069	\$ 7,373,677	\$ 5,273,491	\$ 3,848,898	\$ 3,928,520	
b. Outpatient Services										
Gross Patient Service Revenues	\$ 8,993,564	\$ 9,050,867	\$ 8,256,586	\$ 8,256,586	\$ 8,361,069	\$ 7,373,677	\$ 5,273,491	\$ 3,848,898	\$ 3,928,520	\$ -
c. Allowance For Bad Debt										
d. Contractual Allowance	\$ 32,784	\$ 293,146	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
e. Charity Care										
Net Patient Services Revenue	\$ 8,960,780	\$ 8,757,721	\$ 8,256,586	\$ 8,256,586	\$ 8,361,069	\$ 7,373,677	\$ 5,273,491	\$ 3,848,898	\$ 3,928,520	\$ -
f. Other Operating Revenues (Specify/add rows if needed)										
NET OPERATING REVENUE	\$ 8,960,780	\$ 8,757,721	\$ 8,256,586	\$ 8,256,586	\$ 8,361,069	\$ 7,373,677	\$ 5,273,491	\$ 3,848,898	\$ 3,928,520	\$ -
2. EXPENSES										
a. Salaries & Wages (including benefits)	\$ 4,909,090	\$ 4,785,786	\$ 4,785,786	\$ 4,785,786	\$ 4,785,786	\$ 4,261,566	\$ 3,177,432	\$ 2,288,672	\$ 2,288,672	
b. Contractual Services	\$ 1,546,281	\$ 1,559,880	\$ 1,559,880	\$ 1,559,880	\$ 1,559,880	\$ 1,377,210	\$ 987,452	\$ 627,674	\$ 627,674	
c. Interest on Current Debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
d. Interest on Project Debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 160,502	\$ 157,520	
e. Current Depreciation	\$ 201,845	\$ 202,848	\$ 202,848	\$ 202,848	\$ 202,848	\$ 202,848	\$ 202,848	\$ 50,000	\$ 50,000	
f. Project Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 449,388	\$ 449,388	
g. Current Amortization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
h. Project Amortization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,571	\$ 8,571	
i. Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
j. Other Expenses (Specify/add rows if needed)	\$ 1,812,302	\$ 1,582,835	\$ 1,560,382	\$ 1,560,382	\$ 1,558,827	\$ 1,405,381	\$ 1,077,976	\$ 318,983	\$ 318,983	
TOTAL OPERATING EXPENSES	\$ 8,468,518	\$ 8,131,349	\$ 8,108,896	\$ 8,108,896	\$ 8,107,341	\$ 7,247,005	\$ 5,445,707	\$ 3,903,790	\$ 3,900,808	\$ -

TABLE F. REVENUES & EXPENSES, UNINFLATED - ENTIRE FACILITY

INSTRUCTION: Complete this table for the entire facility, including the proposed project. The table should reflect current dollars (no inflation). Projected revenues and expenses should be consistent with the utilization projections in Table D reflecting changes in volume and with the costs of the Workforce identified in Table H. Indicate on the table if the reporting period is Calendar Year (CY) or Fiscal Year (FY). In an attachment to the application, provide an explanation or basis for the projected revenue and expenses specifying all assumptions used. Applicants must explain why the assumptions are reasonable. Revenue should be projected based on actual charges with calculations detailed in the attachment and Contractual Allowance should not be included if it is a positive adjustment to gross revenue. Specify the sources of non-operating income.

[illegible]

TABLE G. REVENUES & EXPENSES, UNINFLATED - NEW FACILITY OR SERVICE

INSTRUCTION: After consulting with Commission Staff, complete this table for the new facility or service (the proposed project). This table should reflect current dollars (no inflation). Projected revenues and expenses should be consistent with the utilization projections in Table E and with the Workforce costs identified in Table H. Indicate on the table if the reporting period is Calendar Year (CY) or Fiscal Year (FY). In an attachment to the application, provide an explanation or basis for the projections and specify all assumptions used. Applicants must explain why the assumptions are reasonable. Revenue should be projected based on actual charges with detailed calculation by payer in the attachment. The contractual allowance should not be reported if it is a positive adjustment to gross revenue. Specify the sources of non-operating income.

[illegible]

TABLE H. WORKFORCE INFORMATION

INSTRUCTION: List the facility's existing staffing and changes required by this project. Include all major job categories under each heading provided in the table. The number of Full Time Equivalents (FTEs) should be calculated on the basis of 2,080 paid hours per year equals one FTE. In an attachment to the application, explain any factor used in converting paid hours to worked hours. Please ensure that the projections in this table are consistent with expenses provided in uninflated projections in Tables F and G.

Job Category	CURRENT ENTIRE FACILITY			PROJECTED CHANGES AS A RESULT OF THE PROPOSED PROJECT THROUGH THE LAST YEAR OF PROJECTION (CURRENT DOLLARS)			OTHER EXPECTED CHANGES IN OPERATIONS THROUGH THE LAST YEAR OF PROJECTION (CURRENT DOLLARS)			PROJECTED ENTIRE FACILITY THROUGH THE LAST YEAR OF PROJECTION (CURRENT DOLLARS)	
	Current Year FTEs	Average Salary per FTE	Current Year Total Cost	FTEs	Average Salary per FTE	Total Cost (should be consistent with projections in Table G, if submitted)	FTEs	Average Salary per FTE	Total Cost	FTEs	Total Cost (should be consistent with projections in Table G)
1. Regular Employees											
Administration (List general categories, add rows if needed)											
ADMINISTRATOR	1.0	\$168,109	\$168,109			\$0			\$0	1.0	\$168,109
DEVELOPMENT											
OFFICE	12.0	\$28,840	\$346,078	-4.0	\$28,840	-\$115,359			\$0	8.0	\$230,719
									\$0	0.0	\$0
Total Administration	13.0		514,187.0	-4.0		-115,359.3	0.0		0.0	9.0	\$398,828
Direct Care Staff (List general categories, add rows if needed)											
DN	1.00	\$127,283	\$127,283			\$0.00				1.0	\$127,283
Registered Nurses	2.81	\$56,597	\$159,037		\$56,597	\$0.00				2.8	\$159,037
L. P. N. s	15.54	\$47,840	\$743,434	-11.3	\$47,840	-\$542,027.20				4.2	\$201,406
Aides	49.12	\$25,855	\$1,269,985	-47.7	\$25,855	-\$1,233,271.58				1.4	\$36,714
C. N. A.s/CMA	21.05	\$32,968	\$693,974		\$32,968	\$0.00				21.1	\$693,974
			\$0			\$0.00				0.0	\$0
	89.52		2,993,713.02	(59.03)		\$0	-		-	30.49	1,218,414.25
Support Staff (List general categories, add rows if needed)											
MAINTENANCE	2.0	\$20,296	\$40,591			\$0			\$0	2.0	\$40,591
LAUNDRY	6.0	\$23,433	\$140,596	-2.0	\$23,433	-\$46,865			\$0	4.0	\$93,731
SOCIAL SERVICES	2.0	\$40,699	\$81,397	-1.0	\$40,699	-\$40,699			\$0	1.0	\$40,699
ACTIVITIES	3.0	\$28,677	\$86,031	-1.0	\$28,677	-\$28,677			\$0	2.0	\$57,354

TABLE H. WORKFORCE INFORMATION

PASTORRIAL SERVICES	1.0	\$41,941	\$41,940			\$0			\$0	1.0	\$41,940
Total Support	14.0		390,555	-4		-116,241			0	10.0	\$274,314
REGULAR EMPLOYEES TOTAL	116.5		3,898,455	-67.0		\$0			\$0	49.5	\$1,891,556
2. Contractual Employees											
Administration (List general categories, add rows if needed)											
			\$0			\$0			\$0	0.0	\$0
			\$0			\$0			\$0	0.0	\$0
			\$0			\$0			\$0	0.0	\$0
			\$0			\$0			\$0	0.0	\$0
Total Administration			\$0			\$0			\$0	0.0	\$0
Direct Care Staff (List general categories, add rows if needed)											
						\$0					
			\$0			\$0			\$0	0.0	\$0
			\$0			\$0			\$0	0.0	\$0
			\$0			\$0			\$0	0.0	\$0
Total Direct Care Staff			\$0			\$0			\$0	0.0	\$0
Support Staff (List general categories, add rows if needed)											
Food (based on Meals not staffing)			\$0			\$0			\$0	0.0	\$0
Housekeeping daily rate not based on staffing			\$0			\$0			\$0	0.0	\$0
			\$0			\$0			\$0	0.0	\$0
			\$0			\$0			\$0	0.0	\$0
Total Support Staff			\$0			\$0			\$0	0.0	\$0
CONTRACTUAL EMPLOYEES TOTAL			\$0			\$0			\$0	0.0	\$0
Benefits (State method of calculating benefits below):			887,331								397,115
Current Year Actual\Projected Years Estimated % of Salaries											
TOTAL COST	116.5		\$4,785,786	-67.0		\$0	0.0		\$0	49.5	\$2,288,672

Benefits are calculated at 23%, which is based on prior years supported % for the facility.

TABLE I. Scheduled Staff for Typical Work Week

INSTRUCTION: Quantify the staff that will provide bedside care that would be counted toward the current minimum staffing as required by COMAR 10.07.02.12

	Weekday Hours Per Day					Weekend Hours Per Day			
Staff Category	Day	Evening	Night	Total		Day	Evening	Night	Total
Registered Nurses	8.00	8.00		16.00		8.00	8.00	0.00	16.00
L. P. N. s	8.00	8.00	8.00	24.00		8.00	8.00	8.00	24.00
Aides	8.00			8.00		8.00	0.00	0.00	8.00
C. N. A.s	56.00	48.00	16.00	120.00		56.00	48.00	16.00	120.00
Medicine Aides	8.00			8.00		8.00	0.00	0.00	8.00
Total	88.00	64.00	24.00	176.00		88	64	24	176
Licensed Beds at Project Completion				44		Licensed Beds at Project Completion			44
Hours of Bedside Care per Licensed Bed per Day				4.00		Hours of Bedside Care per Licensed Bed Per Day			4.00
	Weekday Hours Per Day					Weekend Hours Per Day			
Staff Category	Day	Evening	Night	Total		Day	Evening	Night	Total
Ward Clerks (bedside care time calculated at 50%									
Total Including 50% of Ward Clerks Time									
Total Hours of Bedside Care per Licensed Bed Per Day				4.00		Total Hours of Bedside Care per Licensed Bed Per Day			4.00

TABLE J. CONSTRUCTION CHARACTERISTICS

INSTRUCTION: If project includes non-hospital space structures (e.g., parking garages, medical office buildings, or energy plants), complete an additional Table J for each structure.

BASE BUILDING CHARACTERISTICS	NEW CONSTRUCTION	RENOVATION
Class of Construction (for renovations the class of the building being renovated)*	Check if applicable	
Class A	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Class B	<input type="checkbox"/>	<input type="checkbox"/>
Class C	<input type="checkbox"/>	<input type="checkbox"/>
Class D	<input type="checkbox"/>	<input type="checkbox"/>
Type of Construction/Renovation*		
Low	<input type="checkbox"/>	<input type="checkbox"/>
Average	<input type="checkbox"/>	<input type="checkbox"/>
Good	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Excellent	<input type="checkbox"/>	<input type="checkbox"/>
Number of Stories		

*As defined by Marshall Valuation Service

PROJECT SPACE	List Number of Feet, if applicable	
Total Square Footage	Total Square Feet	
Basement	14,185	N/A
First Floor	46,057	N/A
Second Floor	N/A	N/A
Third Floor	N/A	N/A
Fourth Floor	N/A	N/A
Average Square Feet	30,121	N/A
Perimeter in Linear Feet	Linear Feet	
Basement	504	N/A
First Floor	1,690	N/A
Second Floor	N/A	N/A
Third Floor	N/A	N/A
Fourth Floor	N/A	N/A
Total Linear Feet	2,194	N/A
Average Linear Feet	1,097	N/A
Wall Height (floor to eaves)	Feet	
Basement	11	N/A
First Floor	10	N/A
Second Floor	N/A	N/A
Third Floor	N/A	N/A
Fourth Floor	N/A	N/A
Average Wall Height	11	N/A

OTHER COMPONENTS		
Elevators	List Number	
Passenger	N/A	N/A
Freight	2 @ 3,500 pounds	N/A
Sprinklers	Square Feet Covered	
Wet System	60,242	N/A
Dry System	N/A	N/A

Other	Describe Type
Type of HVAC System for proposed project	<p>A VRF heat pump system with heat recovery will condition the majority of the building, particularly all resident rooms. Larger, high occupancy spaces may be conditioned using traditional split systems with either heat pump or gas furnaces. Packaged rooftop units may also be considered. Heat pump units will be installed on the roof or at grade consolidate into small groups.</p> <p>A dedicated outside air system (DOAS) will be required to provide the necessary ventilation to areas conditioned by VRF systems. This DOAS unit(s) will be a rooftop unit equipped with exhaust and energy wheel. The unit(s) will be capable of introducing 100% outside air, heated, cooled and dehumidified.</p>
Type of Exterior Walls for proposed project	The typical exterior wall assembly for the project will consist of 6" metal studs 5/8" fiberglass sheathing with a weather /air barrier and rigid insulation. The exterior finish will consist of masonry veneer and cementitious siding as specified within the architectural elevations. The insulation values will meet IECC / IBC requirements as required.

TABLE K. ONSITE AND OFFSITE COSTS INCLUDED AND EXCLUDED IN MARSHALL VALUATION COST

INSTRUCTION: If project includes non-hospital space structures (e.g., parking garages, medical office buildings, or energy plants), complete an additional Table D for each structure.

	NEW CONSTRUCTION COSTS	RENOVATION COSTS
SITE PREPARATION COSTS		
Normal Site Preparation	\$1,300,433	
Utilities from Structure to Lot Line	\$0	
Subtotal included in Marshall Valuation Costs		
Site Demolition Costs	\$38,928	
Storm Drains	\$281,917	
Rough Grading	\$570,644	
Hillside Foundation	\$0	
Paving	\$175,639	
Exterior Signs	\$28,192	
Landscaping	\$140,958	
Walls	\$0	
Yard Lighting	\$95,851	
Other (Specify/add rows if needed)		
Subtotal On-Site excluded from Marshall Valuation Costs	\$1,332,129	
OFFSITE COSTS		
Roads	\$0	
Utilities	\$0	
Jurisdictional Hook-up Fees		
Other (Specify/add rows if needed)		
Subtotal Off-Site excluded from Marshall Valuation Costs		
TOTAL Estimated On-Site and Off-Site Costs <u>not</u> included in Marshall Valuation Costs	\$1,332,129	\$0
TOTAL Site and Off-Site Costs included and excluded from Marshall Valuation Service*	\$1,332,129	\$0

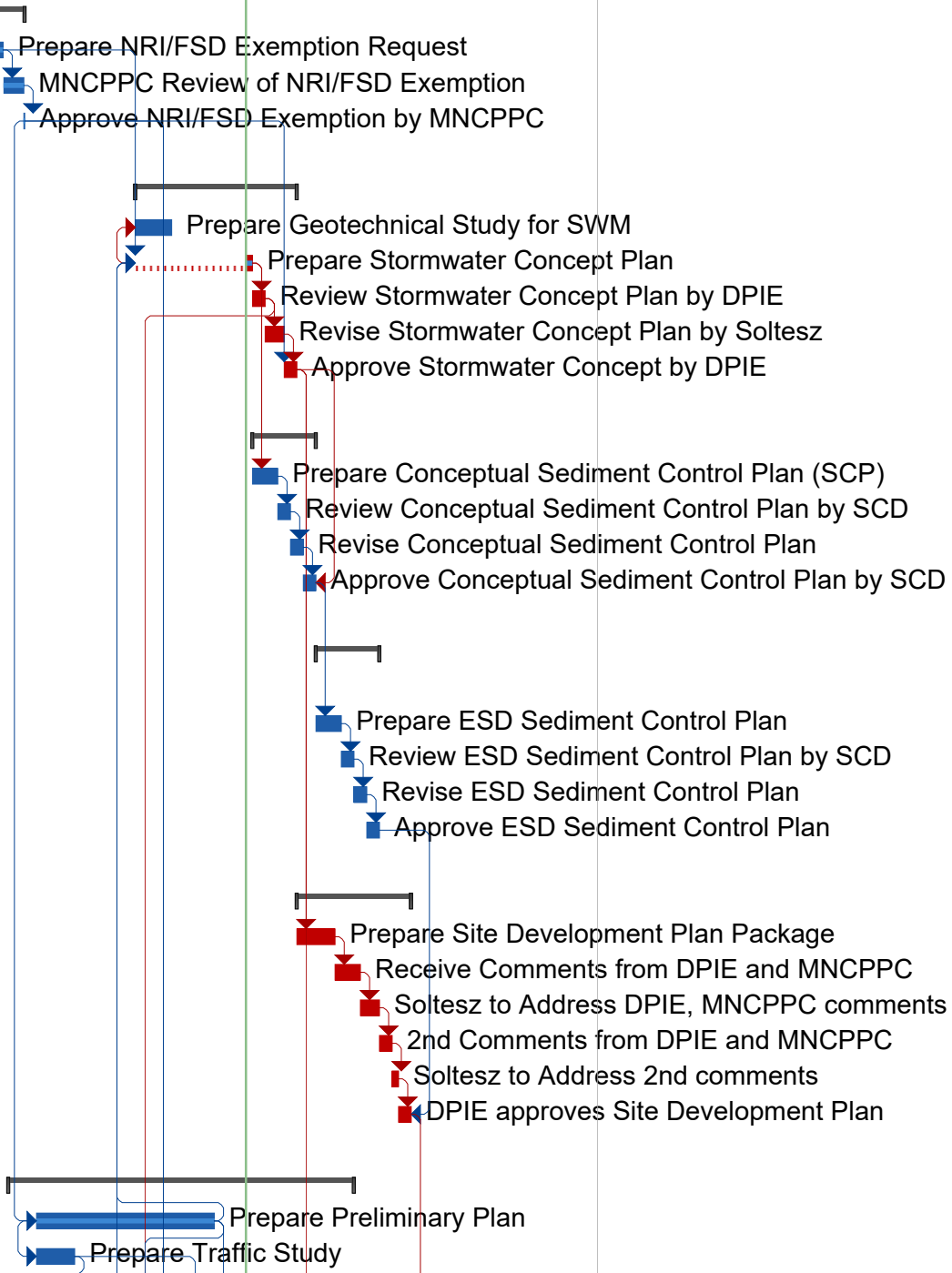
*The combined total site and offsite cost included and excluded from Marshall Valuation Service should typically equal the estimated site preparation cost reported in Application Part II, Project Budget (see Table E, Project Budget). If these numbers are not equal, please reconcile the numbers in an explanation in an attachment to the application.

EXHIBIT 3

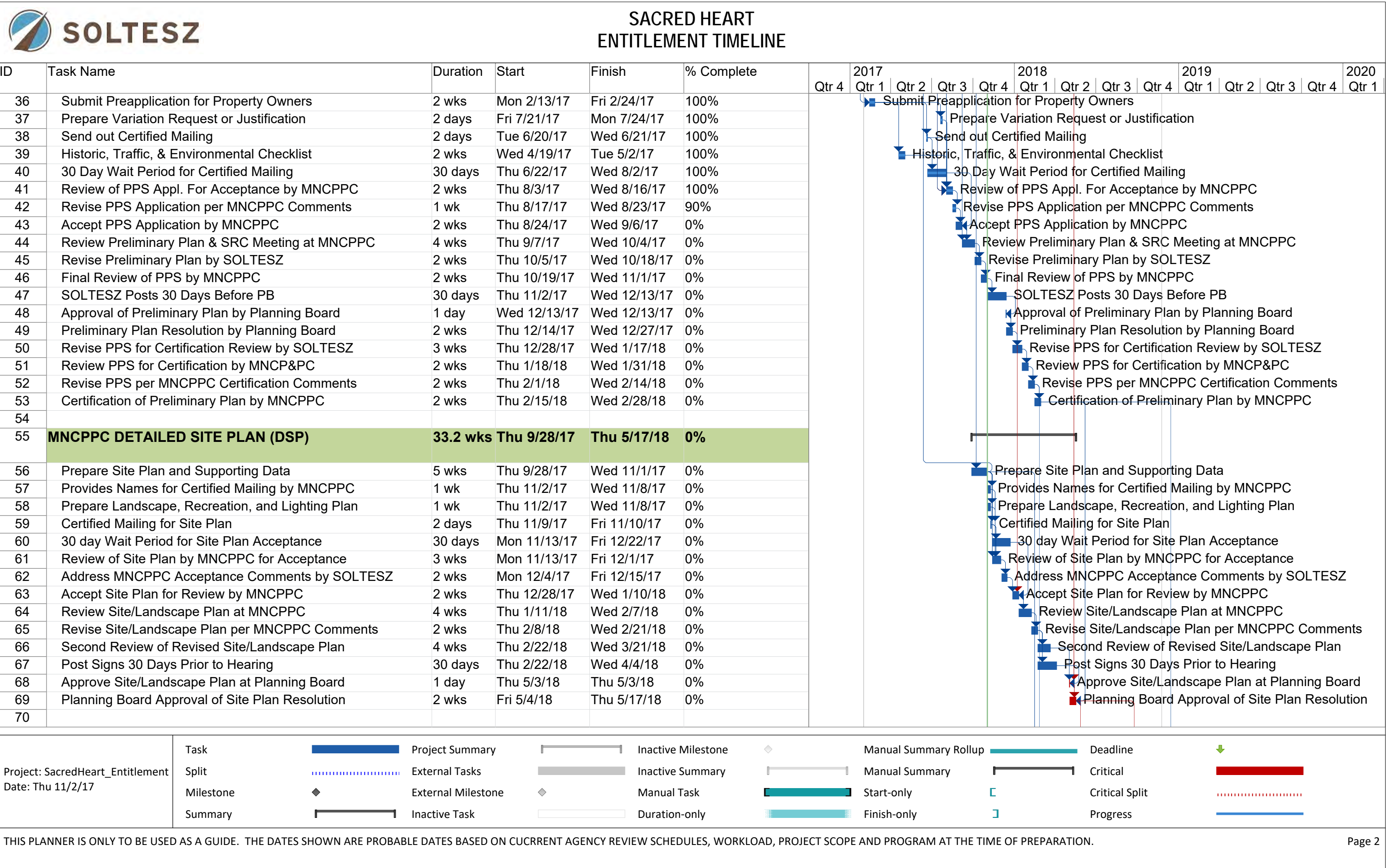


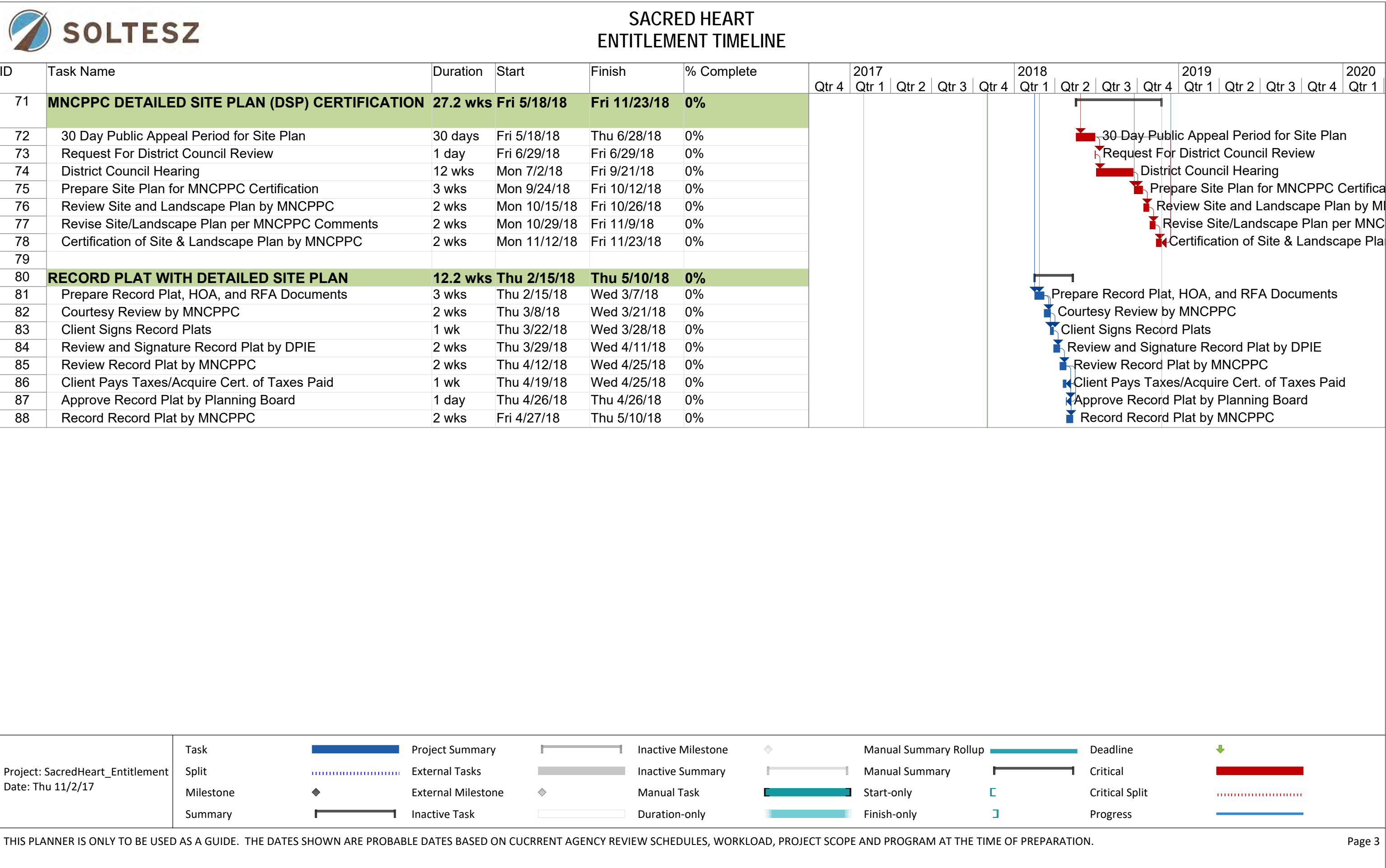
SACRED HEART
ENTITLEMENT TIMELINE

ID	Task Name	Duration	Start	Finish	% Complete																												
						Qtr 4	2017	Qtr 1	Qtr 2	Qtr 3	Qtr 4	2018	Qtr 1	Qtr 2	Qtr 3	Qtr 4	2019	Qtr 1	Qtr 2	Qtr 3	Qtr 4	2020	Qtr 1										
1	NATURAL RESOURCE INVENTORY EXEMPTION	4.6 wks	Tue 1/31/17	Thu 3/2/17	100%																												
2	Prepare NRI/FSD Exemption Request	1 wk	Tue 1/31/17	Mon 2/6/17	100%																												
3	MNCPPC Review of NRI/FSD Exemption	3.2 wks	Wed 2/8/17	Wed 3/1/17	100%																												
4	Approve NRI/FSD Exemption by MNCPPC	1 day	Thu 3/2/17	Thu 3/2/17	100%																												
5																																	
6	DPIE STORMWATER MANAGEMENT CONCEPT PLAN	25.6 wks	Mon 7/3/17	Wed 12/27/17	6%																												
7	Prepare Geotechnical Study for SWM	6 wks	Mon 7/3/17	Fri 8/11/17	0%																												
8	Prepare Stormwater Concept Plan	1 wk	Mon 7/3/17	Wed 11/8/17	90%																												
9	Review Stormwater Concept Plan by DPIE	2 wks	Thu 11/9/17	Wed 11/22/17	0%																												
10	Revise Stormwater Concept Plan by Soltesz	3 wks	Thu 11/23/17	Wed 12/13/17	0%																												
11	Approve Stormwater Concept by DPIE	2 wks	Thu 12/14/17	Wed 12/27/17	0%																												
12																																	
13	SCD CONCEPTUAL SEDIMENT CONTROL PLAN	10 wks	Thu 11/9/17	Wed 1/17/18	0%																												
14	Prepare Conceptual Sediment Control Plan (SCP)	4 wks	Thu 11/9/17	Wed 12/6/17	0%																												
15	Review Conceptual Sediment Control Plan by SCD	2 wks	Thu 12/7/17	Wed 12/20/17	0%																												
16	Revise Conceptual Sediment Control Plan	2 wks	Thu 12/21/17	Wed 1/3/18	0%																												
17	Approve Conceptual Sediment Control Plan by SCD	2 wks	Thu 1/4/18	Wed 1/17/18	0%																												
18																																	
19	SCD ENVIRONMENTAL SITE DEVELOPMENT (ESD) SEDIMENT CONTROL PLAN (SCP)	10 wks	Thu 1/18/18	Wed 3/28/18	0%																												
20	Prepare ESD Sediment Control Plan	4 wks	Thu 1/18/18	Wed 2/14/18	0%																												
21	Review ESD Sediment Control Plan by SCD	2 wks	Thu 2/15/18	Wed 2/28/18	0%																												
22	Revise ESD Sediment Control Plan	2 wks	Thu 3/1/18	Wed 3/14/18	0%																												
23	Approve ESD Sediment Control Plan	2 wks	Thu 3/15/18	Wed 3/28/18	0%																												
24																																	
25	DPIE SITE DEVELOPMENT PLAN	18 wks	Thu 12/28/17	Wed 5/2/18	0%																												
26	Prepare Site Development Plan Package	6 wks	Thu 12/28/17	Wed 2/7/18	0%																												
27	Receive Comments from DPIE and MNCPPC	4 wks	Thu 2/8/18	Wed 3/7/18	0%																												
28	Soltesz to Address DPIE, MNCPPC comments	3 wks	Thu 3/8/18	Wed 3/28/18	0%																												
29	2nd Comments from DPIE and MNCPPC	2 wks	Thu 3/29/18	Wed 4/11/18	0%																												
30	Soltesz to Address 2nd comments	1 wk	Thu 4/12/18	Wed 4/18/18	0%																												
31	DPIE approves Site Development Plan	2 wks	Thu 4/19/18	Wed 5/2/18	0%																												
32																																	
33	MNCPPC PRELIMINARY PLAN OF SUBDIVISION (PPS)	54.6 wks	Mon 2/13/17	Wed 2/28/18	56%																												
34	Prepare Preliminary Plan	28 wks	Thu 3/16/17	Wed 9/27/17	100%																												
35	Prepare Traffic Study	6 wks	Thu 3/16/17	Wed 4/26/17	0%																												



Project: SacredHeart_Entitlement Date: Thu 11/2/17	Task		Project Summary		Inactive Milestone		Manual Summary Rollup		Deadline	
	Split		External Tasks		Inactive Summary		Manual Summary		Critical	
	Milestone		External Milestone		Manual Task		Start-only		Critical Split	
	Summary		Inactive Task		Duration-only		Finish-only		Progress	

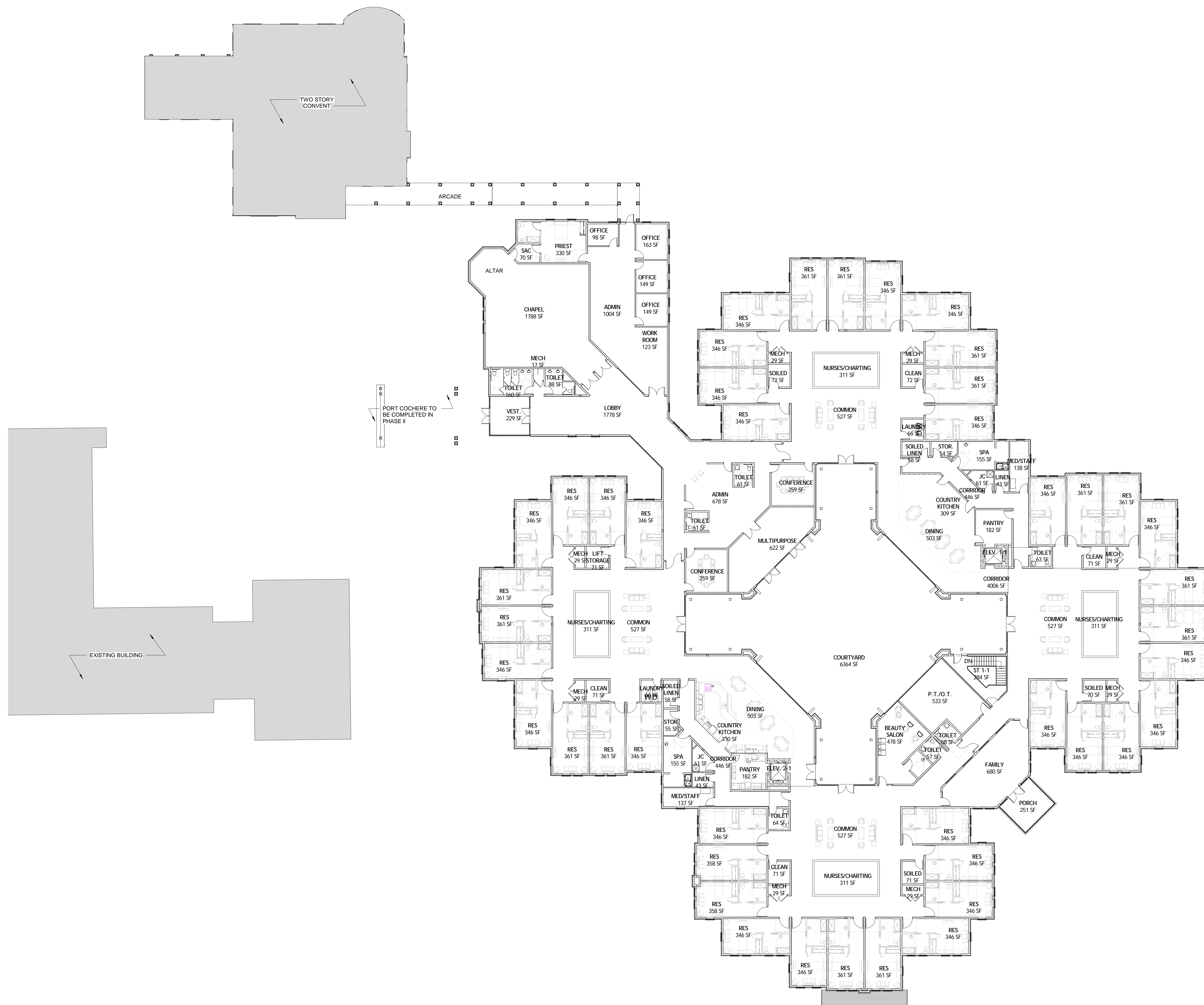




THIS PLANNER IS ONLY TO BE USED AS A GUIDE. THE DATES SHOWN ARE PROBABLE DATES BASED ON CUCRRENT AGENCY REVIEW SCHEDULES, WORKLOAD, PROJECT SCOPE AND PROGRAM AT THE TIME OF PREPARATION.

Page 3

EXHIBIT 4

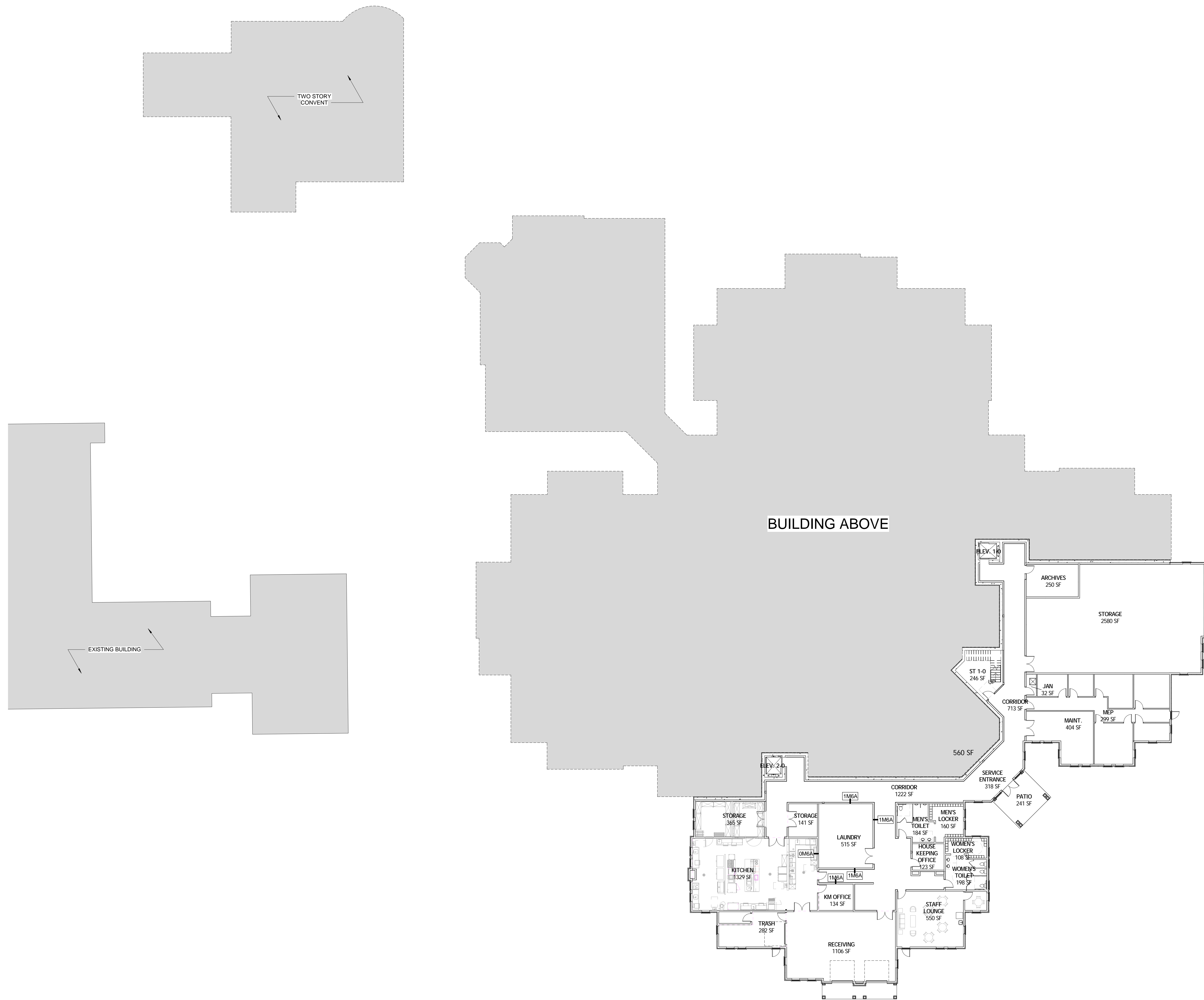


SACRED HEART REPLACEMENT NURSING COMMUNITY

5805 QUEEN'S CHAPEL ROAD
HYATTSVILLE, MD 20782

CON - LEVEL 1 - OVERALL
FLOOR PLAN
Scale: 1/16" = 1'-0"

hord | coplan | macht
09.28.2017

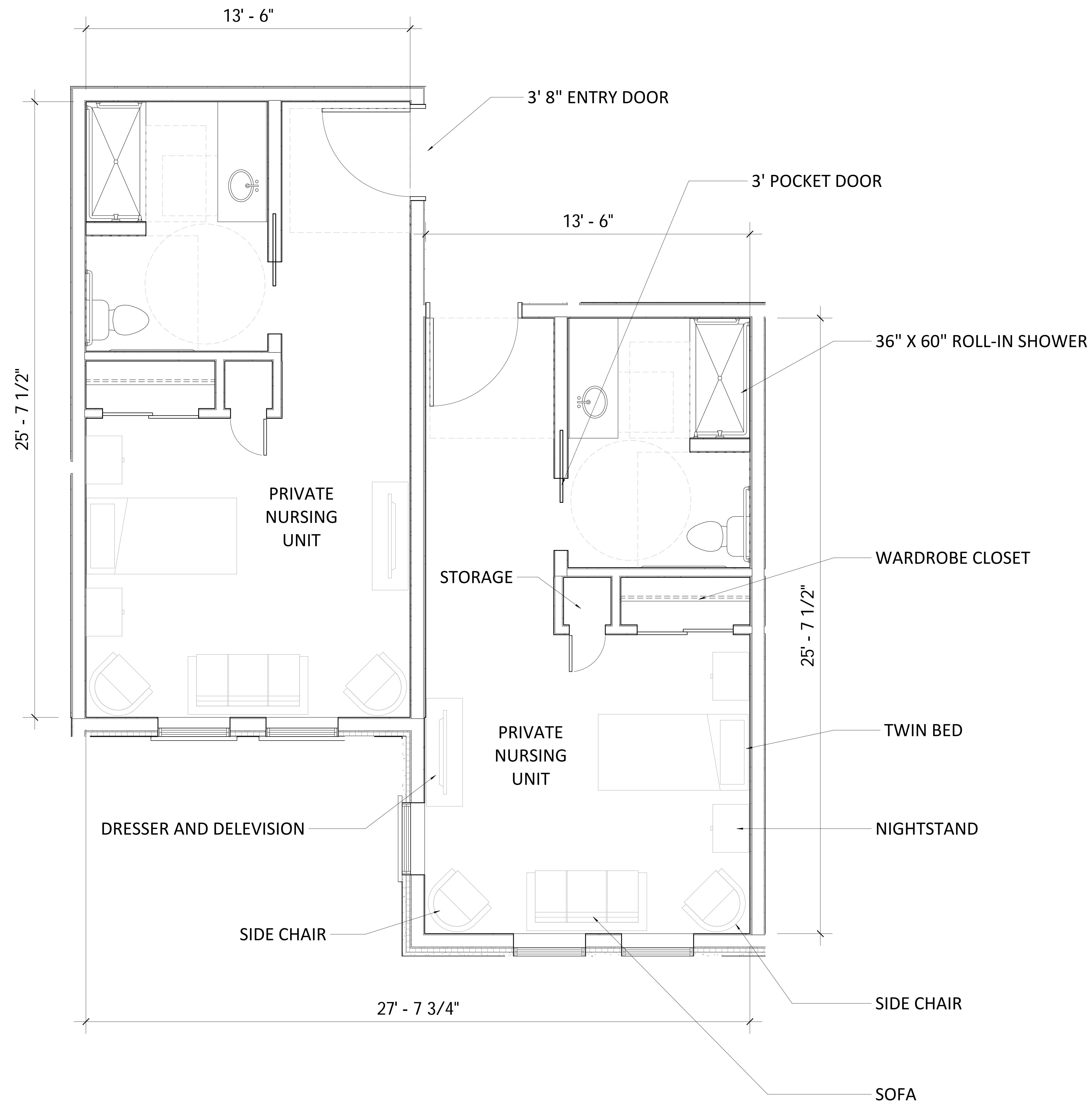


SACRED HEART REPLACEMENT NURSING COMMUNITY

5805 QUEEN'S CHAPEL ROAD
HYATTSVILLE, MD 20782

CON - SERVICE LEVEL - OVERALL
FLOOR PLAN
Scale: 1/16" = 1'-0"

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SACRED HEART REPLACEMENT NURSING COMMUNITY

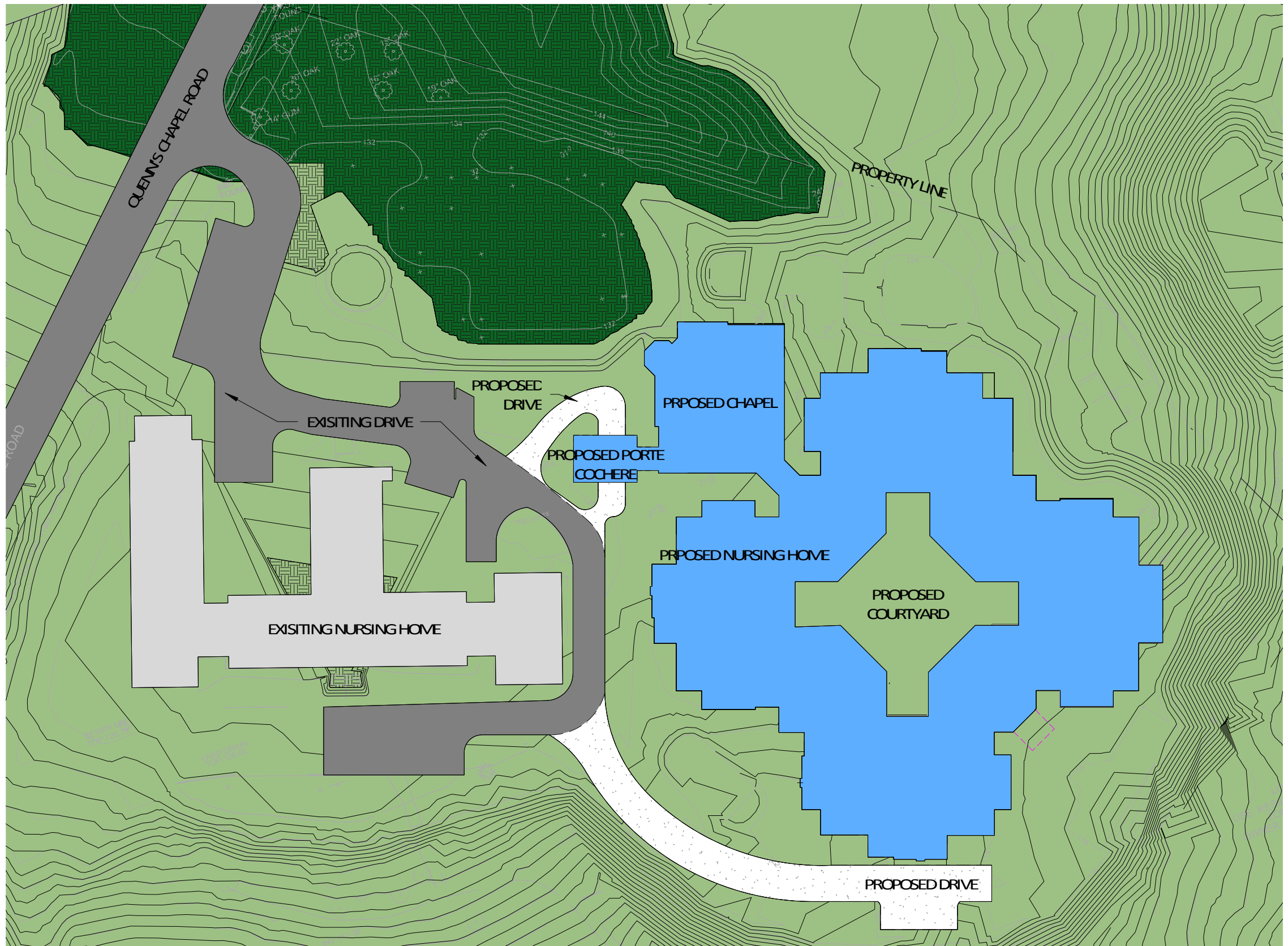
5805 QUEEN'S CHAPEL ROAD
HYATTSVILLE, MD 20782

CON - TYP. UNIT PLAN

Scale: 1/2" = 1'-0"

hord | coplan | macht

09.28.2017



SACRED HEART REPLACEMENT NURSING COMMUNITY

5805 QUEEN'S CHAPEL ROAD
HYATTSVILLE, MD 20782

CON 11x17 - PLOT PLAN

Scale: 1" = 60'-0"

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09.28.2017

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EXHIBIT 5

HOME AND COMMUNITY-BASED OPTIONS WAIVER

Maryland's Home and Community-Based Options Waiver provides community services and supports to enable older adults and people with physical disabilities to live in their own homes.

AVAILABLE WAIVER SERVICES

- Assisted Living
- Medical Day Care
- Family Training
- Case Management
- Senior Center Plus
- Dietitian and Nutritionist Services
- Behavioral Consultation

Waiver participants are also eligible to receive Medicaid services which may include:

Community First Choice Services

- Personal Assistance Services
- Personal Emergency Response Systems
- Technology
- Environmental Assessments
- Accessibility Adaptations
- Consumer Training
- Supports Planning
- Transition Services
- Nurse Monitoring
- Home Delivered Meals

Other Services

- Physician and Hospital Care
- Pharmacy
- Home Health
- Laboratory Services
- Mental Health Services
- Disposable Medical Supplies and Durable Medical Equipment
- Payment of Medicare premiums, co-payments, and deductibles

WHO SHOULD APPLY

Maryland residents aged 18 and over who need assistance with activities of daily living, such as bathing, grooming, dressing, and getting around.

ELIGIBILITY GUIDELINES

Medical and Technical Criteria

- Individuals must require a nursing facility level of care based on a uniform medical assessment.

Financial Criteria

- An individual's income and assets are reviewed to determine financial eligibility for Medical Assistance.
- The monthly income of an individual may not exceed 300% of SSI benefits, and the countable assets may not exceed \$2,000 or \$2,500 (depending on eligibility category).
- Only the income and assets of the individual (and assets of any spouse) are considered in determining financial eligibility.

PERSONS INTERESTED SHOULD:

If you live in a nursing facility:

Contact Medicaid's Long Term Care and Waiver Services at:
410-767-1739 or 1-877-4MD-DHMH or for MD Relay Service 1-800-735-2258 for more information.

If you live in the community:

The waiver cannot accept new community applicants at this time. A Service Registry was developed for interested community individuals, please call the Waiver Services Registry at:

1-866-417-3480



STATE OF MARYLAND

DHMH

Martin O'Malley, Governor

Anthony G. Brown, Lt. Governor

Joshua M. Sharfstein, M.D., Secretary

Maryland Department of Health Mental Hygiene

Office of Health Services

Medical Care Programs

Community Integration Programs


201 W. Preston Street, Suite 123

Baltimore, MD 21201

410-767-7479

If you want to go home,
there may be a way!



I wish I could get the
help I need in my own
home... 

Get long term services and supports in the community!



If Medical Assistance pays for any part of your nursing home care, you may be able to get care and services in your own community home instead of in a nursing home.

In the last few years, hundreds of people have moved out of nursing homes to receive services in the community. There are several programs that provide services in the community. We can help you decide which one may be right for you and help you apply. **Just let us know.**

If you would like to learn more about services that may help you move back to the community, ask a social worker at your nursing home, or contact one of the places listed on the back of this page.

Long Term Care Services in the Community

Please sign on the line below to certify that you have received the one-page information sheet on long term care services in the community.

Signature

Date

Print Name

(This form must be kept in the resident's medical record.)

Long Term Care Services in the Community

If Medical Assistance pays for any portion of your nursing home care, you may be eligible for long-term care services in the community instead of a nursing home.

There are several programs that provide services in the community:

Waiver for Older Adults

This program is for eligible people aged 50 and over. It covers many services including personal care in your home and services provided in a participating licensed assisted living facility. Call your local Area Agency on Aging or 1-800-AGE-DIAL for more information.

Living at Home: Maryland Community Choices

This program is for eligible people with disabilities aged 21 to 59. It covers many services including attendant care services in your home. Call 1-800-332-6347 for more information.

Adult Medical Day Care

Adults of all ages may qualify for medical day care. Services include nursing, personal care, leisure activities, a noon meal, and transportation to and from a licensed medical day care center.

Evaluations and case management may also be available to help determine if these programs are right for you. There are restrictions for certain programs on who may be eligible and how many services may be provided. It is also important to note that these programs do not pay for ongoing housing expenses such as rent or mortgage payments.

Organizations called Centers for Independent Living may be able to help you if you would like to consider returning to the community. Centers for Independent Living are dedicated to helping people of all ages and types of disabilities to live in homes/apartments of their own.

If you would like to learn more about services that may help you move back to the community, ask a social worker at your nursing home.

State Government

Maryland Department of Disabilities	800-637-4113
Maryland Department of Health and Mental Hygiene Community First Choice/Community Options Waiver MFP Nursing Facility Transition Program	877-463-3464 or 410-767-1739 410-767-7242 (MFP)
Maryland Department on Aging	1-800-AGE-DIAL (1-800-243-3425)
Maryland Access Point	1-844 MAP-LINK (844-627-5465) www.marylandaccesspoint.info
Adult Evaluation and Review Services (AERS)	877-463-3464 or 410-767-7479
Developmental Disabilities Administration	Central MD 410-234-8200 Western MD 301-791-4670 Southern MD 301-362-5100 Eastern Shore 410-572-5920

Advocacy

Independence Now (PG & Montgomery Counties)	301-277-2839
Southern MD CIL (Calvert, Charles, St. Mary's Counties)	301-884-4498
The Freedom Center (Frederick & Carroll Counties)	301-846-7811
Resources for Independence (Western Maryland)	800-371-1986
Bay Area CIL (BACIL) (Cecil Co. and the Eastern Shore)	443-260-0822 or 877-511-0744
The IMAGE Center (Baltimore City/Co. & Harford)	410-982-6311
Accessible Resources for Independence (Howard & Anne Arundel Counties)	410-636-2274
Brain Injury Association of Maryland	410-448-2924 or 800-221-6443
Maryland Statewide Independent Living Council	240-638-0074
Mental Health Association of Maryland	443-901-1550

Legal Resources

Legal Aid Bureau LTC Assistance Program & MD Senior Legal Hotline 1-866-635-2948 www.mdlab.org	Maryland Disability Law Center (MDLC) 1-800-233-7201, TDD number: 410-727-6387 www.mdclaw.org
The Assisted Living/Nursing Home Program provides legal assistance to financially eligible nursing home residents anywhere in Maryland.	MDLC is a non-profit legal services established by federal and state law to advocate for the rights of persons with disabilities in Maryland.

State Government

Maryland Department of Disabilities	800-637-4113
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EXHIBIT 6

Transferring or Discharging a Resident

Highlights	Policy Statement
Definitions	<p>Each resident will remain in the facility, and will not be transferred or discharged unless such transfer or discharge is medically necessary, or as determined by the interdisciplinary team.</p> <ul style="list-style-type: none"> ▪ Transfer and discharge includes movement of a resident to a bed outside of the facility whether the bed is in a physical plant or not. ▪ Transfer or discharge does not refer to movement of a resident to a bed within the same certified facility.
Criteria for Transferring or Discharging a Resident	<p style="text-align: center;">Policy Interpretation and Implementation</p> <ol style="list-style-type: none"> 1. A resident may be discharged from the facility in any of the following criteria: <ol style="list-style-type: none"> a. The transfer or discharge is necessary for the resident's welfare; b. The resident's needs cannot be met in the facility; c. The transfer or discharge is appropriate because the resident's health has improved sufficiently so the resident no longer needs the services provided by the facility; d. The safety of individuals in the facility is endangered; e. The health of individuals in the facility would otherwise be endangered; f. The resident has failed to pay for services rendered by the facility after reasonable notices; g. When a resident expires; h. When the facility no longer operates. 2. A resident may be transferred immediately in the following instances: <ol style="list-style-type: none"> a. If required to meet resident's urgent medical needs as directed by the attending physician; and b. For the purpose of maintaining a resident's optimal health and safety when there is a significant change in resident's condition. c. Advance notice is not required for immediate transfers; however, all transfers must be consistent with resident's advance directives. 3. The resident's attending physician must ensure that following: <ol style="list-style-type: none"> a. Assess and determine if the resident transfer or discharge is necessary for the sake of the resident's welfare and the resident's need could not be met in the facility; or b. The resident's health has improved to the extent that the resident no longer need the services of the facility; or c. There is supportive documentation in the medical record to reflect the need for the transfer or discharge. d. The physician must give a verbal or written order for the discharge specifying reason for the discharge.
Immediate transfers of residents	
Physician's responsibility for resident's discharges	

Continued on next page

Obtaining Physician order for transfers**Temporary transfer of a resident to another facility****Permanent discharge of a resident from the facility****Advance notice for transfers or discharges**

4. Charge Nurses must obtain a physician order for all transfer, a physician order should include the following:
 - a. Reason for transfer or discharges in the physician's order.
 - b. Where the resident is being transferred to (if known)
 - c. If transfers or the resident's discharge is for emergency reason, indicate as such in the physician's order.
 - d. Fax physician's order to pharmacy.
 - e. Note and document physician's order in the medication /treatment administration record.
5. If a resident require a temporary transfer to another setting such as acute care facility for evaluation and/or treatment of a condition, the charge nurse should perform the following:
 - a. Obtain a physician order specifying the need for the transfer or discharge
 - b. Assess the resident and document clinical findings
 - c. Notify the resident or responsible party of the transfer or discharge order
 - d. Complete transfer form (see Resident Transfer Form)
 - e. Arrange appropriate transportation service
 - f. Lock resident's room.
 - g. Document pertinent information in the resident's medical record.
6. Before discharging a resident from the facility, the interdisciplinary team must ensure the following:
 - a. There is a comprehensive assessment of the resident's condition to determine if a new care plan would allow the facility to meet the resident's needs;
 - b. There is a accurate assessment and attempts through care planning and revision as necessary to address resident's needs thorough multi-disciplinary interventions; accommodations of individual needs, and attention to the to the resident's customary routines;
 - c. After accurate care planning and interventions, the resident's care could no longer be met in the facility;
 - d. The resident's transfer or discharge is necessary for the sake of the resident's welfare;
 - e. Documentation to support assessment and care planning is available in the medical record.
 - f. Complete discharge summary as required.
 - g. Provide pertinent information relating to the resident's care for continuity of care as necessary.
7. The social service or designee must ensure the following:
 - a. Notify the resident or legal representative of the transfer or discharge and reasons for the transfer or discharge;
 - b. Provide advance notice of at least 30 days prior to the transfer, unless as directed under the exceptions of advance notice;
 - c. The notice must include an explanation to the right to appeal the transfer to the State as well as the name, address, and phone number of the State Long-term Ombudsman

Continued on next page

Exception to advance notice of transfers

8. Exceptions to the 30-day advance notification requirement apply when the transfer is effected because of:
 - a. Endangerment to the health or safety of others in the facility;
 - b. When a resident's urgent medical needs require more immediate transfer;
 - c. When a resident has not resided in the facility for 30-days;
 - d. When a resident's health has improved to allow a more immediate transfer or discharge.

Arranging transportation services for discharge planning

9. The charge nurse or social services should arrange for transportation services if feasible. Family member should be notified promptly if unable to obtain transportation.

Social Services responsibility

10. The social services or facility's designee must ensure that there is sufficient preparation for resident's discharges or transfer as follows:
 - a. Inform the resident of pending transfer
 - b. Inform the resident of steps taken to ensure safe transportation;
 - c. Make appropriate referrals if necessary.
 - d. Documentation of social services actions must be reflected in the medical record.

Securing of Personal Possessions

11. Resident's personal possession must be secured properly until removed by the resident or resident's authorized family.
 - a. The charge nurse; nurse supervisor; or designee should lock the resident's room as soon as the resident is discharged.
 - b. The person removing personal possession must sign release of personal possessions form.
 - c. The personal possession removal form must be filed in the resident's medical record upon completion.

Documentation

12. Documentation supporting resident's transfers or discharges must be available in the medical record, including but not limited to:
 - a. The reason for the transfer;
 - b. The effective date of transfer;
 - c. The location to which the resident is transferred or discharged;
 - d. Notification of resident / legal representative of the transfer;
 - e. Date of advance notification of transfers or discharges;
 - f. A statement that the resident has the right to appeal the action to the State;
 - g. The name, address and telephone number of the State long-term care ombudsman;
 - h. Disposition of personal belongings or possessions;
 - i. Other pertinent information as necessary

Regulatory Reference Sources

OBRA Regulatory Reference Numbers	483.12
Survey Tag Numbers	F201; F202; F203; F204

(301) 277-6500

DISCHARGE SUMMARY, & INSTRUCTIONS

Name: _____ **Date of Birth** _____

Last First Middle

Admission Date: _____ Medical Record #: _____ Discharge Date: _____

Discharged To: ☐ Home ☐ Hospital ☐ Assisted Living ☐ Skilled LTCF ☐ Other _____

REASON FOR DISCHARGE:

DIET:

ACTIVITY:

MENTAL AND COGNITIVE STATUS:

SENSORY IMPAIRMENTS: (*Hearing, Vision*)

PHYSICAL FUNCTIONAL STATUS: Specify level of self-care:

- ☐ Able to meet self care in all areas
☐ Unable to meet any self-care
☐ Requires assistance in the following areas:
 ☐ *Personal Hygiene* ☐ *Feeding* ☐ *Bed Mobility* ☐ *Toilet Use* ☐ *Locomotion*
 ☐ *Transfer* ☐ *Bathing* ☐ *Other*

DRUG THERAPY:

[illegible]

Name: _____ Date of Birth _____

TREATMENT / SPECIAL PROCEDURES:

NURSING : *(Include assessment, vital signs and any other pertinent information)*

FOLLOW UP INSTRUCTIONS AFTER DISCHARGE

PHYSICIAN / CLINIC:

Name / Contact Person	Phone	Reason

AGENCY: *(Home Health, Social Services, Hospice, etc.)*

Name / Contact Person	Phone	Reason

Notify your Physician for any Health Problems, including, but not limited to the following:

TRANSPORTATION ARRANGEMENTS:

COPY OF INSTRUCTIONS GIVEN TO:

- ☐ Resident ☐ Resident Representative *(Specify)* _____
☐ Copy not given *(Specify Reason):* _____

Licensed Nurse Signature: _____ Date: _____

Social Worker Signature: _____ Date: _____

Resident or Resident Representative _____ Date: _____



5805 Queens Chapel Road
Hyattsville, MD, 20782
(301) 277-6500

RESIDENT DISCHARGE SUMMARY

Instruction: To be completed by the Attending Physician. Specify "Not Applicable - N/A" where appropriate.

Name: Last	First	Middle Initial	Date of Birth:	Record #:
------------	-------	----------------	----------------	-----------

Admission Date: _____ Discharge Date: _____ Physician: _____

Discharged To: ☐ Home ☐ Hospital ☐ Assisted Living ☐ Skilled LTCF ☐ Funeral Home ☐ Other

Specify Facility Name: _____

Reason for Admission: _____

Reason for Discharge: _____

Course of Treatment: _____

Discharge Diagnosis: _____

Discharge Prognosis: _____

Diet: _____

Activity: _____

Medications: _____

Treatments / Special Procedures / Other: _____

Physician Signature: _____ Date: _____

SACRED HEART HOME

DISCHARGE PLANNING MEETING

RESIDENT NAME: _____ DATE: _____

[illegible]

HOME AND COMMUNITY-BASED OPTIONS WAIVER

Maryland's Home and Community-Based Options Waiver provides community services and supports to enable older adults and people with physical disabilities to live in their own homes.

AVAILABLE WAIVER SERVICES

- Assisted Living
- Medical Day Care
- Family Training
- Case Management
- Senior Center Plus
- Dietitian and Nutritionist Services
- Behavioral Consultation

Waiver participants are also eligible to receive Medicaid services which may include:

Community First Choice Services

- Personal Assistance Services
- Personal Emergency Response Systems
- Technology
- Environmental Assessments
- Accessibility Adaptations
- Consumer Training
- Supports Planning
- Transition Services
- Nurse Monitoring
- Home Delivered Meals

Other Services

- Physician and Hospital Care
- Pharmacy
- Home Health
- Laboratory Services
- Mental Health Services
- Disposable Medical Supplies and Durable Medical Equipment
- Payment of Medicare premiums, co-payments, and deductibles

WHO SHOULD APPLY

Maryland residents aged 18 and over who need assistance with activities of daily living, such as bathing, grooming, dressing, and getting around.

ELIGIBILITY GUIDELINES

Medical and Technical Criteria

- Individuals must require a nursing facility level of care based on a uniform medical assessment.

Financial Criteria

- An individual's income and assets are reviewed to determine financial eligibility for Medical Assistance.
- The monthly income of an individual may not exceed 300% of SSI benefits, and the countable assets may not exceed \$2,000 or \$2,500 (depending on eligibility category).
- Only the income and assets of the individual (and assets of any spouse) are considered in determining financial eligibility.

PERSONS INTERESTED SHOULD:

If you live in a nursing facility:

Contact Medicaid's Long Term Care and Waiver Services at:
410-767-1739 or 1-877-4MD-DHMH or for MD Relay Service 1-800-735-2258 for more information.

If you live in the community:

The waiver cannot accept new community applicants at this time. A Service Registry was developed for interested community individuals, please call the Waiver Services Registry at:

1-866-417-3480



STATE OF MARYLAND

DHMH

Martin O'Malley, Governor

Anthony G. Brown, Lt. Governor

Joshua M. Sharfstein, M.D., Secretary

Maryland Department of Health Mental Hygiene

Office of Health Services

Medical Care Programs

Community Integration Programs


201 W. Preston Street, Suite 123

Baltimore, MD 21201

410-767-7479

If you want to go home,
there may be a way!



I wish I could get the
help I need in my own
home... 

Get long term services and supports in the community!



If Medical Assistance pays for any part of your nursing home care, you may be able to get care and services in your own community home instead of in a nursing home.

In the last few years, hundreds of people have moved out of nursing homes to receive services in the community. There are several programs that provide services in the community. We can help you decide which one may be right for you and help you apply. **Just let us know.**

If you would like to learn more about services that may help you move back to the community, ask a social worker at your nursing home, or contact one of the places listed on the back of this page.

Long Term Care Services in the Community

Please sign on the line below to certify that you have received the one-page information sheet on long term care services in the community.

Signature

Date

Print Name

(This form must be kept in the resident's medical record.)

Long Term Care Services in the Community

If Medical Assistance pays for any portion of your nursing home care, you may be eligible for long-term care services in the community instead of a nursing home.

There are several programs that provide services in the community:

Waiver for Older Adults

This program is for eligible people aged 50 and over. It covers many services including personal care in your home and services provided in a participating licensed assisted living facility. Call your local Area Agency on Aging or 1-800-AGE-DIAL for more information.

Living at Home: Maryland Community Choices

This program is for eligible people with disabilities aged 21 to 59. It covers many services including attendant care services in your home. Call 1-800-332-6347 for more information.

Adult Medical Day Care

Adults of all ages may qualify for medical day care. Services include nursing, personal care, leisure activities, a noon meal, and transportation to and from a licensed medical day care center.

Evaluations and case management may also be available to help determine if these programs are right for you. There are restrictions for certain programs on who may be eligible and how many services may be provided. It is also important to note that these programs do not pay for ongoing housing expenses such as rent or mortgage payments.

Organizations called Centers for Independent Living may be able to help you if you would like to consider returning to the community. Centers for Independent Living are dedicated to helping people of all ages and types of disabilities to live in homes/apartments of their own.

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State Government

Maryland Department of Disabilities	800-637-4113
Maryland Department of Health and Mental Hygiene Community First Choice/Community Options Waiver MFP Nursing Facility Transition Program	877-463-3464 or 410-767-1739 410-767-7242 (MFP)
Maryland Department on Aging	1-800-AGE-DIAL (1-800-243-3425)
Maryland Access Point	1-844 MAP-LINK (844-627-5465) www.marylandaccesspoint.info
Adult Evaluation and Review Services (AERS)	877-463-3464 or 410-767-7479
Developmental Disabilities Administration	Central MD 410-234-8200 Western MD 301-791-4670 Southern MD 301-362-5100 Eastern Shore 410-572-5920

Advocacy

Independence Now (PG & Montgomery Counties)	301-277-2839
Southern MD CIL (Calvert, Charles, St. Mary's Counties)	301-884-4498
The Freedom Center (Frederick & Carroll Counties)	301-846-7811
Resources for Independence (Western Maryland)	800-371-1986
Bay Area CIL (BACIL) (Cecil Co. and the Eastern Shore)	443-260-0822 or 877-511-0744
The IMAGE Center (Baltimore City/Co. & Harford)	410-982-6311
Accessible Resources for Independence (Howard & Anne Arundel Counties)	410-636-2274
Brain Injury Association of Maryland	410-448-2924 or 800-221-6443
Maryland Statewide Independent Living Council	240-638-0074
Mental Health Association of Maryland	443-901-1550

Legal Resources

Legal Aid Bureau LTC Assistance Program & MD Senior Legal Hotline 1-866-635-2948 www.mdlab.org	Maryland Disability Law Center (MDLC) 1-800-233-7201, TDD number: 410-727-6387 www.mdclaw.org
The Assisted Living/Nursing Home Program provides legal assistance to financially eligible nursing home residents anywhere in Maryland.	MDLC is a non-profit legal services established by federal and state law to advocate for the rights of persons with disabilities in Maryland.

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EXHIBIT 7

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Sacred Heart Home
Section 1

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Sacred Heart Home
QUALITY ASSURANCE AND IMPROVEMENT PLAN

Policy

Sacred Heart Home is committed to providing care and services to its residents that optimize physical and psychosocial functioning in an understanding and caring environment that promotes value of human life and dignity. All care and services that the facility provides must meet, and preferably exceed, all local, state and federal requirements and standards for licensure and certification.

Purpose

There shall be an ongoing Quality Assurance Plan designed to objectively and systematically monitor and evaluate:

- The quality and appropriateness of all aspects of the facility's performance and services
- Compliance with standards and regulations
- Resolution of identified problems
- Identification of opportunities and areas for improvement

Objectives

The Quality Assurance Plan serves to accomplish the following:

1. Assure that care and services are provided in compliance with standards and regulations.
2. Identify and solve problems using a team-centered approach that encourages input from all departments, including residents, families, physicians, caregivers and others involved in and concerned with quality of patients care.
3. Enhance interdepartmental communication in regard to quality of care.
4. Continuously improve resident outcomes.

Responsibility and Authority

The Administrator has jurisdiction and responsibility for the quality of care and services provided to Sacred Heart Home residents. The Administrator oversees the design, development, and implementation of the Quality Assurance Plan and Improvement Program.

Confidentiality

All Quality Assurance activities and reports are kept confidential, including but not limited to resident specific information and monthly Quality Assurance Committee minutes and reports. Quality assurance records and documents shall, however, be made available to the Office of Health Care Quality and monthly reports shall be prepared for the ombudsman, family council and residents' council.

Committee

1. The Quality Assurance Committee is composed of at least
 - A. Administrator
 - B. Director of Nursing
 - C. Social Worker
 - D. Medical Director

Sacred Heart Home

- E. Dietitian
- F. Geriatric Nursing Assistant

Also, representatives from different departments and services shall participate in Quality Assurance Committee as listed below:

- a. Director of Dietary Services
 - b. Director of Maintenance
 - c. Director of Housekeeping Services
 - d. Director of Pastoral Services
 - e. Pharmacy Consultant
 - f. Director of Activities
 - g. Human Resources
2. A chairperson is designated and can be the Administrator, Quality Assurance Coordinator, Medical Director or any one of the committee members listed above.
 3. Subcommittees, and Outcome Focused Project Teams may be developed under the umbrella of the Quality Assurance Committee.
 4. A Quality Assurance Coordinator is appointed by the Administrator. The position may be full or part-time. The Quality Assurance Coordinator has the following responsibilities:
 - A. Schedules Quality Assurance Committee meetings
 - B. Arranges for recording and maintenance of meeting minutes
 - C. Assists individual departments in developing tools and studies and in data analysis.
 - D. Coordinates implementation of Outcome Focused Project Teams and Action plans.
 5. The Quality Assurance Committee meets at least monthly to plan a systemic, coordinated and ongoing Quality Assurance/Improvement process to assess the overall organizational performance. The committee evaluates routine and focused data collection and designs a plan of action to address problems or improve performance as necessary. It assists in designing monitoring tools to measure the performance for the identified key quality processes.

Data Collection and Analysis

Quality Assurance and Improvement begins at the departmental level with the analysis of information and data. Data is collected in order to:

- Monitor existing services and processes on an ongoing basis;
- Identify opportunities for improvement; and
- Sustain improvements.

Each department director is responsible for collecting data and performing an analysis of the data to aid in the identification of problems or areas of concern in the operations of the department.

Sacred Heart Home

1. A variety of tools is used to measure and monitor the key quality processes and to determine if the processes are functioning at the agreed upon designated proper level (threshold). The frequency of data collection for established processes is related to the frequency, significance, and occurrence of problems in the activity being monitored.
2. Routine, ongoing data collection processes are in place for all departments. Sources of data collection can include:
 - A. Quality Indicator Reports
 - B. Departmental audits, monitoring tools, observations and reports
 - C. 24-hour Reports
 - D. Incident Reports
 - E. Rounds
 - F. Residents and Family concerns/observations
 - G. Governmental Surveys
3. Data collected is then analyzed for problem identification and trends. Data is analyzed using appropriate techniques. Using the data, performance can be compared over time and with other organizations or other sources of information. Undesirable patterns or trends and sentinel events will receive intensive analysis.
4. A Quality Assurance and Improvement Project may be developed in response to the identification of a problem area. Some examples of problem areas can include: an increase in the incidence of pressure sores, or improper food temperatures at serving time. The purpose of the project is to collect additional data, determine causes and identify potential solutions.

Measurement and Assessment

1. Each department presents a report at Quality Assurance and Improvement meetings. The report includes ongoing or completed studies, results of Outcome focused Project Teams, results of monitoring tools, and any new or ongoing problems identified.
2. The Quality Assurance Committee directs the development and implementation of plans of action to improve negative outcomes identified through various monitoring activities.

Plans of action may include but are not limited to:

- A. The formation of a short-term Outcome Focused Project Team for focused data collection and process redesign
 - B. The development of educational programs
 - C. Recommendations for policy and procedure revisions
 - D. Recommendations for service enhancements or changes.
3. Plans of action may be implemented totally or on trial basis. Data is collected to evaluate and monitor the performance.
4. Actual performance is compared to desired performance; if the plan of action is not effective, new actions are planned.
5. Once an action plan is shown to be effective, it is incorporated into a standard policy and procedure. The process will continue to be monitored and assessed to verify that improvement is maintained.

Evaluation

The objectives, scope, organization, and effectiveness of the Quality Assurance Plan shall be evaluated at least annually and revised as necessary.

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Sacred Heart Home
QA COMMITTEE MEETINGS

Scheduling:

The Quality Assurance Committee meets monthly. Meetings of the Committee are usually scheduled for the 3rd Thursday of the month. Meetings are scheduled for one hour, but may be extended based on the need.

- Schedules for Quality Assurance Committee meetings and any scheduled reports for the upcoming year are prepared and distributed to the Committee members in December.
- At each committee meeting, the minutes of the previous meeting are reviewed, concern/problem areas reviewed and discussed, scheduled reports presented and discussed
- Reports of each Quality Assurance Committee Meeting are send to the Ombudsman, Family Council, and the Residents Council

Sacred Heart Home

RECORD KEEPING

Policy

The Quality Assurance Committee will maintain records of all Quality Assurance activities:

- Departmental Worksheets
- Tools
- Reports
- Investigations
- Graphs
- Flow charts
- Minutes

Procedure

1. Quality Assurance records are maintained in Administration and Quality Assurance Coordinator's Office
2. While Quality Assurance records are confidential documents, they shall be made available to the Regulatory Agency upon request.

Sacred Heart Home
**COMMITTEE REPORT TO OMBUDSMAN, RESIDENT COUNCIL
AND FAMILY COUNCIL**

Policy

A brief summary report of Quality Assurance activities shall be completed on a monthly basis for submission to the Ombudsman, Resident and Family Councils.

Procedure

- It is the responsibility of the Quality Assurance Coordinator to complete the reports.
- Quality Assurance activities of each department shall be summarized in the report, to include any problems or trends that have been identified and the processes implemented to address the problems.
- Information about specific residents is to be kept confidential

Sacred Heart Home
Quality Assurance and Improvement
Committee Report

- ☐ Ombudsman
- ☐ Family Council
- ☐ Resident's Council

Date of Meeting: _____

Summary of Reports:

Quality Assurance Coordinator: _____

Administrator: _____

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Sacred Heart Home

QUALITY ASSURANCE COORDINATOR RESPONSIBILITIES

Qualifications:

Education: Registered Nurse, Licensed Social Worker, Licensed Nursing Home Administrator, or other health care professional qualified to fulfill the position

Licensure: In good standing in the professional area of practice.

Experience: One year Long Term Care experience. Quality Assurance and Improvement, management or teaching experience desired. Must have computer literacy and research and gathering information skills. Must be a critical thinker and have exceptional organizational and leadership skills. Ability to communicate effectively orally and in writing.

Reports to: Administrator

Purpose of the Job Position:

- Plans, develops, directs and coordinates the organization's Quality Assurance and Improvement Program.
- The position may be full or part-time.

Job Functions:

- Schedules Quality Assurance Committee meetings at least monthly
- Schedules additional meetings of the full and partial committee as indicated.
- Develops agenda for Quality Assurance meetings
- Arranges for recording minutes of Quality Assurance meetings
- Maintains Quality Assurance records
- Maintains the Quality Assurance manual
- Prepares Quality Assurance and Improvement reports for the Nursing Home Ombudsman, Family and Resident Councils
- Collects and analyzes data
- Assists staff in identifying problem areas and utilizing the QI process in problem solving: collecting and analyzing data, developing tools, performing audits, evaluating the results, implementing changes and monitoring the effectiveness of those changes.
- Assists in forming and developing Outcome Focused Project Teams
- Evaluates data provided by the HCFA Quality Indicators and coordinates changes/interventions required with the interdisciplinary team
- Maintains current knowledge of governmental regulations and assists all the departments in attaining and maintaining compliance
- Educates staff in the Quality Assurance Plan and facilitates staff involvement in the Quality Assurance and Improvement process; assists in the developing the organization's educational calendar
- Maintains confidentiality of all residents and Quality Assurance and Improvement information
- Participates in other committees as assigned
- Other Duties as assigned by the Administrator/Director of Nursing.

Sacred Heart Home

To: _____
From: _____, Quality Assurance Coordinator
Date: _____
Re: QA Meeting

This is to inform you that the next Quality Assurance and Improvement Committee Meeting will be held

On _____ At _____
In the _____

Please plan to attend.

Thank you for your cooperation, interest and participation in the work of Quality Assurance and Improvement Committee

Sacred Heart Home

Committee Meeting Agenda (sample)

Date: _____

Time: _____

[illegible]

Date: _____ Time: _____

[illegible]

Concurrent Daily Review

Highlights	Policy Statement
	<p>Licensed Nurses shall perform Concurrent Daily Review on each resident to determine if there is a change in the resident's condition.</p>
	<p>Policy Interpretation and Implementation</p>
Definition	<p>1. Concurrent Review is a daily appraisal and observation of each resident by a licensed nurse to determine any change in the resident's physical or mental status.</p>
Purpose	<p>2. The purpose of the Concurrent Daily Review is to assess, and detect potential/actual problems, and find possible ways to develop, and initiate appropriate care plan to meet the needs of the resident and ensure that optimal care is provided.</p>
Protocol for Concurrent Daily Review	<p>3. Concurrent reviews of the resident will occur by direct licensed nurses observation on each shift:</p> <ul style="list-style-type: none"> a. During daily nursing rounds b. Medical record review c. Medication administration by licensed nurses and/or supervision of medication aides. d. Administration of treatment by licensed nurses. e. Daily personal care by nursing assistants.
Criteria for determining a Change in resident's condition	<p>4. Criteria for determining change in resident's condition is described in the policy titled " <i>Change in Resident's Condition or Status</i>". A change in resident's condition is determined when there is a change in the following areas, including, but not limited to:</p> <ul style="list-style-type: none"> a. Vital Signs; b. Medications; c. Laboratory values; d. Nutrition and Hydration; e. Intake and output; f. Skin breakdown; g. Weight; h. Appetite changes; i. Incidents / Accidents j. Mental / Behavioral changes k. Declining Physical Condition, and l. Any other relevant parameters that may affect the resident's physical or mental status. (See <i>Change in Resident's Condition Policy</i>).
Reporting of Change in Resident's Condition	<p>5. If a change in resident's condition is determined, the charge nurse on duty shall implement appropriate nursing action according to facility's protocol, and follow facility's established protocol in reporting of changes in resident's Condition. (See Policy entitled "<i>Notification of Physician of Change in Resident's Condition</i>."</p>

Documentation of Concurrent Daily Review

6. Charge nurse performing the Concurrent Daily Review will document assessment in the following medical record(s):
 - a. Interdisciplinary progress note;
 - b. Treatment Administration record (TAR);
 - i. Concurrent Daily Review Section
 - ii. Indicate changes by specifying the type "Code" that applies.
 - c. Any other forms as indicated by facility's policy.

Regulatory Reference Sources

OBRA Regulatory Reference Numbers	483.10(b)(1); 483.10(b)(11); 483.20(b)(2)(ii); 483.40; (a)(1)(2)
Survey Tag Numbers	F156; F157; F274; F385



Start		D/C Date	HOUR	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29		
CONCURRENT DAILY REVIEW: ASSESS AND EVALUATE RESIDENT DAILY FOR CHANGES IN CONDITION. USE CODE TO INDICATE ANY CHANGES NOTED			7-3																															
			CODE																															
			3-11																															
			CODE																															
			11-7																															
			CODE																															
(0) NO CHANGE																																		
(1) MEDICATIONS																																		
(2) LABORATORY VALUES																																		
(3) NUTRITION / HYDRATION																																		
(4) WEIGHT / APPETITE CHANGES																																		
(5) SKIN INTEGRITY																																		
(6) INCIDENTS / ACCIDENTS																																		
(7) MENTAL / BEHAVIORAL CHANGES																																		
(8) DECLINING PHYSICAL CHANGES																																		
(9) VITAL SIGNS																																		
(10) TWO OR MORE OF THE ABOVE																																		
* DOCUMENT ANY CHANGES NOTED IN THE RESIDENT'S RECORD																																		
(11) OTHER																																		

AGNOSIS

DIET

ALLERGIES

Nurse Signature _____

Date _____

Physician Name

A. Put initial in appropriate box when medication given.
B. Circle initials when medication refused.
C. State reason for refusal.
D. PRN Medications: Reason given and results must be noted.
E. Indicate site of injection with appropriate number (see below):

Injection Site	1. BUTTOCKS (Gluteus) left	5. THIGH (Quadriceps) left
Numbers:	2. BUTTOCKS (Gluteus) right	6. THIGH (Quadriceps) right
	3. ARM (Deltoid) left	7. ABDOMEN left
	4. ARM (Deltoid) right	8. ABDOMEN right

Physician Phone#

Y-yes
 N-no
 N/A- not applicable

Quality Assurance Concurrent Review Audit

	Resident's Name→										
	Date→										
1.	Concurrent review done q shift										
2.	Appropriate code used to document when a change in condition occurred.										
3.	Appropriate documentation reflecting the change in condition found in the chart.										
4.	The change in condition followed up in the notes for at least 24 hours. <small>(may require longer monitoring-24h just for auditing timeframe)</small>										
5.	Orders carried out as indicated.										
6.	Was the physician notified about the change in condition										
7.	Was the family notified about the change in condition										

Comments: _____

(Any NO answers must be explained under comment)

Actual Compliance in Sample: _____% Compliance Threshold: _____%

Reviewer: _____ Date Reviewed: _____

24-HOUR CONDITION REPORT

POLICY

The 24-Hour Report is used to communicate any pertinent changes and occurrences in resident's condition to other nursing staff members involved in resident's care. Nursing staff assigned to the shift records pertinent information on this report, and communicate information as necessary to the physician, responsible party, and nursing staff.

- The morning shift initiates the 24-Hour report daily.
- Charge nurses on each shift shall review the 24-Hour report.
- Areas of highest priority may be highlighted in the 24-Hour report.

PURPOSE

The purpose of this policy is to ensure that continuity of care, and that the nursing and administrative personnel implement appropriate follow up. The quality assurance personnel also utilizes this report as a tool to identify problem areas that are of great concern; identify probable solution through collaborative efforts with the interdisciplinary team members.

PROCEDURE

Information to be included in the 24-Hour Report includes, but not limited to the following:

- a. New admissions, discharges, transfers, deaths, room changes, leave of absence, elopement, resident's physical abusive behavior etc.
- b. Change in resident's condition. (*See Change in resident's condition policy*)
- c. Incidents/Accidents. Resident involved must remain on report for 48 - 72 hours following incident if no injury occurred. If there's injury, it must remain on report until stable.
- d. New orders from physician, for example *medication changes, antibiotics, stat medications etc.*
- e. New development of pressure or stasis ulcers, or any skin impairment.
- f. Laboratory orders, reports and follow-ups.
- g. Physician visits or calls placed to a physician's office.
- h. Resident / Family complaints.
- i. Other pertinent information such as dietary, housekeeping, or maintenance concerns.

24-HOUR CONDITION REPORT

Date: _____ Unit: _____ Census: _____

ADMISSIONS / RETURNS	DISCHARGES / LOA / DEATH	PHYSICIAN VISITS / NEW ORDERS	DIAGNOSTIC TEST	FOLLOW-UP / APPOINTMENTS / CONCERNS
RESIDENT	11:00PM – 7:00AM	7:00AM – 3:00PM	3:00PM – 11:00PM	
Name:				
Room #:				
Diagnosis:				
Physician:				
Name:				
Room #:				
Diagnosis:				
Physician:				
Name:				
Room #:				
Diagnosis:				
Physician:				
Name:				
Room #:				
Diagnosis:				
Physician:				
Name:				
Room #:				
Diagnosis:				
Physician:				
Signature / Title				

NOTE: Include appropriate medical diagnosis for each report. Resident must remain on the report until clinically stable, or as directed by the nurse supervisor.

Section 5

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FALL RISK ASSESSMENT

INSTRUCTIONS: Upon admission and quarterly (at a minimum) thereafter, assess the resident status in the eight clinical condition parameters listed below (A-H) by assigning the corresponding score which best describes the resident in the appropriate assessment column. Add the column of numbers to obtain the Total Score. If the total score is 10 or greater, the resident should be considered at HIGH RISK for potential falls. A prevention protocol should be initiated immediately and documented on the care plan.

			ASSESSMENT DATE ►				
PARAMETER	SCORE	RESIDENT STATUS/CONDITION		1	2	3	4
A. LEVEL OF CONSCIOUSNESS/ MENTAL STATUS	0	ALERT - (oriented x 3) OR COMATOSE					
	2	DISORIENTED x 3 at all times					
	4	INTERMITTENT CONFUSION					
B. HISTORY OF FALLS (Past 3 months)	0	NO FALLS in past 3 months					
	2	1 - 2 FALLS in past 3 months					
	4	3 OR MORE FALLS in past 3 months					
C. AMBULATION/ ELIMINATION STATUS	0	AMBULATORY/CONTINENT					
	2	CHAIR BOUND - Requires restraints and assist with elimination					
	4	AMBULATORY/INCONTINENT					
D. VISION STATUS	0	ADEQUATE (with or without glasses)					
	2	POOR (with or without glasses)					
	4	LEGALLY BLIND					
E. GAIT/BALANCE	To assess the resident's Gait/Balance, have him/her stand on both feet without holding onto anything; walk straight forward; walk through a doorway; and make a turn.						
	0	Gait/Balance normal					
	1	Balance problem while standing					
	1	Balance problem while walking					
	1	Decreased muscular coordination					
	1	Change in gait pattern when walking through doorway					
	1	Jerking or unstable when making turns					
	1	Requires use of assistive devices (i.e., cane, w/c, walker, furniture)					
	2	N/A - not able to perform function					
F. SYSTOLIC BLOOD PRESSURE	0	NO NOTED DROP between lying and standing					
	2	Drop LESS THAN 20 mm Hg between lying and standing					
	4	Drop MORE THAN 20 mm Hg between lying and standing					
G. MEDICATIONS	Respond below based on the following types of medications: Anesthetics, Antihistamines, Antihypertensives, Antiseizure, Benzodiazepines, Cathartics, Diuretics, Hypoglycemics, Narcotics, Psychotropics, Sedatives/Hypnotics.						
	0	NONE of these medications taken currently or within last 7 days					
	2	TAKES 1 - 2 of these medications currently and/or within last 7 days					
	4	TAKES 3 - 4 of these medications currently and/or within last 7 days					
	1	If resident has had a change in medication and/or change in dosage in the past 5 days = score 1 additional point.					
H. PREDISPOSING DISEASES	Respond below based on the following predisposing conditions: Hypotension, Vertigo, CVA, Parkinson's disease, Loss of limb(s), Seizures, Arthritis, Osteoporosis, Fractures.						
	0	NONE PRESENT					
	2	1 - 2 PRESENT					
	4	3 OR MORE PRESENT					
TOTAL SCORE			Total score of 10 or above represents HIGH RISK				

ASSESS	SIGNATURE/TITLE/DATE	ASSESS	SIGNATURE/TITLE/DATE
1		3	
2		4	

NAME-Last

First

Middle

Attending Physician

Record No.

Room/Bed

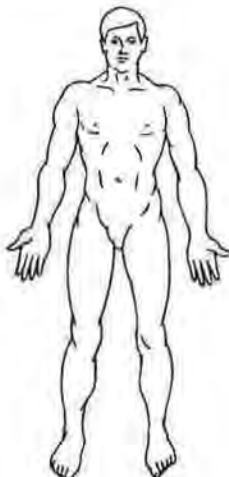
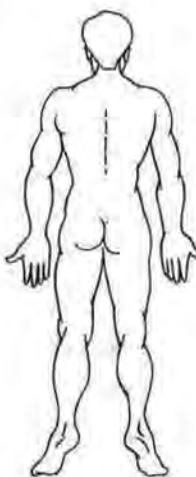
-DATE-

[illegible]

INCIDENT/ACCIDENT REPORT

PERSON INVOLVED		(Last name)	(First name)	(Middle initial)	Adult <input type="checkbox"/>	Child <input type="checkbox"/>	Male <input type="checkbox"/>	Female <input type="checkbox"/>	Age _____		
Date of incident/accident		Time of incident/accident		Exact location of incident/accident							
		A.M. <input type="checkbox"/> P.M. <input type="checkbox"/>		Resident's room <input type="checkbox"/> (No. _____) Hallway <input type="checkbox"/> Bathroom <input type="checkbox"/> Other <input type="checkbox"/> Specify _____							
RESIDENT <input type="checkbox"/>		Resident's condition before incident/accident									
List diagnosis if contributed to incident/accident:		Normal <input type="checkbox"/> Confused <input type="checkbox"/> Disoriented <input type="checkbox"/> Sedated <input type="checkbox"/> (Drug _____ Dose _____ Time _____) Other <input type="checkbox"/> Specify _____									
		Were bed rails ordered?		Were bed rails present?		If Yes, Up <input type="checkbox"/> Down <input type="checkbox"/>		Was height of bed adjustable?		If Yes, Up <input type="checkbox"/> Down <input type="checkbox"/>	
		Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>				Yes <input type="checkbox"/> No <input type="checkbox"/>			
		Was a restraint in use? Yes <input type="checkbox"/> No <input type="checkbox"/>									
		Physical restraint <input type="checkbox"/> Type _____ Chemical restraint <input type="checkbox"/> Specify _____									
EMPLOYEE <input type="checkbox"/>		Department			Job title			Length of time in this position			
VISITOR <input type="checkbox"/>		Home address						Home phone			
OTHER <input type="checkbox"/>		Occupation			Reason for presence at this facility						
Equipment involved <input type="checkbox"/>		Describe exactly what happened; why it happened; what the causes were. If an injury, state part of body injured. If property or equipment damaged, describe damage.						Was person authorized to be at location of incident/accident?			
Property involved <input type="checkbox"/> Describe								Yes <input type="checkbox"/> No <input type="checkbox"/>			

Indicate on diagram location of injury:

	<p>Temp. _____ Pulse _____ Resp. _____</p> <p>B.P. _____</p> <p>TYPE OF INJURY</p> <ul style="list-style-type: none"> 1. Laceration <input type="checkbox"/> 2. Hematoma <input type="checkbox"/> 3. Abrasion <input type="checkbox"/> 4. Burn <input type="checkbox"/> 5. Swelling <input type="checkbox"/> 6. None apparent <input type="checkbox"/> 7. Other (specify below) <input type="checkbox"/> <p>LEVEL OF CONSCIOUSNESS</p> <p>_____</p> <p>_____</p>	
--	---	--

Name of physician notified	Time of notification _____ A.M./P.M.	Time responded _____ A.M./P.M.	
Name and relationship of family member/resident representative notified	Time of notification _____ A.M./P.M.	Time responded _____ A.M./P.M.	
Was person involved seen by a physician? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, physician's name	Where	Date	Time A.M. <input type="checkbox"/> P.M. <input type="checkbox"/>
Was first aid administered? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, type of care provided and by whom	Where	Date	Time A.M. <input type="checkbox"/> P.M. <input type="checkbox"/>
Was person involved taken to a hospital? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, hospital name	By whom	Date	Time A.M. <input type="checkbox"/> P.M. <input type="checkbox"/>
Name, title (if applicable), address & phone no. of witness(es)		Additional comments and/or steps taken to prevent recurrence:	
SIGNATURE/TITLE/DATE		SIGNATURE/TITLE/DATE	
Person preparing report		Medical Director	
Director of Nursing		Administrator	

Post Fall Assessment

Resident Name: _____

Room #: _____

Date of Incident: _____ Any Injury? _____

Instructions: Assess each area as outlined below, give detailed descriptions of assessment, and include any action taken.

FACTORS	ASSESSMENT AREA	RESPONSE
Fall History	<ul style="list-style-type: none"> Review date of last fall. Review prior events leading to falls 	
Underlying illness and problems	<ul style="list-style-type: none"> Presence of underlying medical conditions affecting balance, causing dizziness, or vertigo or other medical conditions that predispose to falls (<i>List diagnosis</i>) Assess for presence of orthostatic Hypotension Assess for presence of signs of infection 	
Medications	<ul style="list-style-type: none"> Assess medications that could predispose to falls; such as <i>Diuretics, Antihypertensives, Anti-Parkinsonian agents, Antidepressants, Psychotropics, Vasodilators, Anticoagulants, Antiepileptics, Benzodiazepines, Narcotic analgesics, Non-steroidal anti-inflammatory agents (NSAIDs)</i> Review recent changes in medication Any suspected side effects from medication use? 	
Functional Status	<ul style="list-style-type: none"> Reassess mobility, standing, and sitting balance Reassess use of ambulatory / mobility assistive devices such as cane, walker, wheelchair. Review safety device and/or restraint use. Type? Are fall preventive devices effectively implemented? Review activity tolerance. Review bowel and bladder? Constipation? UTI? Assess footwear used at the time of fall 	
Sensory Status	<ul style="list-style-type: none"> Review status of conditions affecting vision Reassess visual and auditory impairments. Any recent changes? 	
Psychological Status	<ul style="list-style-type: none"> Reassess cognition, judgment, memory, safety awareness, and decision-making capacity. Any recent changes? 	
Environmental	<ul style="list-style-type: none"> Identify any contributory factor leading to the fall such as <i>wet floor, malfunctioning devices, poor lighting</i>. Any Action taken? 	

and any other pertinent information relating to the fall. Did nursing assistant implement appropriate safety precautions? If No, indicate action taken.

Nurse Signature: _____

Date: _____

INCIDENT / ACCIDENT INVESTIGATION
(Skin Tear, Bruise, unexplained incidents / accidents review)

Resident Name: _____ Room #: _____

Date of Incident: _____ Type of Incident: _____ Injury: _____

Instructions: Licensed nurse completes this form, and add pertinent information as applicable. Attach with incident report.

1. How was the incident discovered? How did the incident occur?

2. Was there any underlying condition that predisposes resident to incident?

3. Did resident's behavior such as *resisting care, restlessness, agitation*, etc. contributed to this incident

4. Was there any environmental or any other factor contributed to this incident?

5. Did nursing assistant implement appropriate nursing care: If No, explain appropriate action taken.

6. Any preventive / corrective measures implemented?

7. Recommendations, or Concerns:

Nurse Completing form: _____ Date: _____

QUALITY ASSURANCE REVIEW:

CGA Report

Incident / Accident Investigation

Resident Name: _____ Room #: _____

Date of Incident: _____ Injury: _____

Name of CGA completing this form: _____

1. Describe in detail exactly what happened, or what you know relating to the incident:

2. Where was the resident prior to this incident? _____

3. Was resident restless, agitated or resisting care during your shift?

4. Was call light placed within resident's reach? Did resident use call light for assistance? If No, explain:

5. Identify safety devices implemented during your shift: (Such as full side rails, lap-pillows, gerichair with table tops, chair/bed alarms, etc) which type?

6. How was the resident transferred or repositioned? With how many assist? Any mechanical devices used?

7. Did resident complain of pain or show facial expression of discomfort? Was it reported to the charge nurse?

8. Specify any environmental factors such as *wet floor, slippery shoes, faulty mechanical devices, etc.* that might have contributed to this incident? Was it reported? To Whom?

9. Additional Information: *Include pertinent information as it relates to this incident*

Geriatric Aide Signature: _____ Date: _____

Note: Additional information may be required as determined by the quality assurance.

Incident/Accident Report to QA Committee

(Prepared by QA Coordinator or the Designee)

	January	February	March	April	May	June	July	August	September	October	November	December
Total # of falls for the Month-2005												
Number of Residents w/multiple falls												
Number of falls per floor	1 st Floor											
	2 nd Floor											
	3 rd Floor											
Number of Residents with injury requiring hospitalization/ER												
Bruises/Hematomas												
Skin tears/ Abrasions												
Lacerations												
Fractures												
Elopements												
# of Resident to Resident Incidents												
# of Resident to Staff Incidents												
# of Alleged Abuse Cases												
# of Alleged Theft Cases												

	JAN	FEB	MARCH	APRIL	MAY	JUNE	JULY	AUG	SEP	OCT	NOV	DEC	TOTAL
TOTAL													
1 st													
2 nd													
3 rd													

Total number of falls		
Average number of falls		
Total number of fractures		

QUALITY ASSURANCE/RESTRAIN REDUCTION

Sacred Heart Home, Inc. Hyattsville, MD 20782

	Date	Date	Date	Date	Date	Date	Date	Date	Date	Date	Date	Date
Number of residents with full side rails												
Number of residents using g/c with legs elevated or lap tray as restraints												
Number of residents using lap buddies as restraints												
Number of residents using seat belts as a restraints												
Total number of residents with restrains (as they trigger on MDS, excluding full side rails)												
Number of residents using lap pillows that are not restraints												
Number of residents using Geri-chairs not as restraints												
Number of residents using seatbelts that are not restraints												
Number of residents using alarms												
Number of residents using motion sensors												
Number of residents using hip protectors												
Number of residents using Fall-ease matt												
Number of residents using Wander Guard												
Number of residents using low beds												
Anti-rollback system												

March 7, 2003

Sacred Heart Home
Section 6

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Sacred Heart Home
FILING GRIEVANCES/COMPLAINTS

POLICY

Our facility assists residents, their representatives, other family members, or resident advocates in filing grievances or complains when such requests are made.

PROCEDURE

1. Any resident, resident's representative, family member, or appointed advocate may file a grievance or complaint concerning treatment, medical care, behavior of other residents, staff members, theft of property, etc., without fear or reprisal in any form.
2. Grievances and/or complaints may be submitted orally or in writing. Written complaints or grievances must be signed by the resident or the person filing the grievance or complaint on behalf of the resident.
3. The administrator has delegated the responsibility of grievance and/or complaint investigation to the Director of the Social Services.
4. Upon receipt of a written or oral grievance and/or complaint, the Director of Social Services Department in conjunction of the department head of the involved department will investigate the allegations and submit a written report of findings to the administrator.
5. The administrator will review the findings with the person(s) investigating the complaint to determine if any additional corrective actions, if any, need to be taken.
6. The resident, or person filing the grievance and/or complaint on behalf of the resident, will be informed of the findings of the investigation and the actions that will be/or were taken to correct any identified problems within 30 days.
7. Complaints of abuse will be investigated according to "Abuse Investigation Policy".
8. Should the resident or the person filing the complaint not be satisfied with the result of the investigation, or the recommended actions, he or she may file a complaint with the local ombudsman office or with the state survey and certification agency.
9. The Director of Social Service Department will be responsible for recording complaints on the complaint log and for maintaining this log.
10. The following information, as a minimum, must be recorded in the complaint log:
 - The date the complaint is received
 - The name of the resident
 - The name and relationship of the person filing the complaint
 - The date the alleged incident took place
 - The name of the person investigating the incident
 - The date the resident, or interested party, was informed of the findings
 - The disposition of the complaint (i.e. resolved, dispute, etc.)

Sacred Heart Home
IMPORTANT INFORMATION

PLEASE DO NOT REMOVE FROM THE BULLETIN BOARD

Resident Grievance/Complaint Procedures

A resident, or resident's representative, family member, visitor or advocate may file a verbal or written complaint concerning treatment, abuse, neglect, harassment, medical care, behavior or other residents or staff members, theft of property, etc., without fear of threat or reprisal in any form.

1. To file a written complaint contact the Director of the Social Services or the Nursing Supervisor on duty to obtain a copy of Complaint Resolution Form.
2. Complete the form and provide all the information as appropriate. Be sure that all information is accurate.
3. Be sure that you sign and date the form if you would like to be informed of the findings of the investigation.
4. Give the completed report form to the Director of Social Service Department or the administrator. If neither of them is available, you may leave the report with the nurse supervisor on duty, or you may place it in the mailbox of the appropriate person.
5. Within 30 days you will be informed of the findings of the investigation and the actions that will be/ or were taken to correct any identified problem(s).
6. Should you disagree with the findings, recommendations, or actions taken, you may meet with the administrator, or you may file a complaint with any of the advocacy agencies listed at the Main Entrance (Front Desk)
7. It is the policy of this facility to assist you in filing a grievance or complaint. Should you feel that our staff has not assisted you in this matter, or you are being discriminated against for taking such step, you are encouraged to report such incidents to the administrator at once.

Sacred Heart Home, Inc.

Hyattsville, MD

Complaint Resolution Form

Resident Name: _____ **Room#** _____

Name of the Person filing the complaint: _____ **Relationship** _____

Phone # of person filing complaint- Home _____ **Work** _____

.....

NATURE OF COMPLAINT: *(Check all that apply, be sure to include date incident occurred).*

Nursing/ Patient Care _____ **Dietary** _____ **Laundry** _____

Staff Attitude _____ **Physician Services** _____ **Other** _____

Description of the Situation:

Signature of Person Completing the form: _____ **Date:** _____

Forward completed form to the Social Services mailbox

INVESTIGATION: *(To be completed by the Supervisor of the department involved).*

Signature of the Investigator: _____ **Date:** _____

(Attach any written statement, if applicable).

[illegible]

Sacred Heart Home
Section 7

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Abuse Prevention Program

Highlights

Policy Statement

Our residents have the right to be free from abuse, neglect, misappropriation of property, corporal punishment and involuntary seclusion.

Definitions

To assist anyone in recognizing incidents of abuse, or neglect, the following definition is provided:

☐ **Abuse is defined as:**

- i. A willful infliction of injury; unreasonable confinement; intimidation; punishment with resulting physical harm, pain, or mental anguish; or
- ii. Deprivation by an individual, including a caretaker, of goods, or services that are necessary to attain or maintain physical, mental and psychosocial; well-being; or
- iii. A persistent course of conduct intended to produce, or resulting in, mental or emotional distress to a resident, for example, verbal intimidation to an individual.
 - a. **Verbal Abuse:** The use of oral, written, or gestured language that willfully includes reproachful and derogatory terms to residents or their families, or within hearing distance, including, but not limited to: threats of harm; saying things to frighten or intimidate a resident, or making jokes that is deemed inappropriate.
 - b. **Mental Abuse:** The infliction of emotional or mental suffering on a resident. This includes, but not limited to humiliation, harassment, making demeaning statements, intimidation, and threats of punishment or deprivation.
 - c. **Physical Abuse:** The infliction of physical pain or injury to resident. It includes, but not limited to, hitting, slapping, pinching, kicking, or biting. It also includes intentional controlling behavior through corporal punishment or the misuse of physical or chemical restraints.
 - d. **Sexual Abuse:** Includes but not limited to inappropriate touching of a resident in a sexual manner; sexual harassment; sexual coercion, or sexual assault.

☐ **Neglect** means the failure to provide goods and services necessary to avoid physical harm, mental anguish, or mental illness. Examples of a neglect include, but not limited to:

- i. Failure to provide the necessary treatment to achieve or maintain desirable physiological or psychosocial well-being;
- ii. Failure to provide necessary nursing care for a resident who requires assistance with activities of daily living including but not limited to *bathing, feeding, toileting, dressing; transfers; mobility supervision, medical services etc.*

☐ **Inappropriate Physical Restraints** means the use of physical or mechanical device, material, or equipment attached to the resident's body that restricts freedom of movement of normal access to one's body and is used for discipline or convenience and not required for treatment of client's medical symptoms.

☐ **Chemical Restraint** means the use of a psychopharmacologic drug to control behavior and not otherwise required to treat medical symptoms.

☐ **Involuntary Separation or Seclusion:** Involuntary or inappropriate separation of a resident from other resident, that is against the resident, or the will of the legal responsible party.

Preventing Abuse

Policy Interpretation and Implementation

- i. Our facility is committed to maintaining a healthy and professional atmosphere that is free of threat and/or harassment abuse (verbal, physical, mental, psychological, or sexual), neglect.

Continued on next page

- | | |
|---|---|
| Employee Background Checks | 2. Our facility shall protect its residents from abuse by anyone including, but not necessarily limited to: facility staff, other residents, consultants, volunteers, staff from other agencies providing services to our residents, family members, legal guardians, surrogates, sponsors, friends, visitors, or any other individual. |
| Training of Staff | 3. Our facility conducts employee background checks and will not knowingly employ any individual who has been convicted of abusing, neglecting, or mistreating individuals.

4. Upon hiring, employees will be oriented to the policy.
a) All employees shall be oriented to the abuse prevention policy
b) Annual, and periodic / ongoing in-service shall be conducted for all employees on abuse/neglect. |
| Allegation of Abuse or Neglect | 5. Upon initial report or discovery of the alleged incident by anyone, the supervisor on duty implement the following:
a) Remove employee suspected of the abuse/neglect immediately from further contact with the resident involved, pending further investigation.
b) Assess the resident to ensure safety. |
| Notification of Administrative Management | 6. The facility administrator, medical director, and the director of nursing should be notified immediately of the following including, but not limited to:
b) Suspected or confirmed abuse: verbal, physical, or sexual;
c) Alleged or actual neglect;
d) Use of authorized restraints that result in any type of injury;
e) Unauthorized use of physical or chemical restraints;
f) Allegations of theft;
g) Altercations involving resident – resident; resident – staff; or resident – visitor. |
| Investigation | 7. The facility's administrator, or designated personnel initiates the investigative procedure.
b) The facility administrator, and director of nursing or authorized personnel should conduct a thorough investigation to determine if the alleged incident violates any standard of practice.
c) Depending on the severity of the allegation, and to protect the welfare of the client, alleged employee could be suspended, or reassigned to another assignment during the investigative period.
d) All involved parties should be questioned during the investigative process to determine facts.
e) Complete the abuse investigative report form as indicated (<i>see sample form</i>)
f) All investigative reports should be forwarded to the facility's administrator. |
| Reporting | 8. The facility's administrator, or authorized personnel shall report allegations of abuse to the appropriate law enforcement agency; Licensing and Certification Administration within the Department; or The office of Aging. |
| Time frame for reporting allegations of abuse to proper regulatory agencies | 9. The facility's administrator, or authorized personnel shall initiate report to the appropriate licensing agencies within one working day:
a) Initial oral report should be made initially;
b) Outcome of the investigation should be reported to the appropriate agencies as a follow-up; and
c) Authorized personnel such as the administrator, director of nursing, social worker, nursing supervisor or charge nurse should contact the legal responsible party, and follow-up on the outcome of the investigative report as appropriate. |

Regulatory Reference Sources	
OBRA Regulatory Reference Numbers	483.10(a)(2); (b); 483.13(b) - (c)(1)-(3)
Survey Tag Numbers	F151; F156; F223; F224; F225; F226

Abuse Investigations / Reporting

Highlights

Policy Statement

The facility management shall promptly and thoroughly investigate all reports of abuse or neglect

Policy Interpretation and Implementation

Receiving the Report

1. Upon initial report of allegation of abuse, or neglect, the following will apply:
 - a. Initial reports of abuse, or neglect will be received by the department of social services, or by any other department such as the nursing department.
 - b. The intake report will serve as the referral form for the social services
 - c. The Incident report will serve as the referral form for the department involved, and all applicable agencies such as the law enforcement services.

Investigation

2. The facility's administrator, or designated personnel initiates the investigative procedure.
 - a. The facility administrator, and director of nursing or authorized personnel should conduct a thorough investigation to determine if the alleged incident violates facility's policies, and /or any acceptable standard of practice as applicable.
 - b. Depending on the severity of the allegation, and to protect the welfare of the client, alleged employee could be suspended, or reassigned to another assignment during the investigative period.
 - c. All involved parties should be questioned during the investigative process to determine facts.
 - d. Complete the abuse investigative report form as indicated (*see sample form*)
 - e. All investigative reports should be forwarded to the facility's administrator.

Reporting

3. The facility's administrator, or designee shall report alleged abuse / neglect to:
 - a. The appropriate law enforcement agency;
 - b. Licensing and Certification Administration within the Department; or
 - c. The office of Aging.

Time frame for Reporting to regulatory authorities

4. The facility's administrator, or authorized personnel shall initiate report to the appropriate licensing agencies within one working day:
 - a. Initial oral report should be made initially;
 - b. Outcome of the investigation should be reported to the appropriate agencies as a follow-up.

Notification of Legal Responsible Party of alleged abuse / neglect

5. The facility's administrator, or authorized personnel Authorized personnel such as the administrator, director of nursing, social worker, nursing supervisor or designee should contact the legal responsible party upon initial report of allegations of abuse, and follow-up after the investigation for outcome.

Regulatory Reference Sources	
OBRA Regulatory Reference Numbers	483.10(a)(2); (b); 483.13(b) - (c)(1)-(3)
Survey Tag Numbers	F151; F156; F223; F224; F225; F226

Summary of other Witness(s):

Summary of Investigative Report:

Did findings indicate abuse? Yes [] No [] . If Yes, indicate corrective action:

Report of findings, and corrective action reported to:

Name	Date	Time	By Whom
1. Administrator			
2. Resident's Legal Representative			
3. State Licensing Agency			
4. Law Enforcement Agencies (Specify) _____			
5. Ombudsman			
6. Nurse Aid Registry (PRN)			
7. Other (specify) _____			
8. Other (specify) _____			

Additional Comments / Information

Name of Person completing the investigative report: _____

Signature: _____ Title: _____ Date: _____

Administrator's Signature: _____ Date: _____

Sacred Heart Home

Section 8

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POSTING OF STAFFING

POLICY

In accordance with the regulatory standards regarding posting of staffing, nursing department shall:

- ◆ Post on each floor, and on each shift the current number of licensed and unlicensed nursing staff directly responsible for resident care and the current ratios of residents to staff.
- ◆ Administrative nursing staff shall be excluded from this list
- ◆ Staffing information shall be displayed on a standardized form provided by the facility.
- ◆ This information shall show separately the number of residents to licensed nursing staff, and the number of residents to (direct caregivers) unlicensed nursing staff.
- ◆ The information shall be displayed in manner that is visible and accessible to all residents, their families, caregivers, and potential customers.
- ◆ The form shall include the first initial and last names of nursing staff on duty assigned to individual resident.

PURPOSE

To ensure that each resident receives adequate nursing care in accordance with the regulatory standards. Also, to ensure that actual staffing levels are sufficient to enable each resident to achieve the highest practicable quality of care and quality of life.

PROCEDURE

1. The charge nurse or the designee on each floor shall complete the posting of staff form on each shift daily.
2. Night shift nursing initiates the completion of this form daily
3. Include the First Initial, and Last Name of each assigned nursing staff
4. Include individual room and extra duty assigned to each unlicensed nurse.
5. Complete form with the ratio of licensed and unlicensed nurse to resident
6. Post completed form in a designated area on each floor daily.
7. Notify nursing supervisor of any discrepancy in staffing assignment.

Sacred Heart Home, Inc.
QUALITY ASSURANCE and IMPROVEMENT

UNIT: _____

DATE: _____

11PM – 7: 30 AM SHIFT

CENSUS: _____

Supervisor: _____

RN / LPN _____

Ratio: _____

CGA Ratio: _____

NAME	ROOMS ASSIGNED	EXTRA DUTIES
1.		
2.		
3.		

7AM – 3 : 30PM SHIFT

CENSUS: _____

Supervisor: _____

RN / LPN : _____

Ratio: _____

CMA: _____ CGA Ratio: _____

NAME	ROOMS ASSIGNED	EXTRA DUTIES
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		

3PM – 11:30 PM SHIFT

CENSUS: _____

Supervisor: _____

RN / LPN : _____

Ratio: _____

CMA: _____ CGA Ratio: _____

NAME	ROOMS ASSIGNED	EXTRA DUTIES
1.		
2.		
3.		
4.		
5.		
6.		

Sacred Heart Home

5805 Queens Chapel Road
Hyattsville, Maryland 20782
301-277-6500
Fax: 301-277-3181

RESIDENT RELOCATION PLAN

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Sacred Heart Home

I. PURPOSE

In the unlikely event that Sacred Heart Home, Inc. decides to discontinue its operations and services, this plan has been developed.

This plan will be utilized in preparing for the relocation of residents to other appropriate facilities or to the community at large. The plan is designed to provide for the smooth and orderly transfer of residents if Sacred Heart Home closes and to provide appropriate notice to residents, responsible parties and/or guardians as required by State Law.

While the administrator of Sacred Heart Home has the ultimate responsibility for the implementation of this plan, it is envisioned that other members of the administrative, nursing and social services departments will be assigned certain duties and responsibilities if and when this plan has to be implemented.

IV. ENTITIES TO NOTIFY IN THE EVENT OF RELOCATION

Public Agencies

Sacred Heart Home will notify the following public agencies in the event the facility relocates its residents. The Administrator and/or designee will be responsible for contacting these agencies:

Maryland Office of Health Care Quality

Carol Benner, Director
Maryland Office of Health Care Quality
Spring Grove Center
55 Wade Avenue
Catonsville, Maryland 21228
(410) 402- 8000

Maryland Medicaid Program

Debbie Chang, Deputy Secretary
Maryland Department of Health and Mental Hygiene
201 West Preston Street, 5th Floor
Baltimore, Maryland 21201
(410) 767-5001

Maryland Health Care Commission

Executive Director
Maryland Health Care Commission
Department of Health & Mental Hygiene
4140 Patterson Avenue
Baltimore, Maryland 21215
(410) 764-3460

Prince George's County Health Dept.

Director Mary Pat Goffaux, Program Chief
{Nursing Home& Facility Licensure}
Leonard Dryer Regional Health Center
9314 Piscataway Road,
Clinton, Maryland
(301) 856-9450

Local Department of Social Services

Director, Medical Eligibility Unit
805 Brightseat Road
Landover, Maryland
(301) 909-2080

Local Ombudsman Office

5012 Rhode Island Avenue
Hyattsville, Maryland 20781
(301) 699-2684

A. Providers, Suppliers and/or Contractors

In the event of closure, Sacred Heart Home will attempt to provide as much advance notice as possible to all providers, suppliers and/or contractors doing business with the facility.

Examples of providers, vendors and other entities who should be notified include:

1. The Facility's attending physicians;
2. Pharmacy provider;
3. Other service provider(s);
4. Food supplier;
5. The bank, if any, at which the Facility maintains resident account and the Facility's lender.
6. Local hospitals where residents who have bed holds in Sacred Heart Home may be receiving care

Three sample notices, one each for attending physicians, hospitals, and vendors are attached. These samples will be appropriately tailored to the specific needs of the facility, in the unlikely event if the need ever arises.

Sacred Heart Home
[Sample Attending Physician Notice]

Dear Dr. _____:

We want to take this opportunity to make you aware of certain decisions, which will affect your patients at Sacred Heart Home. After much consideration and deliberation, we have decided to close Sacred Heart Home effective _____.

During the next few weeks, we will be assisting our residents in choosing and relocating to a new facility or returning home. In the meantime, we will continue to provide all services to residents at the Facility and will require your cooperation and assistance in assuring the continuity of those services. We encourage you to contact your patients at Sacred Heart Home to discuss their relocation plans and to advise them of any facilities at which you practice that may meet their needs.

If you have any questions, please feel free to call me.

Sincerely,

Administrator

Sacred Heart Home
[Sample Hospital Notice]

Dear (Hospital Administrator) _____:

We want to take this opportunity to make you aware of certain decisions, which will affect current patient(s) at your hospital, _____

_____ [resident names]

who are residents of Sacred Heart Home. After much consideration and deliberation, we have decided to close Sacred Heart Home effective _____.

During the next few weeks, we will be assisting these residents in choosing and relocating to a new facility or returning home. Because these residents may be discharged from your hospital before Sacred Heart Home closes, we may need your assistance and cooperation in indemnifying alternative facilities to which the resident could be discharged in order to avoid an additional move if they were to return here. I want to assure you that through the date of closure, Sacred Heart Home will continue to provide all necessary services to our resident.

If you have any questions, please feel free to call me,

Sincerely,

Administrator

Sacred Heart Home
[Sample Vendor Notice]

Dear (Vendor) _____,

We want to take this opportunity to make you aware of certain decisions, which will affect the services you provide to Sacred Heart Home. After much consideration and deliberation, we have decided to close Sacred Heart Home effective _____.

During the next few weeks, we will be assisting our residents in choosing and relocating to a new facility or returning home. In the meantime, we will continue to provide all services to residents at Sacred Heart Home and will require your cooperation and assistance in assuring the continuity of those services.

I will be contacting you by telephone within the next few days to discuss this matter with you further and to answer any questions you may have. However, if you have any questions before that, please feel free to call me.

Sincerely,

Administrator

V. NOTICES TO RESIDENTS AND RESPONSIBLE PERSONS

Pursuant to State law, nursing facilities in Maryland are required to provide notice to residents and families or guardians fifteen days before public funding terminates.

Health –General Article 19-1413(3), Annotated Code of Maryland. Further, facilities are required to provide notice to residents and families or guardians thirty days before closure of the facility. Health-General Article 19-1413 (2), Annotated Code of Maryland. When an individual is authorized to act on behalf of a resident (such as a guardian of the person, agent, attorney-in-fact or surrogate decision maker), notice will also be sent to that individual.

Facilities may request a waiver of the fifteen-day and thirty-day notices under Health-General Article 19-1413 (2) and (3).

The fifteen-day notice is to be sent when the facility is notified by a government agency that a determination has been made to terminate public funding, such as Medicare or Medicaid.

The separate thirty-day notice applies when a facility closes for any reason. The fifteen-day notice should be sent even when the Facility will have its public funding terminated, but intends to reapply for Medicare and/or Medicaid. The fifteen-day notice should also be given if the Facility decides to keep operating, but without reapplying for government funding.

The thirty-day notice is to be sent whenever a facility plans to close, whether or not based on the termination of public funding. If a facility plans to close as a result of Medicare or Medicaid termination, funding typically continues during a thirty-day relocation period, although the applicable rules should be consulted. If a facility receives notice of termination of government funding and makes a decision to close, facilities need to ensure that the requirements of the fifteen-day and thirty-day notice provisions are met.

Sacred Heart Home
[Sample 15-Day Notice]

Dear Resident/Responsible Person:

We want to take this opportunity to make you aware of certain developments at our facility and, at the same time, to assure you of our commitment to providing quality health care services to you or your family member. As you know, we work hard to monitor the way we deliver care to ensure our standards remain high. We are also subject to review by other groups as well. As a Medicaid provider, Sacred Heart Home is subject to scrutiny by the federal and state government, and we are periodically monitored to assure compliance with certain standards and requirements. When the government is concerned that a nursing home may not have maintained compliance with those standards, it takes certain actions.

Following recent visits to Sacred Heart Home by the Department of Health and Mental Hygiene ("Department"), the state agency that inspects nursing homes on behalf of the Medicaid program, the Department has determined that Sacred Heart Home has not maintained compliance with regulatory standards. [Optional: We want you to know that while we dispute the Department's decision and firmly asserts that Sacred Heart Home has been in compliance with the government's requirements, the Department nonetheless decided to terminate all Medicaid payments to the Facility [date]]. Because of this determination, Sacred heart home will cease participation in the Medicaid programs effective [date] and will receive no further Medicaid payments after that date until such time as Sacred Heart Home is reinstalled in this program.

Please be aware that the State's action will not require you or your family member to move out of the Sacred Heart Home, nor will it affect our commitment to providing high-quality health care services.

Sacred Heart Home [Optional: is not only challenging this determination but, on a parallel track,] is working diligently to demonstrate compliance with Medicaid requirements as interpreted by the agency. During this time, despite the fact that Sacred Heart Home will not be receiving any Medicaid payments, there will be no impact on the amount you or your

Sacred Heart Home

family member pays for care. Please note that we may need to discuss certain matters with you concerning Medicaid eligibility. In the meantime, if you would like additional information about this process or our response to the agency's findings, please contact _____ at 301-277-6500.

We assure you that we will keep you apprised about this matter as information becomes available.

Sincerely,

Administrator

Sacred Heart Home
[Sample 30-Day Notice]

Dear Resident/Responsible Person:

We want to take this opportunity to make you aware of certain decisions that will affect your residency at Sacred Heart Home. After much consideration and deliberation, we have decided to close Sacred Heart Home, effective [date- at least 30 days after date of the letter].

Please rest assured that we will make every effort to assist you and/or your relative in finding and relocating you to a new residence. Please also be aware that if your care at Sacred Heart Home is funded by the Medicaid program, payment by this program will continue through the end of your stay here. Our staff will put you in contact with staff from the local department of social services if you have any questions about Medicaid eligibility and transferring your care to another Medicaid-eligible facility. Questions about your Medicare eligibility at other facilities can be answered by those facilities.

A list of local nursing facilities is enclosed. If you wish to learn about sources of information concerning assisted living facilities as an option for placement, we can provide it. We can provide additional information about facilities in other areas of the state if you desire. If you wish to continue with your current attending physician, you should consult with your physician to determine in which facilities your physician practices. We urge you to promptly contact other appropriate facilities. You may decide to return to your home or to live with a relative or friend and postpone looking for a facility, although you should consult with your attending physician in making this decision. We can assist you in making these arrangements if you wish.

The Maryland Department of Health and Mental Hygiene, Office of Health Care Quality, may be monitoring the closure of our facility. Staff of the agency may be in the building periodically throughout the next thirty days. If you have any questions about this process or if a facility you are considering has any questions, please feel free to contact myself or any member of the Administrative Team.

Sacred Heart Home

It has been our pleasure to serve you during your stay at Sacred Heart Home. We thank you for your understanding and patience. Please contact me to discuss your options and the procedures for relocation, as well as to receive answers to your questions.

Sincerely,

Administrator

V. Resident Relocation Considerations

In assisting residents, their responsible parties and/or guardians in their decisions about where to relocate, Sacred Heart Home will consider the following factors unique to each resident's circumstances. Members of the Administrative team of Sacred Heart Home will assist, to the extent possible, residents and their responsible parties and/or guardians in their decision-making.

1. Preferences for a particular facility or location.
2. Special services the resident may need or desire
3. Religious preference
4. Payer source consideration
5. Desire to stay with the roommate
6. Accessibility of new facility to transportation, visitors, and family
7. Other needs or desires

The "Resident Needs and Preferences Assessment" will be completed for each resident in the situation of closure.

Sacred Heart Home

A. Resident Needs and Preferences Assessment

Name of Resident: _____

Responsible Person: _____

Address and General Geographic Area of Responsible Person: _____

Family Member Names and Locations: _____

Special Therapies or Services Required: _____

Roommate's Name: _____

Would the resident like to be in the same facility as current roommate?

Yes _____ No _____

Roommate Preferences: _____

Religious Preferences: _____

Pets: _____

Sacred Heart Home

B. Documents to be Provided to Residents and/or New Facility Upon Relocation

The following documents will be supplied by Sacred Heart Home to the receiving facility:

1. Physician's order sheets for the previous two(2) months
2. Medication Administration Records and Treatment Administration Records for the previous two months,
3. Resident Assessment Instrument including last complete MDS and current care plan,
4. Discharge summary or medical assessment and evaluation,
5. Advance directive information,
6. Emergency contact list,
7. Medical Assistance or other long-term care insurance Eligibility information,
8. Final accounting of resident funds and
9. Other medical record information as necessary and appropriate or as otherwise required by law.

The following checklist will serve as a companion document.

If requested, any and all of the resident's medical record will be copied and given to the appropriate individual.

C. Document Checklist

Resident Name _____

- ____ 1. Physician's orders for the previous two months
- ____ 2. Medication Administration Records and Treatment Administration Records for the previous two months.
- ____ 3. Resident Assessment Instrument including last complete MDS and care plan.
- ____ 4. Discharge summary or medical assessment and evaluation.
- ____ 5. Advance directive information.
- ____ 6. Emergency contact list.
- ____ 7. Medical Assistance or other long-term care insurance eligibility information.
- ____ 8. Final accounting of resident funds.
- ____ 9. Other medical record information as necessary and appropriate or as otherwise required by law.

Sacred Heart Home

D. Items to Accompany Resident to New Location

Sacred Heart Home will assure, the extent possible, that the following personal items will accompany the residents to their new facility/home

1. A three (3) day supply of their current medications, as permitted by law (unless other arrangements have been made with the receiving facility)
2. Any assistive devices (eyeglasses, dentures, hearing aids, canes, walkers, personal wheelchairs, etc.)
3. Clothing and personal effects.
4. Personal furniture, which the resident had brought into Sacred Heart Home.

Sacred Heart Home will assist in the gathering and labeling of these personal items for transfer. It is the responsibility of the resident, their responsible party and/or guardian to move these items to the new facility or home.

Sacred Heart Home

E. RELOCATION LOG

Sacred Heart Home will create a log with the denoted names of the residents who resided in the facility at the time of closure; the place where the residents were relocated; the date they left Sacred Heart Home; and the name of the contact person for each resident.

The administrator and/or the designee will be responsible for this log.

When the log is completed, the administrator and/or the designee will forward copies of this log to the Director and the Assistant Director For Long Term Care, Office of Health Care Quality, Maryland State Department of Health and Mental Hygiene, Bland Bryant Building, Spring Grove Center, 55 Wade Avenue, Catonsville, Maryland 21228

Sacred Heart Home
QUALITY IMPROVEMENT METHODOLOGY

Problem Identification

In order to provide quality of care to the residents, there shall be continual monitoring of care that the facility provides. Monitoring is focused on identification of existing or potential problems. A problem shall be defined as a deviation from an expected occurrence that may not be justified as appropriate

Establishment of Priorities

- All monitoring will be problem-oriented and deal with suspected problems or focus on areas where there is a high potential for problems.
- The establishment of priorities for problem resolution will be related to the degree of adverse impact, either directly or indirectly, on resident care.

Data Sources to Identify Problems

Both internally and externally data sources should be used to identify problems.

- The medical record.
- Monitoring activities of the medical, nursing and other professional staff.
- Other committee findings and recommendations.
- Infections control reports.
- External organizations, which compile statistics, design profiles and produce other comparative data.

Problem Assessment

When a problem is identified it will be assessed concurrently and retrospectively. Analysis of physician-directed care will be performed by physician members of the medical staff. Non-physician health care professionals will evaluate those aspects of care they provide.

Methods of Assessment

Problems can be identified through documentation audits, observation and problem reporting by the staff.

Sacred Heart Home

Basic Steps for Completion of Ongoing Monitoring

There shall be eight (8) steps in the process of monitoring a problem

The Quality Assurance Coordinator will notify departments when they are required to participate in monitoring.

Step 1. –Problem Identification and Approval of Monitoring Activity

All requests for approval of topic and monitoring must be submitted to the Quality Assurance Coordinator. The Department Director may be requested to attend the meeting to discuss proposed monitoring/ study. Priority will be given to those directly affecting resident care.

Step 2. –Criteria Development

The Quality Assurance Coordinator will provide assistance for criteria development. Once the criteria are approved by the Committee, the Quality Assurance Coordinator will notify the Department.

Step 3. –Compliance Rate Determined

The Quality Assurance Coordinator will determine the compliance rate and the results will return to the requesting department for analysis.

Step 4. -Departmental Analysis

All areas of non-compliance must be reviewed to determine if variations in compliance Are deemed justified or unjustified.

Step 5. –Recommended Corrective Action

The Department Head, Quality Assurance Committee, or Administrator with input from any other staff may generate recommendations for corrective action.

Step 6. –Implementation of Corrective Action

All departments involved in the study/problem shall see that corrective action is implemented if deemed necessary by the Quality Assurance Committee.

Step 7. –Reporting

All monitoring must be reported to Quality Assurance Committee through the Quality Assurance Coordinator for review.

Step 8. –Follow-up

Follow-up monitoring is required as indicated to evaluate the effectiveness of the corrective action. All findings of the follow-up monitoring must be reported to the Quality Assurance Committee.

Sacred Heart Home
Quality Assurance and Improvement

POLICY

Ongoing monitoring will be implemented by each Department to ensure that problems are corrected, and that practices are improved.

Each Department is responsible to continuously evaluate care and services,

- ♦ To determine potential problems
- ♦ To analyze problems and
- ♦ To implement corrective actions

PROCEDURES

Each Department will monitor the services it provides by establishing its own measurable criteria. The methods available to them will vary according to the services they provide.

Quality Assurance Plan For all Ongoing Monitoring shall include:

1. A description of the measurable criteria.
2. How data will be gathered;
3. The way data will be evaluated and analyzed to determine trends and patterns-if they exist.
4. Descriptions of the thresholds or performance parameters that represent acceptable outcomes for the measured criteria.
5. A description of how the quality assurance activities will be documented.

Sacred Heart Home

Quality Assurance and Improvement

Problem Reporting/Monitoring

(Any staff member can fill out this form to bring to QA attention any existing or potential problems)

PART I.

1. _____
Name of the person presenting the problem

2. _____
Date

PROBLEM IDENTIFICATION:

(Provide a brief description-identify type of problem and provide details needed for follow up)

(After Completing the above please submit the form to Quality Assurance Coordinator for follow up)

PART II. *(To be completed by QA Coordinator)*

FOLLOW UP: *(please provide sequential follow up till resolution of the problem)*

(Use additional sheets if needed)

Sacred Heart Home
QUALITY ASSURANCE AND IMPROVEMENT

Monitoring Activity

ASPECT OF CARE:	Safety
INDICATOR:	Residents environment will be observed for adherence to safety rules and regulations.
CRITERIA:	See attached sheet.
SAMPLE:	Each floor every month.
METHODOLODY:	The Quality Assurance Coordinator or the Designee will do the safety rounds on every floor.
DATA SOURCES:	Observation of the environment.

Sacred Heart Home
QUALITY ASSURANCE AND IMPROVEMENT

Safety Rounds

Date: _____ Floor/Area: _____ Time: _____

Directions: Observe the nursing unit including common areas, work areas and a sample of resident rooms.

Corrective action should be taken when a problem is identified.

Criteria	Met	Not Met	N/A	Corrective Action
Halls are clear; items in hallway are placed on one side				
Spills cleaned up promptly				
Wet floor signs used correctly				
Passageway available when floors are being cleaned.				
Electrical cords in good condition.				
Cleaning supplies not accessible to the residents.				
Halls and resident areas have adequate lightning.				
Handrails securely fastened.				
Furniture and equipment in good repair.				
Call lights in reach and operable.				
Residents supervised adequately.				
Medication and treatment carts locked when not attended.				
Housekeeping carts locked or put away when unattended.				
No tripping hazards present.				
Temperatures of Food and Medicine Refrig. Appropriate.				
Bed in low position and locked.				
Other Observations:				

Signature: _____

Sacred Heart Home
QUALITY ASSURANCE AND IMPROVEMENT
Monitoring Activity

ASPECT OF CARE:	Closed Record Review
INDICATOR:	Indicated parts of the chart will be completed for all the discharged residents.
CRITERIA:	See attached sheet.
SAMPLE:	All of the discharged residents.
METHODOLODY:	The Quality Assurance Coordinator or the Designee will review the chart for completion
DATA SOURCES:	Closed Charts.

Sacred Heart Home
QUALITY ASSURANCE AND IMPROVEMENT

Closed Record Review Form

Resident Name					
Discharge Date					
Audit Date					
Physician Sign off the Chart(+Disch. Sum)					
Notification of Family/Responsible Party Documented.					
Nursing Documentation Complete					
Discharge Order or Release of Body Order.					
Mortician Receipt					
Possession Disposal					
Record in Correct Discharged Chart Order.					
Pharmacy Notified of Deceased					
Additional Comments					



- Mark Indicated Documentation Present



- Mark Indicates Documentation Incomplete or not present

Sacred Heart Home
QUALITY ASSURANCE AND IMPROVEMENT
Monitoring Activity

ASPECT OF CARE:	Medication Administration
INDICATOR:	Medication Administration will be observed for compliance with federal/state regulation.
CRITERIA:	See attached sheet.
SAMPLE:	All the licensed nurses and medicine aids once a year and yearly, each of them observed for at least 20 medications.
METHODOLOGY:	Staff Development Coordinator or the Designee will observe the medication pass.
DATA SOURCES:	Direct observation of medication administration and Medication Administration Record.

Sacred Heart Home
QUALITY ASSURANCE AND IMPROVEMENT

Medication Pass Survey

Date: _____ Shift: _____ Floor: _____

Nursing Staff Observed: _____ Observed by: _____

Overall Error Rate: _____ (Total #errors observed divided by Total # of opportunities for error
X 100= error rate) ***T-Tag 332 —► Med error rate should be < 5%

CRITERIA	YES	NO	N/A	COMMENTS
INFECTION CONTROL: F-Tag 442/444				
Washes hands before administering medications & between resident contacts.				
Does not touch pills with bare hands.				
Bulk med Scoop stored separately from container.				
All foods/liquids on cart covered and dated.				
Disposes of injectables following standard precautions				
MED CART/SAFETY: F- Tag 432				
Maintains security of cart at all times; Carries med keys on person.				
Keeps sublingual drugs separate from other PO drugs.				
Internal drugs kept separate from external drugs				
Cleans cart, drug bottles and medicine drawers as necessary.				
Narcotics double locked on med cart.				
PROCEDURES: F-Tag 333				
Supplies on/in bed cart before starting procedure.				
Identifies resident by checking name band or other appropriate means.				
Verifies medication and strength with order as transcribed on MAR(reads label, MAR and label again)				
Opens unit dose and/or pours medication immediately prior to administration				
Liquid meds poured at eye level				
Liquid meds shaken when indicated before pouring.				
Liquids thickened as ordered.				
Removes controlled drugs and administers same according to policy.				
Crushes only medications that can be crushed.				

Sacred Heart Home

Takes and records appropriate Vital Signs before administering medications (Digoxin, BP meds, etc..)				
Proper technique followed when preparing and administering medications:				
Inhalars/Nebulizers				
Sublingual				
Injectables				
Nasal Sprays				
Eye/Ear meds				
Patches				
Determines all meds have been swallowed by resident.				
Maintains privacy and dignity of resident.				
Resident positioned properly for med administration.				
Medications administered within 1 hr before of after scheduled time.				
Follows Pharmacy procedures for re-ordering meds.				
Follows Procedures for reporting med errors				
Follows procedures for utilizing of PO interim Box or Stat Emergency Box.				
Reviews MAR for specific directions (i.e. AC, PC, with meal meds, etc...)				
Can identify indications for use, action, and most side effects of meds given.				
Aware of Resident allergies.				
DOCUMENTATION:				
Initials MAR immediately after administering meds.				
Proper documentation on MAR sheet for refused/PRN/held meds/ Vital Signs.				
Documents & rotates sites for injections, patches, etc...				
Identification of initials with signature on the Universal Signature Sheet:				
Other:				

Sacred Heart Home
QUALITY ASSURANCE AND IMPROVEMENT
Monitoring Activity

ASPECT OF CARE:	Medical Care/Supervision Audit
INDICATOR:	Physicians Care and Supervision
CRITERIA:	See Attached sheet
SAMPLE:	At least 10 residents quarterly
METHODOLOGY:	Quality Assurance Coordinator or The Designee will review residents' charts.
DATA SOURCES:	Medical Record

Sacred Heart Home
QUALITY ASSURANCE AND IMPROVEMENT

Medical Care/Supervision Audit

Response Codes:		Yes=X	No=O	Not applicable= N/A							
Date: _____		Completed by: _____									
Criteria	Resident Number										
	1	2	3	4	5	6	7	8	9	10	
I. Physician care/supervision:											
A. Admission recommendation in physician handwriting And signed with orders available for resident at admission											
B. Personal physician designated by resident for medical care											
C. Another physician available to supervise medical care When attending physician is unavailable.											
D. Current physician license on file.											
II. Physician visits and frequency:											
A. Visited resident once every 30 days for the first 90 days.											
B. Visited once every 60 days after the first 90 days (order For the alternate schedule of visits found in the chart)											
C. Visited in a timely manner within 10 days after the date The visit was required.											
D. Reviewed total program of care at each visit :											
Reasons for changing or maintaining current Treatments and medications											
Addressed abnormal laboratory tests.											
And plan to address relevant medical issues)											
III. Physician documentation:											
A. Wrote, signed and dated all medical orders at each visit.											
B. Dated and countersigned verbal or telephone orders.											
C. Wrote, signed and dated all progress notes at each visit.											
SUMMARY OF RESULTS OF AUDIT:											
Problems/deficiencies identified:											
Actions Planned or taken:											
Other Comments:											

Sacred Heart Home
QUALITY ASSURANCE AND IMPROVEMENT
Nursing Quality Assurance Monitoring Activity

ASPECT OF CARE:	Unexpected Death
INDICATOR:	Any resident that expires unexpectedly.
CRITERIA:	Complete Chart review by the Medical Director
SAMPLE:	Any unexpected death.
METHODOLOGY:	The Medical Director will do a complete chart review of any Resident that expires unexpectedly.
DATA SOURCES:	Medical record

Sacred Heart Home

[illegible]

Sacred Heart Home

QUALITY ASSURANCE AND IMPROVEMENT

Monitoring Activity

ASPECT OF CARE:	Housekeeping
INDICATOR:	Cleanliness of the environment
CRITERIA:	See attached sheet
SAMPLE:	1 hallway (general floor inspection) and 4 randomly chosen rooms on each floor every month.
METHODOLOGY:	The Director of the Housekeeping services or designee will use the monitoring tool to assess cleanliness of the units by inspecting general floor outlook and 4 randomly chosen rooms on every floor every month.
DATA SOURCES:	Direct inspection/observation of the areas in the facility.

QUALITY ASSURANCE AND IMPROVEMENT
Housekeeping Services Audit

Date: _____ **Signature of person performing the audit:** _____

Response Codes: Yes=X No=O Not Applicable=N/A											
CRITERIA	ROOM #/AREA										
		Code	Comment	Code	Comment	Code	Comment	Code	Comment	Code	Comment
1. Floor is clean and free of glare and potential for falling											
2. Sign used to designate wet floor/area.											
3. Furniture clean and free of dust.											
4. Wheel chair/G-chair/other ambulatory aids clean											
5. Tubs/sink clean											
6. Mirrors, objects on furniture or Hung on the wall clean.											
7. Wastebaskets emptied, cleaned and liner replaced.											
8. Paper and soap dispensers cleaned and filled.											
9. Bed, mattress clean and in good state.											
10. Curtains cleaned and hung appropriately.											
11. Nursing station is clean and orderly.											
12. Medication room and cabinets clean and orderly.											
13. Med. & kitchen refrigerators cleaned and w/ proper temperatures											
14. Linen rooms clean and orderly.											
15. Cleaning supplies stored properly and used correctly.											
16. Clean linen carts covered & away from soiled linen hampers.											
17. Hallways and entrances free of clutter or other hazards											
18. Personal hygiene items, glasses, and water pitchers, Bedpans commodes clean and maintained.											
19. Odor free environment maintained.											
20. Adequate and comfortable lightning provided.											
21. Adequate and comfortable temperature maintained.											
22. Comfortable sound levels maintained											
Other comments.											

Sacred Heart Home
QUALITY ASSURANCE AND IMPROVEMENT
Monitoring Activity

ASPECT OF CARE:	Dehydration
INDICATOR:	Resident's Hydration
CRITERIA:	See attached sheet
SAMPLE:	100 % of residents quarterly
METHODOLOGY:	The Dietitian or designee will use the monitoring tool to assess residents for high risk of pressure ulcers.
DATA SOURCES:	Resident observation and medical records.

SACRED HEART HOME DEHYDRATION RISK ASSESSMENT

Resident: _____ Room# _____ Admission# _____

	Month/Year			
Age 85 or older				
History of dehydration				
Dx of Depression, Dementia, Agitation, Confusion, Delusions, or Hallucinations				
Psychotropic drug therapy				
Pulmonary or respiratory diagnosis				
Receives diuretic therapy				
Constipated or frequent user of laxatives, enemas				
On a fluid-restricted diet				
Dependent feeder				
Consumes 50% or less at mealtimes				
Difficulty swallowing or receives thickened fluids				
Dark urine				
Dry mouth, cracked lips, or sunken eyes				
Open, draining wound				
Vomited more than 3x in 24 hrs				
Fever >100° for 48 hours or longer				
Diarrhea 3 or more times in 24 hrs				
Weight loss of 3 or more pounds in the past week				
Weight loss of at least 5% of body weight in 30 days				
Weight loss of at least 10% of body weight in 180 days				
All 3 present together: Na>148, BUN>23, and B/C ratio>23				
Other:				
Total Checked				

If **5** or more factors are checked, the resident is considered to be at risk for dehydration. The final decision as to whether the resident is at risk will be made during the Interdisciplinary Care Plan Meetings.

Estimated Daily Fluid Needs:

Signature: _____	Date _____
Signature: _____	Date _____
Signature: _____	Date _____
Signature: _____	Date _____

Sacred Heart Home
QUALITY ASSURANCE AND IMPROVEMENT
Monitoring Activity

ASPECT OF CARE:	Medical Chart
INDICATOR:	Multidisciplinary documentation for each resident is in compliance with federal, state and facility regulation.
CRITERIA:	See attached sheet.
SAMPLE:	At least 10 residents every quarter
METHODOLOGY:	Resident charts will be reviewed by the Quality Assurance Coordinator or the Designee.
DATA SOURCES:	Medical Records.

Sacred Heart Home
QUALITY ASSURANCE AND IMPROVEMENT

Clinical Record Audit

Date: _____ **Signature of person performing the audit:** _____

RESIDENT NUMBER: _____

Response Codes:	Yes=X	No=O	Not Applicable=N/A
CRITERIA	CODE	COMMENT	
1. Physicians history and physical			
2. Any preadmission information.(Discharge sum. From hosp.)			
3. Face sheet			
A. Including name, social security #, armed forces status, citizenship, marital status, age, sex, home address and religion)			
B. Names addresses, and phone # authorized representative			
4. PASSR			
5. Timely completed MDS including section V			
6. Timely completed comprehensive care plan (revised as needed)			
7. MMDS completed in a timely manner.			
8. All quarterly assessments completed on time.			
9. Advance Directives			
10. Physician orders noted			
11. Verbal/TO orders initialed and signed			
12. Physician visits timely (no longer than 10 days after due)			
13. Physician cosigned all the T.O. /Verbal orders.			
14. Nurses Admitting Assessment			
15. Nurses notes filled in, signed, and dated			
16. Entries are legible			
17. Entries written in black ink			
18. No blank spaces are left in notes/flow sheets			
19. Forms are completed in entirety.			
20. Corrections are appropriately made.			
21. Follow up documentation for nursing problems on the chart.			
22. Care plan evaluation notes for all disciplines completed in a timely manner.			
23. Record reflects continuity of care.			

EXHIBIT 8



SACRED HEART HOME, INC.
FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
DECEMBER 31, 2016 AND 2015

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Independent Auditor's Report

To the Sisters Servants of Mary
Immaculate and Board of Directors
Sacred Heart Home, Inc.

We have audited the accompanying financial statements of Sacred Heart Home, Inc. (a nonprofit corporation), which comprise the statements of financial position as of December 31, 2016 and 2015, and the related statements of operations and changes in net assets and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Sacred Heart Home, Inc. as of December 31, 2016 and 2015, and the results of its operations, changes in its net assets, and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Gross, Mendelsohn & Associates, P.A.

Baltimore, Maryland
February 27, 2017

SACRED HEART HOME, INC.
Statements of Financial Position
December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 4,925,638	\$ 4,052,533
Cash and cash equivalents, designated	855,149	765,803
Total cash and cash equivalents	<u>5,780,787</u>	<u>4,818,336</u>
Patient accounts receivable, net of allowance for doubtful accounts	534,869	607,139
Investments	6,154,465	5,892,278
Prepaid expenses	37,814	37,549
Accrued interest receivable	5,797	6,995
Due from third-party payor, net	-0-	57,000
Total Current Assets	<u>12,513,732</u>	<u>11,419,297</u>
Property, net of accumulated depreciation	<u>1,719,079</u>	<u>1,901,759</u>
Other Assets		
Beneficial interest in irrevocable trust	1,004,251	1,008,239
Escrow collateral account	63,084	63,092
Total Other Assets	<u>1,067,335</u>	<u>1,071,331</u>
Total Assets	<u><u>\$ 15,300,146</u></u>	<u><u>\$ 14,392,387</u></u>
Liabilities And Net Assets		
Current Liabilities		
Accounts payable and accrued expenses	\$ 627,351	\$ 608,478
Deferred revenue	23,012	24,601
Total Current Liabilities	<u>650,363</u>	<u>633,079</u>
Commitments and Contingencies (Notes 10, 11, and 13)		
Net Assets		
Unrestricted	13,640,220	12,745,757
Temporarily restricted	1,009,563	1,013,551
Total Net Assets	<u>14,649,783</u>	<u>13,759,308</u>
Total Liabilities and Net Assets	<u><u>\$ 15,300,146</u></u>	<u><u>\$ 14,392,387</u></u>

The accompanying notes are an integral part of these financial statements.

SACRED HEART HOME, INC.
Statements of Operations and Changes in Net Assets
Years Ended December 31, 2016 and 2015

	2016		
	Unrestricted	Temporarily Restricted	Total
Support and Revenue			
Net patient service revenue	\$ 8,618,279	\$ -0-	\$ 8,618,279
Investment income (loss), net	129,128	(26,589)	102,539
Contributions and bequests	47,512	5,710	53,222
Medicaid pay for performance	139,442	-0-	139,442
Other revenue	10,396	-0-	10,396
Net assets released from restrictions:			
Satisfaction of program restrictions	49,370	(49,370)	-0-
Total Support and Revenue	<u>8,994,127</u>	<u>(70,249)</u>	<u>8,923,878</u>
Expenses			
Salaries, services, and benefits	4,798,121	-0-	4,798,121
Contracted services and food	1,557,480	-0-	1,557,480
Provider tax	859,111	-0-	859,111
Other supplies and expenses	420,745	-0-	420,745
Depreciation	202,848	-0-	202,848
Repairs and maintenance	146,210	-0-	146,210
Utilities	133,634	-0-	133,634
Provision for bad debts	13,200	-0-	13,200
Contributions	1,762	-0-	1,762
Total Expenses	<u>8,133,111</u>	<u>-0-</u>	<u>8,133,111</u>
Income From Operations	861,016	(70,249)	790,767
Other Income			
Unrealized gain (loss) on investments	<u>33,447</u>	<u>66,261</u>	<u>99,708</u>
Change in Net Assets	894,463	(3,988)	890,475
Net Assets at Beginning of Year	<u>12,745,757</u>	<u>1,013,551</u>	<u>13,759,308</u>
Net Assets at End of Year	<u>\$ 13,640,220</u>	<u>\$ 1,009,563</u>	<u>\$ 14,649,783</u>

2015		
Unrestricted	Temporarily Restricted	Total
\$ 8,839,757	\$ -0-	\$ 8,839,757
190,976	(3,518)	187,458
35,432	3,540	38,972
121,023	-0-	121,023
10,750	-0-	10,750
51,540	(51,540)	-0-
<u>9,249,478</u>	<u>(51,518)</u>	<u>9,197,960</u>
4,922,239	-0-	4,922,239
1,541,081	-0-	1,541,081
867,790	-0-	867,790
473,006	-0-	473,006
201,846	-0-	201,846
289,473	-0-	289,473
126,121	-0-	126,121
47,949	-0-	47,949
10,250	-0-	10,250
<u>8,479,755</u>	<u>-0-</u>	<u>8,479,755</u>
769,723	(51,518)	718,205
(193,364)	(54,332)	(247,696)
576,359	(105,850)	470,509
<u>12,169,398</u>	<u>1,119,401</u>	<u>13,288,799</u>
<u>\$ 12,745,757</u>	<u>\$ 1,013,551</u>	<u>\$ 13,759,308</u>

The accompanying notes are an integral part of these financial statements.

SACRED HEART HOME, INC.
Statements of Cash Flows
Years Ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Cash Flows From Operating Activities		
Change in net assets	\$ 890,475	\$ 470,509
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Provision for bad debts	13,200	47,949
Depreciation	202,848	201,846
Unrealized loss (gain) on investments	(33,447)	193,364
Unrealized loss (gain) on beneficial interest in irrevocable trust	(66,261)	54,332
Realized loss on beneficial interest in irrevocable trust	23,389	650
Realized gain on investments	(51,806)	(120,501)
Increase in beneficial interest in irrevocable trust	3,200	2,868
Changes in operating assets and liabilities:		
Patient accounts receivable	59,070	31,079
Prepaid expenses	(265)	(456)
Accrued interest receivable	1,198	(1,880)
Due to third-party payor, net	57,000	77,610
Accounts payable and accrued expenses	18,873	(6,859)
Deferred revenue	(1,589)	23,386
Net Cash Provided by Operating Activities	<u>1,115,885</u>	<u>973,897</u>
Cash Flows From Investing Activities		
Purchase of property	(20,168)	(8,197)
Purchases of investments	(1,637,079)	(675,305)
Proceeds from sales/redemptions of investments	1,460,153	606,898
Distributions received from beneficial interest in irrevocable trust	43,660	48,000
Net Cash Used in Investing Activities	<u>(153,434)</u>	<u>(28,604)</u>
Net Increase in Cash and Cash Equivalents	962,451	945,293
Cash and Cash Equivalents at Beginning of Year	<u>4,818,336</u>	<u>3,873,043</u>
Cash and Cash Equivalents at End of Year	<u>\$ 5,780,787</u>	<u>\$ 4,818,336</u>

The accompanying notes are an integral part of these financial statements.

SACRED HEART HOME, INC.
Notes to Financial Statements
December 31, 2016 and 2015

Note 1: Summary of Significant Accounting Policies

Sacred Heart Home, Inc. (the Facility) is owned and operated by the Sisters Servants of Mary Immaculate (Sisters Servants). The Facility was incorporated in Maryland on April 2, 1981 as a not-for-profit, nonstock corporation. The Facility is publicly supported and, therefore, is not a private foundation. The Facility's sole activity is the operation of a 102-bed licensed nursing home in Hyattsville, Maryland.

The accounting and reporting policies of the Facility conform to accounting principles generally accepted in the United States of America. Following is a description of the most significant of those policies:

Financial Statement Presentation: The Facility reports information regarding its financial position and changes in net assets according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The Facility did not have any permanently restricted net assets as of December 31, 2016 and 2015.

Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Cash and Cash Equivalents: The Facility classifies all investments which are readily convertible to cash and which have a maturity of three months or less when purchased as cash equivalents.

Cash and Cash Equivalents, Designated: The Board of Directors (the Board) has set aside certain cash and cash equivalents for future capital improvements and other purposes, as determined by the Board.

Patient Accounts Receivable and Allowance for Doubtful Accounts: Patient accounts receivable arise from services rendered to residents which are billed either to the residents, insurance companies or to governmental agencies and are carried at original invoice amount less an estimate made for doubtful receivables. The Facility uses the reserve method for estimating uncollectible accounts. Management determines the allowance for doubtful accounts by evaluating the different types of receivables and identifying specific amounts that management believes are uncollectible. An additional allowance is recorded based on certain percentages of receivables, which are determined based on historical experience. Receivables are written off by management when, in their determination, all collection efforts have been exhausted. Recoveries of receivables previously written off are recorded when received. The allowance for doubtful accounts was \$110,000 and \$96,000 as of December 31, 2016 and 2015, respectively.

Investments: Investments with readily determinable fair values are reported at fair value in the statements of financial position. Investments whose fair values are not readily determinable are recorded at cost. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Realized gains and losses on investments are reported in the statements of operations and changes in net assets as part of investment income. Unrealized gains and losses are reported separately in the statements of operations and changes in net assets.

Note 1: Summary of Significant Accounting Policies (Continued)

The Facility invests in a professionally managed portfolio that may contain mutual funds, stocks, corporate bonds, money market funds, certificates of deposit, and other types of investments. Such investments are exposed to various risks such as interest rate, market, and credit. Due to the level of risk associated with such investments and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in risks in the near term could materially affect investment balances and the amounts reported in the financial statements.

Property: Property is recorded at cost or, if donated, at fair market value at the date of gift, less accumulated depreciation. The Facility capitalizes all acquisitions of more than \$500 having an estimated useful life of more than one year. Expenditures for maintenance and routine repairs are charged to expense as incurred; expenditures for improvements and major repairs that materially extend the useful lives of assets are capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of the assets as follows:

Building and improvements	5-40 years
Departmental equipment	3-20 years

Beneficial Interest in Irrevocable Trust: Generally accepted accounting principles require not-for-profit beneficiaries of trusts to record, as a contribution and as an asset, the present value of the estimated future cash receipts to be received from the trust, over the life of the trust. Due to the perpetual nature of irrevocable trusts, the future cash flows from the Facility's beneficial interest in an irrevocable trust cannot be determined. Under such circumstances, not-for-profit entities are permitted to base the present value measurement on the fair value of a trust's assets at the time the trust is established. Changes in the trust's fair value are to be recorded as temporarily restricted gains or losses in the statements of operations and changes in net assets.

Net Patient Service Revenue: Net patient service revenue is recorded at net realizable amounts from residents and third-party payors for services rendered. Approximately 77% and 81% of net patient service revenue for the years ended December 31, 2016 and 2015, respectively, was derived under third-party reimbursement programs.

Contributions: Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions.

Recognition of Donor Restrictions: Donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. Upon the expiration of a restriction, temporarily restricted net assets are reclassified to unrestricted net assets in the statements of operations and changes in net assets.

SACRED HEART HOME, INC.
Notes to Financial Statements
December 31, 2016 and 2015

Note 1: Summary of Significant Accounting Policies (Continued)

Advertising: Advertising costs are charged to operations when incurred. The Facility has no significant direct-response advertising. Advertising expense for the years ended December 31, 2016 and 2015 totaled \$916 and \$4,642, respectively.

Sisters' Services and Maintenance: The cost of nursing and other services performed by the Sisters' Servants is included as part of expenses in the statements of operations and changes in net assets. The estimated value of the Sisters' maintenance (room and board) is included in other revenue.

Income Taxes: The Facility is exempt from federal and state income taxes under Internal Revenue Code §501(c)(3). Income that is not related to exempt purposes, less applicable deductions, is subject to federal and state income taxes. The Facility had no unrelated business income for the years ended December 31, 2016 and 2015. Accordingly, no provision for income taxes is reflected in these financial statements.

The Facility's federal exempt organization tax returns are subject to examination by the Internal Revenue Service, generally for a period of three years after the returns are filed.

Subsequent Events: In preparing these financial statements, the Facility has evaluated events and transactions for potential recognition or disclosure through February 27, 2017, the date the financial statements were available to be issued. During the period from January 1, 2017 through February 27, 2017, the Facility did not have any material recognizable subsequent events.

Note 2: Due From Third-Party Payor

The amount due from the third-party payor of \$57,000 as of December 31, 2015 represented the estimated amount due from the Medicaid program for the year 2014 based on the filed cost report, which had not been final settled at December 31, 2015. During the year ended December 31, 2016, this cost report was final settled and the amount was received by the Facility.

Effective January 1, 2015, the Medicaid program changed its payment methodology from a retrospective to a prospective system. Under the prospective payment system, there are no longer cost report settlements.

SACRED HEART HOME, INC.
Notes to Financial Statements
December 31, 2016 and 2015

Note 3: Investments

A summary of the investment portfolio, at fair value, as of December 31, 2016 and 2015 is as follows:

	2016	2015
Certificates of deposit	\$ 3,266,859	\$ 3,282,017
Mutual funds	1,981,449	1,952,458
Corporate bonds, domestic	438,294	377,262
Money market funds	288,951	280,541
Stocks and other equities	114,692	-0-
Unsecured debt obligations	64,220	-0-
	<u>\$ 6,154,465</u>	<u>\$ 5,892,278</u>

Investment income, net, consisted of the following for the years ended December 31, 2016 and 2015:

	2016			2015		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Investments						
Dividends and interest	\$ 84,127	\$ -0-	\$ 84,127	\$ 75,919	\$ -0-	\$ 75,919
Investment fees	(6,812)	-0-	(6,812)	(5,444)	-0-	(5,444)
Net realized gains	51,806	-0-	51,806	120,501	-0-	120,501
Beneficial interest in irrevocable trust						
Dividends and interest	-0-	20,287	20,287	-0-	30,719	30,719
Net realized losses	-0-	(23,389)	(23,389)	-0-	(650)	(650)
Investment fees	-0-	(23,487)	(23,487)	-0-	(33,587)	(33,587)
Interest on sweep account	7	-0-	7	-0-	-0-	-0-
	<u>\$ 129,128</u>	<u>\$ (26,589)</u>	<u>\$ 102,539</u>	<u>\$ 190,976</u>	<u>\$ (3,518)</u>	<u>\$ 187,458</u>

Note 4: Property

Property consisted of the following as of December 31, 2016 and 2015:

	2016	2015
Land	\$ 10,563	\$ 10,563
Building and improvements	4,791,060	4,790,510
Departmental equipment	1,233,062	1,224,942
Construction in progress	11,498	-0-
Total cost	6,046,183	6,026,015
Less: Accumulated depreciation	4,327,104	4,124,256
	<u>\$ 1,719,079</u>	<u>\$ 1,901,759</u>

SACRED HEART HOME, INC.
Notes to Financial Statements
December 31, 2016 and 2015

Note 5: Beneficial Interest in Irrevocable Trust

The Facility is the sole beneficiary of a trust created by Martha G. Townsend (the Townsend Trust). The Townsend Trust agreement provides for the distribution to the Facility, at least annually, of all of the Townsend Trust's net income, as defined in the agreement. In addition, the trustees have the authority, but are not required, to distribute a portion of the Townsend Trust's principal to the Facility, at the trustee's direction.

The Facility will remain the sole beneficiary of the Townsend Trust in perpetuity or until such time that the Facility ceases operations. If the Facility ceases operations, the Townsend Trust will terminate, and the remaining principal and any unpaid net income will be distributed to another Catholic organization, as selected by the trustees.

The fair market value of the Townsend Trust as of December 31, 2016 and 2015 was \$1,004,251 and \$1,008,239, respectively. The investment income generated by the Townsend Trust during the years ended December 31, 2016 and 2015 was as follows:

	2016	2015
Interest and dividends	\$ 20,287	\$ 30,719
Net realized losses	(23,389)	(650)
Investment fees	(23,487)	(33,587)
Investment loss, net	(26,589)	(3,518)
Unrealized gains (losses)	66,261	(54,332)
Total Investment Income (Loss)	<u>\$ 39,672</u>	<u>\$ (57,850)</u>

Note 6: Temporarily Restricted Net Assets

As of December 31, 2016 and 2015, temporarily restricted net assets were available for the following purposes:

	2016	2015
Beneficial interest in irrevocable trust	\$ 1,004,251	\$ 1,008,239
Sensory stimulation program	5,312	5,312
	<u>\$ 1,009,563</u>	<u>\$ 1,013,551</u>

The releases from restrictions of \$49,370 and \$51,540 for the years ended December 31, 2016 and 2015, respectively, were related to the distributions received from the beneficial interest in irrevocable trust of \$43,660 and \$48,000, respectively, as well as for expenses incurred for the Chapel of \$5,710 and \$3,540 during the years ended December 31, 2016 and 2015, respectively.

Note 7: Fair Value Measurement

Generally accepted accounting principles provides a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

The three levels of the fair value hierarchy are as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. The valuation techniques used by the Facility include the following:

Certificates of Deposits: Valued using quoted market values in the active market in which the individual certificates are traded.

Money Market Funds: Valued at original cost, which equals fair value.

Mutual Funds: Valued at the last sales price reported in the market in which the individual fund is traded.

Stocks and Other Equities: Valued at the last sales price reported in the market in which the individual stock is traded.

Corporate Bonds: Valued using inputs such as benchmark yields, reported trades, broker/dealer quotes and issuer spreads.

Unsecured Debt Obligations: Valued using inputs such as equities and equity indices, commodities and commodity indices, and interest rates.

In determining the appropriate levels, the Facility performs a detailed analysis of the assets and liabilities that are subject to fair value measurements.

SACRED HEART HOME, INC.
Notes to Financial Statements
December 31, 2016 and 2015

Note 7: Fair Value Measurement (Continued)

The table below represents the balances of assets as of December 31, 2016 measured at fair value on a recurring basis by level within the hierarchy:

	Total	Level 1	Level 2	Level 3
Certificates of deposit	\$ 3,266,859	\$ 3,266,859	\$ -0-	\$ -0-
Mutual funds	1,981,449	1,728,881	252,568	-0-
Corporate bonds, domestic	438,294	-0-	438,294	-0-
Money market funds	288,951	288,951	-0-	-0-
Stocks and other equities	114,692	114,692	-0-	-0-
Unsecured debt obligations	64,220	-0-	64,220	-0-
Beneficial interest in irrevocable trust	1,004,251	-0-	1,004,251	-0-
	<u>\$ 7,158,716</u>	<u>\$ 5,399,383</u>	<u>\$ 1,759,333</u>	<u>\$ -0-</u>

The table below represents the balances of assets as of December 31, 2015 measured at fair value on a recurring basis by level within the hierarchy:

	Total	Level 1	Level 2	Level 3
Certificates of deposit	\$ 3,282,017	\$ 3,282,017	\$ -0-	\$ -0-
Mutual funds	1,952,458	1,727,054	225,404	-0-
Corporate bonds, domestic	377,262	-0-	377,262	-0-
Money market funds	280,541	280,541	-0-	-0-
Beneficial interest in irrevocable trust	1,008,239	-0-	1,008,239	-0-
	<u>\$ 6,900,517</u>	<u>\$ 5,289,612</u>	<u>\$ 1,610,905</u>	<u>\$ -0-</u>

Note 8: Interinstitutional Transactions

The Facility receives reimbursement from the Sisters Servants for the value of the Sisters' maintenance (room and board) and pays the Sisters Servants for the value of the Sisters' administrative and other services.

	2016	2015
Reimbursement received for Sisters' maintenance (included in other revenue on the statements of operations and changes in net assets)	<u>\$ 9,600</u>	<u>\$ 9,600</u>
Payment for Sisters' administrative and other services (included in salaries, services, and benefits on the statements of operations and changes in net assets)	<u>\$ 511,512</u>	<u>\$ 527,568</u>

During 2016, the Facility made a contribution to St. Joseph's Nursing Home, an affiliate of the Sisters Servants, in the amount of \$1,000 and during 2015, the Facility made a contribution to the Sisters Servants in the amount of \$10,000.

SACRED HEART HOME, INC.
Notes to Financial Statements
December 31, 2016 and 2015

Note 9: Functional Classification of Expenses

The functional classification of expenses for the years ended December 31, 2016 and 2015 is as follows:

	2016	2015
Program Services		
Nursing Home	\$ 7,034,718	\$ 7,189,858
Supporting Services		
Management and general	1,098,393	1,289,897
	<u>\$ 8,133,111</u>	<u>\$ 8,479,755</u>

Note 10: Multiemployer Pension Plan

The Facility participates in the Christian Brothers Employee Retirement Plan (the Plan), a multiemployer defined benefit pension plan. The Plan is noncontributory and covers all employees of the Facility who work at least twenty hours per week. Employees' retirement benefits are fully vested after four years and nine months of service. The Facility is required to make contributions to the Plan, currently based on 6.5% of eligible salaries. The Facility's contribution to the Plan for the years ended December 31, 2016 and 2015 was \$232,997 and \$235,382, respectively.

Based on information as of the Plan's years ended June 30, 2016 and 2015, the Facility's contributions to the Plan do not represent more than 5% of total contributions received by the Plan. There have been no significant changes that affect the comparability of contributions.

The risks of participating in multiemployer plans are different from single-employer plans. Assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers. If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers. In addition, to the extent that the plan is underfunded, an employer's future required contribution to the plan may increase to cover retirement benefits of employees of other organizations participating in the Plan. If the employer withdraws its participation in the Plan, under the current terms of the Plan, there is no withdrawal penalty.

The Employer Identification Number (EIN) of the Plan is 36-2671613 and the Plan Number is 333, which is the three digit plan number assigned to the Plan by the Internal Revenue Service. The most recent Pension Protection Act (PPA) requires that plans disclose their zone status, which is to be certified by a plan's actuary; however, this information has not been provided to the Facility. Among other factors, plans in the red zone are generally less than 65% funded, plans in the yellow zone are less than 80% funded, and plans in the green zone are at least 80% funded.

SACRED HEART HOME, INC.
Notes to Financial Statements
December 31, 2016 and 2015

Note 10: Multiemployer Pension Plan (Continued)

The Plan is not required to file a Form 5500 therefore certain information is not required to be made publicly available. The following information is based on the financial statements of the Plan as of June 30, 2016 and 2015:

	2016	2015
Market value of Plan assets	\$ 1,289,957,030	\$ 1,342,048,513
Present value of accumulated Plan benefits	\$ 1,707,623,867	\$ 1,677,828,378
Net unfunded liability	<u>\$ 417,666,837</u>	<u>\$ 335,779,865</u>
Indicated level of funding	76%	80%
Total contributions received by the Plan	\$ 66,559,038	\$ 189,595,983

The Plan follows the three-level hierarchy established by the Financial Accounting Standards Board to categorize assets and liabilities measured at fair value. In accordance with this hierarchy, as of June 30, 2016, the Plan's most recent year end, 27.1%, 66.5%, 6.4% of the Plan's assets, which are measured at fair value on a recurring basis, were categorized as Level 1, Level 2, and Level 3, respectively. As of June 30, 2015, 29.0%, 66.1%, 4.9% of the Plan's assets were categorized as Level 1, Level 2 and Level 3 investments, respectively.

Information regarding accumulated plan benefits and plan assets available for benefits that pertain specifically to the Facility's portion of the Plan has not been provided by the Plan's administrator.

Note 11: Unemployment Compensation Plan

The Facility has elected to maintain a self-funded unemployment compensation plan whereby it will pay qualified claims directly in lieu of submitting unemployment taxes to the State of Maryland (the State). In order to be eligible for self-funding, the State requires that funds be held as collateral in the event that the Facility would fail to pay claims. As of December 31, 2016, the State required collateral of \$36,290 which is secured by a certificate of deposit with a balance of \$63,084 as of December 31, 2016 (\$63,092 as of December 31, 2015). This certificate of deposit is included in other assets in the statements of financial position. Unemployment claims paid for the years ended December 31, 2016 and 2015 were \$-0-.

Note 12: Patient Cash Funds

The Facility acts in an agency capacity regarding the holding of patient cash funds. At December 31, 2016 and 2015, the Facility was holding approximately \$53,500 and \$81,200, respectively, in patient funds, which have not been reflected in these financial statements.

SACRED HEART HOME, INC.
Notes to Financial Statements
December 31, 2016 and 2015

Note 13: Certain Significant Risks and Uncertainties

Cash and Cash Equivalents: The Facility maintains its cash balances in various financial institutions. The Facility's bank balances exceed federally insured limits. The Facility has not experienced any losses in such accounts and believes it is not exposed to significant risk on cash balances.

Patient Service Revenue: The Facility receives revenue from Medicaid, private insurance, private patients, and other third-party payors. The health care industry is continuing to experience the effects of the federal and state governments' trend toward cost containment, as government and other third-party payors seek to impose lower reimbursement and utilization rates and negotiate reduced payment schedules with providers.

It is not possible to fully quantify the effect of recent legislation, the interpretation or administration of such legislation, or any other government initiatives on the Facility's business. Accordingly, there can be no assurance that any future health care legislation will not adversely affect the Facility's business. There can be no assurance that payments under government and private third-party payor programs will be timely, will remain at levels comparable to present levels, or will, in the future, be sufficient to cover the costs allocable to patients eligible for reimbursement pursuant to such programs. The Facility's financial position and change in net assets may be affected by the reimbursement process, which in the health care industry is complex and can involve lengthy delays between the time that revenue is recognized and the time that reimbursement amounts are settled.

SACRED HEART HOME, INC.
SUPPLEMENTARY INFORMATION
DECEMBER 31, 2016 AND 2015

Independent Auditor's Report on Supplementary Information

To the Sisters Servants of Mary
Immaculate and Board of Directors
Sacred Heart Home, Inc.

We have audited the financial statements of Sacred Heart Home, Inc. as of and for the years ended December 31, 2016 and 2015, and have issued our report thereon dated February 27, 2017 which contained an unmodified opinion on those financial statements. Our audits were performed for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on the following pages is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

Gross, Mendelsohn & Associates, P.A.

Baltimore, Maryland
February 27, 2017

SACRED HEART HOME, INC.
Service Statistics
Years Ended December 31, 2016 and 2015

	<u>Census</u>			<u>Percentage of Occupancy</u>	
	<u>2016</u>	<u>2015</u>	<u>Decrease</u>	<u>2016</u>	<u>2015</u>
Patient Days	<u>35,045</u>	<u>35,897</u>	<u>(852)</u>	<u>93.87%</u>	<u>96.42%</u>
Admissions	<u>43</u>	<u>24</u>			
Discharges and Deaths	<u>47</u>	<u>22</u>			
Number of beds available at year end	<u>6</u>	<u>2</u>			

SACRED HEART HOME, INC.
Schedules of Support and Revenue
Years Ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Net Patient Service Revenue		
Room, dietary, and nursing services	\$ 8,613,277	\$ 8,835,719
Ancillary services	5,002	4,038
Total Net Patient Service Revenue	<u>8,618,279</u>	<u>8,839,757</u>
Investment Income, net	<u>102,539</u>	<u>187,458</u>
Contributions and Bequests	<u>53,222</u>	<u>38,972</u>
Medicaid Pay for Performance	<u>139,442</u>	<u>121,023</u>
Other Revenue		
Sisters' room and board	9,600	9,600
Miscellaneous revenue	796	1,150
Total Other Revenue	<u>10,396</u>	<u>10,750</u>
Total Support and Revenue	<u>\$ 8,923,878</u>	<u>\$ 9,197,960</u>

SACRED HEART HOME, INC.
Schedules of Expenses
Years Ended December 31, 2016 and 2015

	2016	2015
Nursing Care Services		
Salaries and services, lay personnel	\$ 2,395,798	\$ 2,409,242
Benefits	1,146,642	1,249,992
Medical supplies	70,079	70,904
Miscellaneous	15,469	14,480
Total Nursing Care Services	<u>3,627,988</u>	<u>3,744,618</u>
Other Patient Care Services		
Patient Activity		
Salaries and services, lay personnel	86,031	84,766
Benefits	29,777	31,499
Supplies and expenses	1,297	2,600
Total Patient Activity	<u>117,105</u>	<u>118,865</u>
Social Services		
Sisters' salary	81,398	76,825
Benefits	12,680	17,576
Consultant	2,400	2,400
Supplies and expenses	1,274	-0-
Total Social Services	<u>97,752</u>	<u>96,801</u>
Religious Services		
Sisters' salary	41,941	40,725
Chaplain salary	12,335	13,150
Benefits	6,537	9,323
Chapel supplies	2,565	2,996
Total Religious Services	<u>63,378</u>	<u>66,194</u>
Pharmacy		
OTC drugs	10,930	14,753
Prescription drugs	6,868	20,363
Consultant	5,976	7,968
Total Pharmacy	<u>23,774</u>	<u>43,084</u>
Consultant, Medical Director	<u>32,400</u>	<u>32,400</u>
Food	<u>306,524</u>	<u>306,168</u>
Total Other Patient Care Services	<u>640,933</u>	<u>663,512</u>
Carryforward	<u>4,268,921</u>	<u>4,408,130</u>

SACRED HEART HOME, INC.
Schedules of Expenses (Continued)
Years Ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Balance Forward	\$ 4,268,921	\$ 4,408,130
Routine Services		
Dietary		
Outside contractors	700,397	690,660
Supplies	6,655	7,091
Total Dietary	<u>707,052</u>	<u>697,751</u>
Laundry and Linen Services		
Salaries and services		
Lay personnel	98,655	96,417
Sisters	41,941	40,725
Laundry supplies	53,841	56,210
Benefits	40,684	45,197
Linen and bedding	3,551	-0-
Total Laundry and Linen Services	<u>238,672</u>	<u>238,549</u>
Housekeeping		
Outside contractors	488,384	484,893
Supplies	36,517	41,054
Total Housekeeping	<u>524,901</u>	<u>525,947</u>
Operations of Plant		
Gas, electricity, and fuel oil	120,489	122,023
Water	13,144	4,098
Total Operations of Plant	<u>133,633</u>	<u>126,121</u>
Repairs and Maintenance of Buildings, Equipment, and Grounds		
Repairs and maintenance	146,210	144,351
Salaries, lay personnel	40,591	35,324
Grounds, outside contractors	15,100	21,602
Benefits	14,025	13,125
Maintenance, outside contractors	1,260	1,260
Total Repairs and Maintenance of Buildings, Equipment and Grounds	<u>217,186</u>	<u>215,662</u>
Total Routine Services	<u>1,821,444</u>	<u>1,804,030</u>
Carryforward	<u>6,090,365</u>	<u>6,212,160</u>

SACRED HEART HOME, INC.
Schedules of Expenses (Continued)
Years Ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Balance Forward	<u>\$ 6,090,365</u>	<u>\$ 6,212,160</u>
Administrative Services		
Salaries and services		
Lay personnel	318,547	310,006
Sisters	277,279	271,049
Benefits	153,261	177,297
Service agreements	60,324	58,700
Insurance, nonproperty	48,292	49,743
Professional services	40,277	37,744
Data processing, payroll	18,127	14,274
Telephone	13,917	16,052
Office supplies	8,050	7,882
Staff development	2,304	4,349
Computer charges	1,453	1,063
Licenses and permits	875	10,812
Auto	805	3,357
Dues and subscriptions	195	3,404
Consultants	-0-	2,800
Miscellaneous	6,028	6,413
Total Administrative Services	<u>949,734</u>	<u>974,945</u>
Capital Property Services		
Provider tax	859,111	867,790
Depreciation	202,848	201,846
Insurance, property	15,175	15,051
Total Capital Property Services	<u>1,077,134</u>	<u>1,084,687</u>
Other		
Provision for bad debts	13,200	47,949
Advertising, promotional	916	4,642
Abandoned project costs	-0-	145,122
Total Other	<u>14,116</u>	<u>197,713</u>
Contributions	<u>1,762</u>	<u>10,250</u>
Total Expenses	<u><u>\$ 8,133,111</u></u>	<u><u>\$ 8,479,755</u></u>

SACRED HEART HOME, INC.
Schedules of Employee Benefits
Years Ended December 31, 2016 and 2015

	2016	2015
Employee group health insurance	\$ 525,670	\$ 625,282
Vacation	318,375	352,051
Payroll taxes (FICA & Medicare)	234,981	243,059
Retirement expense	232,997	235,382
Workers' compensation	66,770	64,622
Employee expense	24,813	23,613
Total	\$ 1,403,606	\$ 1,544,009



EXHIBIT 9

November 1, 2017

Sister Vacha
Sacred Heart Home Inc.
5805 Queens Chapel Rd,
Hyattsville, MD 20782

Re: Sacred Heart Home

Dear Sister Vacha,

We enjoyed meeting with you and your team and are excited about the prospect of working with you to finance the above-mentioned project. Based on the information that we have reviewed to date, we are highly confident that we will be able to provide either a HUD loan or conventional construction loan for you to consider as you move forward with your plans.

If you have any questions after reviewing this information, please do not hesitate to contact me. Thank you again for giving us an opportunity to work with you on financing of this project.

Sincerely,



Shippen W. Browne
Executive Vice President

Cc: Jeffrey A. Mion, Sr. Vice President
Bellwether Enterprise Real Estate Capital

EXHIBIT 10



October 30, 2017

Mr. Kevin McDonald
Chief, Certificate of Need
Maryland Health Care Commission
4160 Patterson Avenue
Baltimore, MD 21215

Dear Mr. McDonald:

I write to support the request for a certificate of need for Sacred Heart Home in Hyattsville.

The Sister Servants of Immaculate Mary have provided the highest quality of care and love to their residents for nearly 100 years, which is reflected in their five-star rating on Nursing Home Compare. I have personally known Sister Vacha Kludziak for more than 15 years, and I hold her in the highest esteem as a trusted and beloved friend, and a caring individual whom I would trust without hesitation to provide care for my own parents and family members.

It has been demonstrated over time that nursing home residents and their family members value loving care more than the physical structure in which they live. The Sister Servants are a living testament to that loving care and the impact that it has on older adults' lives. Their presence in the Hyattsville community has made the community a much better place in which to live for a very long time.

However, a new and updated structure for Sacred Heart would have a significant impact on the Sisters' ability to provide modern amenities and continued quality care for more of Prince George's County's aging community. As a long-term member of LifeSpan Network, Sacred Heart is a valued part of the largest and most diverse senior care association in our state, and the Sisters have faithfully adhered to the spirit and the letter of Maryland's nursing home regulations for the time that I have been part of the organization. I submit that they have been patient and diligent, and that now is their time to grow.

I respectfully urge you to grant Sacred Heart Home's request for a Certificate of Need. Thank you in advance for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Kevin D. Heffner", followed by a horizontal line.

Kevin D. Heffner
President and CEO

Capuchin College

4121 Harewood Rd NE
Washington, DC 20017-1593

www.capuchin.com
(202) 529-2188
FAX (202) 526-6664

Mr. Kevin McDonald Chief, Certificate of Need
Maryland Health Care Commission
4160 Patterson Avenue
Baltimore, Maryland 21215

October 27, 2017

Dear Mr. McDonald,

I write in fervent support of the request of a Certificate of Need for Sacred Heart Home in Hyattsville Maryland.

The present building at 5805 Queens Chapel Road is nearly, if not, one hundred years old. The cost to renovate it would be extremely expensive. The funds put toward a new structure would be more beneficial and economical in the present economy.

My religious community had the excellent fortune of having Sacred Heart's warm hospitality and nurturing care in the final three years of our beloved Brother Al Vincent, and we turned to them again when we needed a care facility for the final months of our younger Brother Mike Letostak as he faced the last stage of his battle with cancer.

Though very few elderly/infirm folks want to go to a nursing home, Brother Al and Brother Michael very quickly settled into their new lives at Sacred Home. The nursing and assisting staff treated our brothers like true members of their extended family. I can think of no other place better suited for the care of our elderly than Sacred Heart Home; however, their facilities are in urgent need of renovation. They are doing truly exquisite work at providing care for our elderly and infirmed, and a grant for renovations would only enhance their ability to give quality care to the most vulnerable members of our society.

I was born and raised in the great state of Maryland, and I would emphatically assert that our state should be proud to have such a high quality care institution inside its borders. Once again I support the Sister Servants of Mary Immaculate in their request for a certificate of need. If you have any further questions for me, do not hesitate to contact me. I remain

Respectfully yours,

Rev. Paul Dressler
Reverend Paul Dressler, OFM Cap.
Rector of Capuchin College
Director of Formation



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FATHER JUDGE MISSIONARY CENACLE

Missionary Servants of the Most Holy Trinity

1733 Metzerott Road

Adelphi, MD 20783

October 23, 2017

Mr. Kevin McDonald
Chief, Certificate of Need
Maryland Health Care Commission
4160 Patterson Avenue
Baltimore, Maryland

Dear Mr. McDonald,

I am the director of a retirement house for priests and Brothers. We have been referring our men in need of nursing care to Sacred Heart Nursing Home for at least twelve years. During that period dozens of our men have been residents at Sacred Heart. I have not heard a single complaint from any of them about Sacred Heart. In fact, as one of the priests has often shared with me, "I would rather be living in one of our houses, but if I can't live there, this is the place I want to be"

I understand that Sacred Heart is applying for a Certificate of Need. I would strongly recommend this based on my experience with Sacred Heart. The care given by the Sisters and staff is exceptional. The staff is competent and compassionate, the dual qualities needed in such a facility.

It is my understanding that Sacred Heart has earned the number one or number two ranking among all the nursing homes in Maryland. Given the age of their facilities, that is remarkable. It is a testament to the compassionate, loving care that residents receive at Sacred Heart.

If the Sisters are able to build a new home, it would add tremendously to the well-being and care of the residents.

In the Most Holy Trinity,

Brother Loughlan Sofield, S.T.
Brother Loughlan Sofield, S.T.
Director

Andres Salazar, MD, CMD
3621 Ligon Road
Ellicott City, Maryland 21042

October 24, 2017

Mr. Kevin McDonald
Chief, Certificate of Need
Maryland Health Care Commission
4160 Patterson Avenue
Baltimore, Maryland 21215

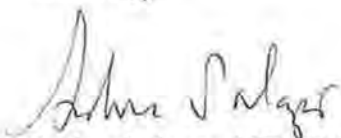
Dear Mr. McDonald,

I am writing to you today to kindly request a *Certificate of Need* for Sacred Heart Home, a long-term care facility located at 5805 Queens Chapel Road in Hyattsville, Maryland. Our current building is nearly one hundred years old and carries an outdated physical plant. The cost of renovation would be extremely expensive, time consuming, and quite inconvenient and uncomfortable for the current residents. As a result, we have designed a new building with a more user-friendly layout, in a homelike environment, to improve function and quality of life.

The new private rooms with individual bathrooms and ample space will facilitate ADL care, resident ambulation, wheelchair navigation, comfort as well as privacy. Moreover, the new building features a space dedicated to physical, occupational, and speech therapy with state-of-the-art equipment to enhance therapy services and facilitate and support residents' recovery and positive outcomes. Currently, we have to use hallways and common areas to provide therapy, which often is inconvenient for some residents who would like to have therapy in a more private environment.

I trust that you will grant Sacred Heart Home the aforementioned request as this construction project would not only be an asset to the community but to the residents we love and serve.

Sincerely,

A handwritten signature in cursive script, appearing to read "Andres Salazar".

Andres Salazar, MD, CMD
Medical Director of Sacred Heart Home

1404 Red Oak Drive
Silver Spring, MD 20910-1615
October 24, 2017

Mr. Kevin McDonald
Chief, Certificate of Need
Maryland Health Care Commission
4160 Patterson Avenue
Baltimore, MD 21215

Dear Mr. McDonald:

I am writing in support of issuance of a Certificate of Need for Sacred Heart Home in Hyattsville, Maryland.

The current facility was built in 1926 when Building Codes were much different than they are today. To renovate Sacred Heart Home would involve great cost and result in significant disruption of the residents' care and possibly expose them to environmental hazards during renovation.

In my opinion, a much more sensible solution would be to build a new, state-of-the-art facility which would allow the staff to provide even better care for the residents, resulting in enhancement of their lives.

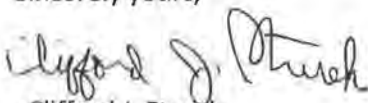
I have observed that the Sisters and the lay staff give care that is above and beyond what is often seen in nursing homes today. My wife's sister spent the last two and one-half years of her life under their care and she was made more comfortable as a result. A major effort was made to make the living environment as comfortable as possible, despite the nearly one hundred-year-old building.

Other family members who spent their last days in other nursing homes were not afforded the same level of care and attention which is the hallmark of the care given at Sacred Heart Home.

Awarding the Certificate of Need to Sacred Heart Home to permit building a new facility is necessary to further enhance the care now provided to the residents.

Thank you for your consideration of this most worthy endeavor.

Sincerely yours,


Clifford J. Sturek

1404 Red Oak Drive
Silver Spring, MD 20910-1615
October 24, 2017

Mr. Kevin McDonald
Chief, Certificate of Need
Maryland Health Care Commission
4160 Patterson Avenue.
Baltimore, Maryland 21215

Dear Mr. McDonald,

I am writing this in support of a *Certificate of Need* for Sacred Heart Home in Hyattsville, Maryland.

I believe that the present facility was built in 1926. Building codes were much different than they are today. To renovate the present structure would involve disrupting residents' care and the cost would be prohibitive. It makes more sense to use the funds for a new structure which would allow the staff a better opportunity to enhance the lives of those that they serve.

From my observation of the Sisters and the staff, residents are given care that is above and beyond what is often seen in nursing homes today. My sister spent two and a half years under their care and I believe that such care lengthened her life. A major effort was made to make the building as warm and inviting as possible given the constraints of the facility.

I sincerely hope that you will award the *Certificate of Need* to Sacred Heart Home.

Thank you for your consideration of this worthy endeavor.

Sincerely,

A handwritten signature in cursive script that reads "Dorothy E. Sturek".

Dorothy E. Sturek

October 14, 2017

Mr. Kevin McDonald
Chief, Certificate of Need
Maryland Health Care Commission
4160 Patterson Avenue
Baltimore, Maryland 21215

Dear Mr. McDonald,

I write in support of the request of a *Certificate of Need* for Sacred Heart Home in Hyattsville Maryland.

The present building at 5805 Queens Chapel Road is nearly, if not, one hundred years old. The cost to renovate it would be astronomical. The funds put toward a new structure would be more beneficial and economical in the present economy.

The Sister Servants of the Immaculate Mary, along with their staff, give love, outstanding care and support to the residents of Sacred Heart Home at the present time. Having a new updated structure would enhance this concern a hundredfold.

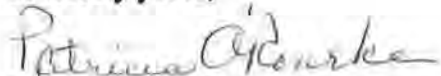
Having been a caregiver of a former resident, I saw firsthand the day to day support given the residents. The care went above and beyond the needs necessary.

Living in a nursing home, is for most, the last step in living their lives. Besides the human care given them, they deserve, if not demand, a pleasant and comfortable living space. The new facility desired by the Sister Servants of Mary Immaculate would give each resident, individually as well as collectively, the comforts afforded them in the final stage of their human life.

Therefore, I again submit my support in awarding the *Certificate of Need* to Sacred Heart Home.

Thanking you in advance for your consideration of this vital need, I am,

Sincerely yours,


Patricia O'Rourke

1805 Crystal Drive, 309-S
Arlington, Virginia 22202-4404



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HEALTH SERVICES

630 E STREET SW • WASHINGTON, DC 20024-2503
T: 202-488-4188 • C: 646-753-0381 • F: 202-554-5735

19 October 2017

Kevin McDonald, Chief
Certificate of Need
Maryland Health Care Commission
4160 Patterson Avenue
Baltimore, MD 21215

Dear Mr. McDonald,

Re: Sacred Heart Home, Hyattsville, MD 20782

I am writing in support of the application for a *Certificate of Need* for Sacred Heart Home, located at 5805 Queens Chapel Road, Hyattsville, MD 20782.

The present building located at 5805 Queens Chapel Road, Hyattsville, MD 20782 is nearly one-hundred years old and has served the community well. However, the building requires continued maintenance and repairs. The estimated costs to renovate the present structure are astronomically high and does not represent responsible, long term use of our financial resources in caring for our sick and elderly residents. Funds used to erect a new 44-bed facility will be far more beneficial and economical given the current and future economy.

The Sister Servants of Mary Immaculate, along with their staff, are committed to protecting the dignity, freedom, promoting human flourishing, and providing exceptional care with love, understanding and compassion for every resident regardless of age, color, ethnicity, gender, religious preference or financial status. Within a new updated structure, the present services can be enhanced and even expanded a hundred-fold.

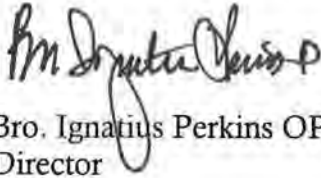
As the Director of Health Services for the Dominican Friars, Province of St. Joseph, I have facilitated the admission of eight of our Friars to Sacred Heart Home during the past five years. In each case, every Friar was cared for with dignity, listening presence, and compassion. During my visits I also witnessed the loving care given by the Sisters and staff to other residents as well. The Sisters and the staff are truly exemplary in their dedication to one another, to the residents and their families in fulfilling the healing ministry of the Roman Catholic Church.

Living in a nursing home is often the last place of residence for many sick and elderly. In addition to the physical nursing care provided, the caring culture, the environment and the activities provided also contribute to a safe and welcoming home-away-from-home. A new facility desired by the Sister Servants of Mary Immaculate will provide the residents, individually and collectively, the comforts they have a right to expect in their final stages of their lives.

I most earnestly offer my strong support for awarding a *Certificate of Need* to Sacred Heart Home to build a new up-to-date 44-bed facility.

Thank you for your consideration of this vitally important need. Please contact me if you need further information.

Sincerely,

A handwritten signature in dark ink, appearing to read "Bro. Ignatius Perkins". The signature is fluid and cursive, with a large, stylized initial "B" and "I".

Bro. Ignatius Perkins OP, PhD, RN, FAAN, FNYAM, FRSM, FNCBC, ANEF
Director

EXHIBIT 11

THE SACRED HEART HOME, INC.

Financial Projection Assumptions

General

- The provider will be replacing its old building (licensed for 102 beds) with new facility (44 Bed).
- The new facility will be constructed on the same campus as the current building.
- The old facility will be available for uninterrupted operation during the construction period.

Census Assumptions

- The new facility will be fully occupied as of the date of opening (January 1, 2022)
- The current patient mix (Private/Medicaid) will shift towards a higher percentage of private residents. This shift will be supported because of the new more modern facility and all private room.
- During calendar year 2020 the provider will begin a gradual decrease in census from the current 102 beds resulting in only 44 residents as of the January 2022 move. The financial impact of the drop in census will be partially offset by a gradual decrease in nursing staffing, food cost and supply cost.
- Private pay rates (revenues) will increase at the new location, supported by change to all private rooms.

Funding Assumptions

- The project will be funded by a combination of use of current Cash reserves, an interest free loan from the Sisters Servants of Mary Immaculate, and a commercial mortgage.
- All interest incurred during the construction period is capitalized in accordance with Generally Accepted Accounting Principles. (Estimated to be 14 month).
- Commercial Loan Assumptions - 30 years 4.25%

Accounting Treatment of old facility.

- The old facility as of January 2022 will no longer be in use and therefore the depreciation of that building will no longer be expensed after December 31, 2021 (in accordance with GAAP).

Nursing Staffing

- During calendar year 2020 the provider will begin a gradual decrease in census from the current 102 beds resulting in only 44 residents as of the January 2022

move. The financial impact of the drop in census will be partially offset by a gradual decrease in nursing staffing.

- Staffing pattern changes in new facility. Although the facility will continue to provide similar levels of care in the new facility, the staffing mix (RN, LPN, AIDES) will change significantly because of the physical layout of the building. The old facility was composed of 3 separate floor each requiring RN and LPN coverage and its own staffing requirement. The new facility will allow more efficient staff unitization patterns.
- The facilities staffing will remain in accordance with State staffing minimum requirements at all periods during the census reduction period.

Revenue Assumptions

- Medicaid Revenue PPD will remain consistent thought the projected period. The components of the Medicaid rate that are affected by operations should remain consistent with current levels. Case Mix Index is expected to remain consistent with FY 17 level. The appraisal ceiling used in rate calculations already and will continue to exceed the Medicaid ceiling and therefore not affect the Medicaid Reimbursement rate. The one item that will affect the Medicaid Rate will be that the facility will no longer be required to pay the quality assessment tax since facilities sunder 45 beds are no subject to the tax. This will reduce the tax expense and decrease Medicaid PPD revenue. The net effect results in a positive cash flow/revenue for the facility. (Since the facility pays the tax on Private residents but receives no reimbursement for the amount paid.)
- Private pay PPD revenue increases in CY 2022 and CY 2023 as a result of change to all private and new rooms.
- Non-Operating Revenue – Investment Revenue – Decrease due to reduction in investment \$8,000,000 of building cost funded from current investments.

Expenses Assumptions

- Nursing Salaries – Decrease as result of lower census
- Other Salaries – Slight decrease in Laundry, Social Services and Admin salaries due to reduced census
- Employee Benefits – Decrease in benefit cost as result of lower salary cost (estimated benefit % remains consistent)
- Food Cost – Contracts services – Decrease as result of lower census
- Housekeeping Cost – Contracts services – Decrease as result of reduced square footage.
- Plant Operation Cost – Decrease as result of reduced square footage.
- Depreciation Expense - Depreciation of old building stops once new facility occupied (per Generally Accepted Accounting Principles – as long as old building no longer in use building no longer depreciated). New building depreciated over 35 years (40 years normal life of building, for this purpose some equipment in

building proposal will have shorter life – averages out to 35 years). Current equipment decreased due to replacement of some major equipment in new building depreciation.

- Mortgage Acquisition Cost – Amortized over life of loan.
- Bad Debt – projected decrease as result of lower census.
- Other Administrative Cost – Slight decrease in other Admin. Cost. Combination of Fixed cost (Equipment rental, Service contracts) and PPD cost (supplies, etc.)

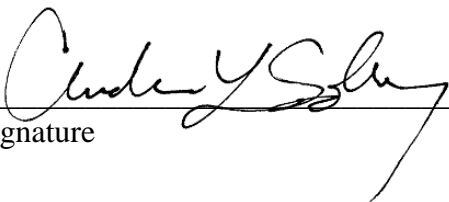
EXHIBIT 12

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.

Signature James E. Cragg

Date 11/9/2017

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.



Signature

11/9/2017

Date