

JAMES S. JACOBS
DAVID C. DEMBERT*
JACOB M. HOROWITZ**
of counsel
CAROLYN JACOBS

* Also Admitted in PA
** Also Admitted in DC



Writer's E-mail:
cjacobs@jdlaw.com

One South Street
Suite 2100
Baltimore, Maryland
21202-3280

(410) 727-4433 (v)
(410) 752-8105 (f)

January 4, 2019

VIA PDF & REGULAR MAIL

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

Re: Encompass Health Rehabilitation
Hospital of Southern Maryland
Matter No. 18-16-2423

Dear Mr. McDonald:

Provided below please find the completeness related “follow up” responses of Encompass Health Rehabilitation Hospital of Southern Maryland (“EHRHSM”) in connection with its Certificate of Need (“CON”) application to establish a 60-bed special hospital rehabilitation in Bowie, Prince George’s County in response to your December 10, 2018 request.

PROJECT BUDGET

1. Your response to our question regarding the magnitude and composition of the line item for CON application assistance clarified that legal fees associated with the CON were budgeted at \$600,000, with “other” (listed as CON preparation costs for consultants and community support efforts) budgeted at \$750,000, while another \$150,000 in non-CON-related consulting fees was incurred.

CON staff and Commission members seek to better understand the costs to applicants associated with the CON regulatory function. To that end, please provide a specific, detailed breakdown of the costs associated with each CON-related cost category, including CON consultants, CON-related legal fees, and CON community support efforts (and describe the community support efforts) associated with this project, so these activities may be accurately included in Staff’s analysis and reporting to Commission members.

RESPONSE:

As of this same date EHRHSM has submitted a modification to its CON application which includes a modified Table E Project Budget. The projected break down of those CON application assistance costs is as follows:

CON-related legal fees: \$600,000

Other - CON Consulting and Community Support \$750,000

(CON community support efforts included using consultants to meet with community agencies, local hospitals, stakeholders, and government agencies and officials to introduce Encompass and describe the Project)

CHARITY CARE

2. Thank you for your submission of the Initial Financial Assistance Application, which reconciles Staff's concerns regarding the need to employ an initial, abridged set of information used to determine *probable eligibility*. Upon reviewing the existing Health South Chesapeake web site, it appears that the Initial Financial Assistance Application is not listed at: <http://www.healthsouthchesapeake.com/en/patients-and-family/financial-assistance>. Staff suggests that the Initial Financial Assistance Application be listed among the other documents, in order to make requirements clear to patients. Staff requests that the applicant commit to listing the Initial Financial Assistance Application on the proposed project's website, alongside the other documents currently listed that pertain to financial assistance.

RESPONSE:

The Initial Financial Assistance Application will be listed no later than February 1, 2019 at: <http://www.healthsouthchesapeake.com/en/patients-and-family/financial-assistance>.

EHRHSM commits to listing the Initial Financial Assistance Application on the proposed project's website, alongside the other documents currently listed that pertain to financial assistance

3. With regard to the applicant's plan to disseminate information to the community about its charity care and financial assistance policies, please flesh out your previous response (to question #6 in our September 11 letter). Specifically:
 - a. Identify the names of non-profit community-based organizations, human service agencies, or other community stakeholders with which the applicant will work to ensure the community is aware of the availability of its charity care and financial assistance services.

RESPONSE:

EHRHSM will use its best efforts to work with non-profit community-based organizations, human service agencies, and other community stakeholders (the "Local Providers") to ensure the community is aware of the availability of its charity care and financial assistance services. The Local Providers will include but not be limited to the following: Prince George's County Health Department, Prince George's County Department of Social Services, American Stroke Association, CASA de Maryland, Catholic Charities, City of College Park Seniors' Program,

Gwendolyn Britt Senior Activity Center, Korean Community Services Center of Greater Washington, Laurel-Beltsville Senior Activity Center, Mary's Center, Salvation Army of Prince George's County and the local YMCA. EHRHSM also will reach out to all local hospitals.

b. Describe the methods of communication and communication schedules that will be used to disseminate the information.

RESPONSE:

EHRHSM will disseminate information relating to the availability of financial assistance for patients in a variety of ways on a regular and ongoing basis. With respect to dissemination to the community, EHRHSM will publish an annual notice of the availability of financial assistance in local newspapers throughout the community. In preparation for the opening of the hospital, EHRHSM staff will meet with area hospital case managers and physicians in order to raise awareness of EHRHSM's charity care. EHRHSM also will work with and set up in person meetings with the local health department and non-profit community-based organizations to assure the community is aware of the availability of its services to those who are unable to pay in part or in full. These efforts will continue with area hospitals, physicians, and community-based organizations on a regular basis as the hospital prepares to open and throughout its operation. The hospital will annually review possible community partners to increase avenues of communication and to expand public awareness of its financial assistance policy. Furthermore, EHRHSM will participate at local health fairs where it also will advise of the availability of its charity care.

c. Provide an update on the applicant's status to participate as a "stakeholder" in the Prince George's County Health Department's "Prioritization Meeting" and participate in the upcoming, new community needs assessment as a post-acute provider. Identify specific steps that have been taken or will be taken to participate in this initiative.

RESPONSE:

As indicated previously, Trudy R. Hall, MD, Interim President and Vice President of Medical Affairs at the University of Maryland Capital Region Health introduced Encompass to the Prince George's County Health Department and recommended the participation of Encompass as a participant in the stakeholder prioritization meeting because the stakeholders in that meeting had not included a post-acute provider that cares for a chronic disease and discharges back into the community. In this way, Encompass could be introduced to the numerous community stakeholders and help the County to address the health status of residents of Prince Georges County. In September of 2018 Melanie Lewis, Vice President of Business Development for Encompass Health contacted the then Health Officer at the Prince George's County Health Department, Ms. Creekmur, and Ms. Creekmur indicated that Encompass Health could be part of the stakeholder prioritization meeting as a post-acute provider. Ms. Lewis reached out to Ms. Anea Jordan, the assistant for the new Health Officer, Dr. Carter, in December of 2018 and inquired whether there were any updates and whether meetings had been scheduled for 2019. Ms. Jordan advised on December 31, 2018 that "No prioritization meetings have been

Mr. Kevin McDonald

January 4, 2019

Page 4

scheduled. I will forward your inquiry/contact information to the lead on this, Donna Perkins, who is our Epidemiologist, so that she can contact you once these begin.”

Sincerely,

A handwritten signature in cursive script that reads "Carolyn Jacobs".

Carolyn Jacobs

Please see attached signature page

cc: Ruby Potter

I hereby declare and affirm under the penalties of perjury that the facts stated in this January 4, 2019 completeness related response application and its attachments are true and correct to the best of my knowledge, information, and belief.

Name: WALTER C. SMITH
Title: DIRECTOR, STATE REGULATORY AFFAIRS
Signature: Walter C Smith
Date : 01.04.19