City of Takoma Park Maryland

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Kate Stewart, Mayor

October 3, 2016

VIA EMAIL TO Eileen.fleck@maryland.gov

Eileen Fleck
Chief, Acute Care Policy & Planning
Maryland Health Care Commission
4160 Patterson Ave.
Baltimore, MD 21215

Re: Public Comments, Freestanding Medical Facilities Regulations

Dear Ms. Fleck:

I am writing on behalf of the City Council of Takoma Park to comment upon the proposed permanent regulations regarding Freestanding Medical Facilities. The City believes that the establishment of FMFs in appropriate locations will make valuable improvements to healthcare delivery in Maryland and supports the prompt promulgation of the regulations necessary to facilitate new FMFs. The City suggests the addition of provisions that would facilitate FMF CON applications from hospitals that have recently relocated and seek to establish an FMF on their former campuses.

The City has a unique perspective on the issue of hospitals that relocate to a new campus. We have studied the potential impact of the relocation of Washington Adventist Hospital's acute care general hospital on our community's geographic and economic access to emergency medical services. We are also working with hospital executives regarding the continued use of the hospital campus in providing medical services. Many factors present in Takoma Park, but also likely to be present when other hospitals relocate, justify special regulatory provisions to address FMF CON applications from relocating hospitals.[1]

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[1] WAH is relocating 6.6 miles away from its Takoma Park Campus, where it has been located for over a century. Adventist Healthcare, Inc., the owner of WAH and WAH's Takoma Park campus, has developed a reuse plan for the Takoma Park campus that includes an urgent care center, psychiatric hospital, rehabilitation hospital, lab and radiology facilities, and a FQHC. However, the City is concerned about the loss of the existing emergency department in Takoma Park and the impact that it will have on its

Generally, although the relocation of a hospital does not qualify for the statutory exemption from the CON requirement for hospitals that convert to an FMF, many factors associated with a conversion may also be present when a hospital relocates. In such cases, especially when there is a functioning emergency department at the proposed FMF site, the regulations should minimize the administrative burden of the CON proceeding for the Commission and the applicant, expediting the review wherever possible.[2]

Set forth below is a discussion of the FMF CON standards for which the City suggests the regulations should specially address applicants that have recently relocated a hospital and seek to establish an FMF on the former campus.

Need and Access

A parent hospital that has CON approval to relocate to a new site could only provide a history of the new site's service to its existing site if the relocation CON project has been in operation for at least a year. Given the length of a CON review this could create a situation in which residents of the original site are deprived of services for a long time. Moreover, the delay could lengthen the time for the proposed FMF to reach financial stability. A better alternative would be to borrow from the proposed "need" standards for a hospital to FMF conversion when this situation occurs. In a case where the hospital has been or will be relocated, the FMF regulations should allow the Commission to consider historic trends of an emergency department prior to a hospital's relocation.

Efficiency

The presence of space, facilities, equipment, and ancillary services on or near the campus of a relocating hospital presents opportunities to increase the efficiency of the delivery of healthcare services. The reuse plan for WAH's Takoma Park is illustrative. It includes the establishment of an urgent care center and the continued operation of a Federally Qualified Health Center, psychiatric and rehabilitation hospitals, and laboratory and radiology facilities. With these facilities present, patients arriving at an FMF on the campus could be directed to the facility that can most efficiently and appropriately address their needs.[3] When other hospitals relocate in the future, there likely will be similar facilities left behind or established on their former campuses. The FMF regulations should incorporate the recognition that co-locating an FMF with non-emergency medical facilities improves the efficiency of healthcare delivery.

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residents' geographic and financial access to care. The current emergency room handled at least 10,000 visits in the past year. In the Recommended Decision in WAH's relocation CON proceeding, the Reviewing Commissioner found that only 25% of WAH-Takoma Park's emergency department patients could be served by an urgent care center. MHCC Docket No. 13-15-2349, Recommended Decision at p. 38 (Dec. 17, 2015).

[2] For example, today, Takoma Park has a very busy emergency department that has detailed information about the origin of its users. The relocated hospital in White Oak has no history; it has only forecasts and the forecasts would not satisfy the requirements of the rules, as written.

[3] For example, patients in need of psychiatric services often present at emergency facilities. In Takoma Park, such patients presenting to an FMF immediately could be transferred to the psychiatric facility.

Financial Feasibility and Viability

Because a relocation CON proceeding requires extensive analysis and findings regarding the finances of a hospital, the FMF regulations should allow a parent hospital that seeks to establish an FMF at its prior location to demonstrate financial feasibility by adjusting and supplementing the financial projections accepted by the Commission in the relocation proceeding rather than requiring completely new financial projections.

Quality Improvement

When a relocating hospital seeks to establish an FMF on its old campus, if the applicant proposes to apply the quality assurance program approved by the Commission in the relocation CON to the proposed FMF, then the regulations should authorize the Commission to deem the applicant to have satisfied the quality improvement standard.

Standards for the Application of Special Rules for Relocating Hospital

The City suggests that the regulations provide that the foregoing special considerations for FMF applicants that have recently had a parent hospital relocate apply in the following circumstances:

1. The hospital obtained a CON authorizing the relocation within the preceding five years;

2. The hospital has a record of compliance with licensure standards and requirements that demonstrate its ability and commitment to provide quality health services;

3. The FMF CON application is consistent with the State Health Plan.

Thank you for your consideration of the City's comments. Again, we support the promulgation of regulations that allow for the establishment of Freestanding Medical Facilities. We believe that by adopting these recommended refinements, the Commission will improve both the operation of Maryland's health care system and reduce some of the administrative burden on hospitals and on the Commission.

Very truly yours,

Kate Stewart
Mayor
City of Takoma Park