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November 13, 2015

VIA EMAIL AND U.S. MAIL

Ben Steffen
ben.steffen@maryland.gov
Executive Director
Maryland Health Care Commission
4160 Patterson Avenue
Baltimore, Maryland 21215-2299

*Re: Petition for Amendment of State Health Plan for Facilities and Services:
Overview, Psychiatric Services, and Emergency Services (COMAR 10.24.07)*

Dear Mr. Steffen:

On behalf of Sheppard Pratt Health System, Inc. ("Sheppard Pratt"), we write to request that the Maryland Health Care Commission amend the State Health Plan for Facilities and Services: Overview, Psychiatric Services, and Emergency Services (COMAR 10.24.07), for the reasons discussed below.

Sheppard Pratt has a docketed application for Certificate of Need ("CON") pending before the Commission to replace and relocate its special psychiatric hospital in Ellicott City, Maryland to a new location in Elkridge, Maryland. The proposed project consists of the construction of a new four-story freestanding facility that will accommodate a total of 100 inpatient beds in six patient units.

The Ellicott City location is currently licensed for 92 inpatient beds, but due to functional limitations at its outdated facility, Sheppard Pratt only staffs 78 inpatient beds. The existing Ellicott City location has 100% double room occupancy, which results in lower occupancy rates and "bed-blocking," due to patient gender and other factors that limit a patient's ability to have a roommate, including a history of sexual offenses, violence, and other behaviors that could be harmful or disruptive to a roommate. On a given day, it is not unusual for as many as 14 beds to be blocked at the Ellicott City location. Notwithstanding these functional limitations, Sheppard Pratt projects a 75% occupancy rate for fiscal year 2015 at its existing facility.

Sheppard Pratt seeks to include 100 inpatient beds in the new facility, although only 92 inpatient beds are presently licensed at its Ellicott City location. The CON Application demonstrates a need for more than 100 beds at the new facility, especially since Sheppard Pratt will be adding two additional units for young adults and geriatric patients.

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However, the current occupancy standards of the State Health Plan for Facilities and Services: Overview, Psychiatric Services, and Emergency Medical Services may not permit expansion beyond the currently licensed 92 beds.¹ As presently worded, COMAR 10.24.07 provides:

AP 10. Expansion of existing adult acute psychiatric bed capacity will not be approved in any hospital that has a psychiatric unit that does not meet the following occupancy standards for two consecutive years prior to formal submission of the application.

<u>Psychiatric Bed Range (PRB)</u>	<u>Occupancy Standards</u>
PBR<20	80%
20≤PBR<40	85%
PBR≥40	90%

Although Sheppard Pratt has demonstrated need for more than 100 beds and is prepared to move forward with construction plans for its new facility upon the Commission's grant of a CON, the present wording of the State Health Plan Chapter may delay final construction of a new facility and result in unnecessary expense. Unless the State Health Plan Chapter is changed, construction of the project could be completed on space to house 92 beds with the remaining area of the project built out as shell space. After the new facility became operational, the additional eight waiver beds could then be added pursuant to 10.24.01.02A(3)(a), resulting in a second round of construction and disruption at the operational facility, an anomalous result. Other future applicants who seek to replace semi-private rooms with private rooms, and can otherwise show need for expansion, may face this same issue.

Accordingly, we ask the Commission to amend COMAR 10.24.01(AP 10) to include the underlined language below:

¹ In the CON Application, Sheppard Pratt proposes to include 92 licensed beds from the existing facility and add eight waiver beds pursuant to COMAR 10.24.01.02A(3)(a) prior to opening the new facility. Commission Staff expressed concern about whether the waiver bed rule would permit the addition of waiver beds prior to occupancy of the new facility, and suggested, instead, that Sheppard Pratt seek amendment of the State Health Plan to achieve a licensed capacity of 100 beds. The State Health Plan Chapter governing psychiatric services was first promulgated in 1984, and has not been supplemented in more than 18 years.

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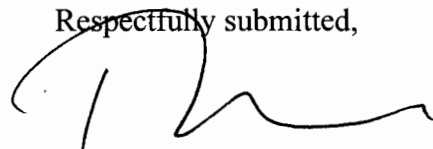
AP 10. Unless the applicant demonstrates why the occupancy standards should not apply, expansion of existing adult acute psychiatric bed capacity will not be approved in any hospital that has a psychiatric unit that does not meet the following occupancy standards for two consecutive years prior to formal submission of the application.

<u>Psychiatric Bed Range (PRB)</u>	<u>Occupancy Standards</u>
PBR<20	80%
20≤PBR≤40	85%
PBR≥40	90%

This modest change will provide the Commission with greater flexibility to approve CON applications seeking needed expansion of bed capacity in facilities currently constrained by outdated facilities and modern standards of patient care. Such flexibility is in the interests of the health and well-being of all Maryland residents requiring psychiatric care. Similar language appears in more recent parts of the State Health Plan, such as the size of facility standard applicable to alcoholism and drug abuse intermediate care facilities. COMAR 10.24.14.05A.

Thank you for your consideration of our request.

Respectfully submitted,



Thomas C. Dame



James C. Buck

TCD/JCB:blr

cc: Paul Parker, Director, Center for Health Care Planning & Development
Eileen Fleck, Chief, Acute Care Policy and Planning
Kevin McDonald, Chief, Certificate of Need
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