



January 9, 2018

Paul Parker
Director
Health Care Facilities Planning and Development
4160 Patterson Avenue
Baltimore, Maryland 21215

RE: Certificate of Need Review Process

Dear Mr. Parker:

This letter is in response to the letter sent by the Maryland Health Care Commission on November 21, 2017 to nursing facility administrators seeking feedback on Maryland's current certificate of need (CON) process. In the letter, the Commission requested that associations submit "consensus responses." Below are LifeSpan's preliminary comments.

It is important to note that, at the same time the Commission is reviewing the CON process, the Commission will also begin its review of the Nursing Home Chapter of the State Health Plan. For the nursing facility industry, it is of utmost importance that there is overlap in the discussions of these workgroups with regular communication between the two as issues are discussed and recommendations determined.

First and foremost, LifeSpan strongly supports maintaining a CON requirement for nursing facilities. However, LifeSpan does believe that there are areas where changes are necessary to either update or streamline the process. These areas include:

- 1) Increasing the capital threshold;
- 2) Exempting certain projects from being included under the capital threshold if bed capacity is not being increased;
- 3) Reviewing the performance requirements for after a CON is granted to ensure that they are consistent with current practices and standards;
- 4) Examining whether there is a continued need to maintain a Memorandum of Understanding for Medicaid residents and/or whether standards should be adjusted; and
- 5) Reviewing occupancy standards of other nursing facilities in the jurisdiction where a CON is being requested where it will result in an increase in bed capacity.

Lastly, while LifeSpan believes that quality measures should be included in a CON review, there needs to be a more thorough discussion on appropriate measures. Given recent issues with the federal 5-Star rating system, there is strong consensus among the membership that a quality standard should not include this measurement.

Again, LifeSpan appreciates the opportunity to submit these preliminary comments and we look forward to working with the workgroup to discuss these comments and other issues more in-depth. On a side note, LifeSpan has formed an internal committee to monitor and provide feedback to the workgroup as issues are discussed. If there are any issues that you would like to get more specific information on in advance of an official workgroup meeting, we would be more than willing to assist you.

Sincerely,

A handwritten signature in cursive script, appearing to read "Kevin D. Heffner", followed by a horizontal line extending to the right.

Kevin D. Heffner, MAGS
President