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MARYLAND HEALTH CARE COMMISSION

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MEMORANDUM

TO: Commissioners
FROM: Kevin R. McDonald
Chief, Certificate of Need
DATE: June 11, 2020
SUBJECT: Pyramid Walden LLC
Docket No. 20-12-2440

Enclosed is the staff report and recommendation for a Certificate of Need (CON) application filed by Pyramid Walden LLC, to establish a new 50 bed Track Two Intermediate Care Facility providing Level 3.7/3.7-WM, Medically Monitored Intensive Inpatient and Withdrawal Management (Detoxification) services in Joppa, Harford County. The ICF will operate in a renovated motel at 1015 Pulaski Highway, Joppa and the building will also have 14 beds reserved for Level III.5 care.

The estimated cost of establishing the Pyramid Walden facility in Joppa is \$5,194,069, with estimated costs for the ICF component of the facility accounting for \$3,606,992 of that total cost. The capital costs include \$4,964,069 to purchase and renovate the former motel. The remaining costs include \$30,000 in legal and consultant fees and \$200,000 in start-up expenses for items such as furniture, signage, laundry equipment, outdoor furniture, and fencing. The applicant will finance the entire cost of this project with cash.

Since the facility design includes many two-and-three-person rooms, staff asked the applicant about its plans to safely accommodate patients during the ongoing pandemic. The applicant responded with a summary of how Pyramid is currently operating to mitigate risk of Covid-19 at all of its residential facilities:

1. Patients are screened prior to admission, and temperatures are taken twice daily during treatment in the facility. If an individual displays symptoms they are isolated, Department of Health is notified, and arrangements are made for medical discharge and treatment.

2. Staff and patient wear masks at all times except when eating.
3. Staff members are screened each shift as they arrive, and sent home if they have a temperature or symptoms.
4. Individual meals are served in disposable containers and with disposable utensils, no trays.
5. Groups are limited to 10 people with 6 ft. minimum distance between individuals.

The applicant stated that the Joppa facility – which they plan to open at the ASAM Level 3.5 later in June – will open with a limited capacity of 24, allowing them to minimize the use of double or triple occupancy rooms.

Based on these conclusions, staff recommends that the Commission approve the application of Pyramid Walden LLC for a Certificate of Need to establish a 50-bed adult ICF providing medically monitored intensive inpatient services and withdrawal management (ASAM Levels 3.7 and 3.7WM), at an approved cost of \$3,606,992, with two conditions:

1. Prior to first use approval, Pyramid Walden LLC shall document that it has posted a statement of charges and information regarding the range and types of its services online and in a prominent place in the registration area, and shall also provide a copy of the document with this information that it will provide to the public upon request; and
2. Prior to first use approval, Pyramid Walden LLC shall provide proof of preliminary accreditation of its Joppa, Maryland facility by the Commission on the Accreditation of Rehabilitation Facilities (CARF) or another accrediting body approved by the Maryland Department of Health and must timely receive final accreditation by CARF or another approved accrediting body.

IN THE MATTER OF

PYRAMID WALDEN, LLC

Docket No. 20-12-2440

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BEFORE THE

MARYLAND HEALTH

CARE COMMISSION

STAFF REPORT AND RECOMMENDATION

June 18, 2020

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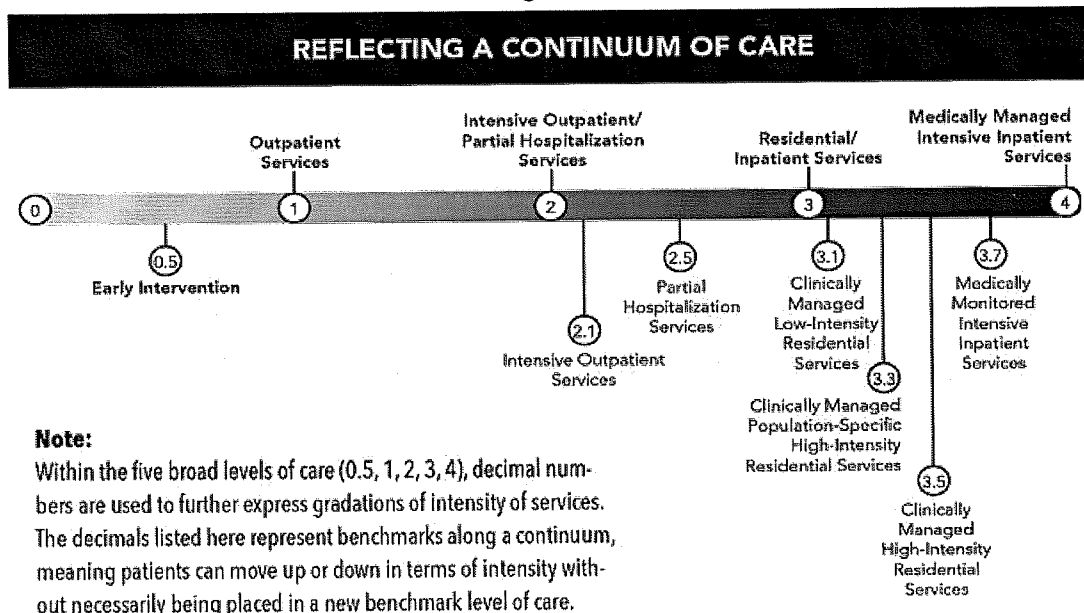
I. INTRODUCTION

A. Background

Pyramid Walden, LLC (Pyramid Walden) proposes establishment of a 50-bed alcoholism and drug abuse intermediate care facility (ICF) in a building formerly used as a motel located in Joppa, Harford County. The proposed renovation will include fifty (50) beds licensed and designated for Withdrawal Management (WM) and Medically Monitored Intensive Inpatient Services for addiction or substance abuse disorder (American Society of Addictions Medicine or ASAM Level 3.7WM and Level 3.7) and an additional fourteen (14) beds licensed for Clinically Managed High Intensity Residential Services (Level 3.5). The Maryland Health Care Commission (Commission) regulates ASAM Level 3.7 and 3.7WM services, the highest level of non-hospital acute care for substance use disorder (SUD). See Figure 1 below. The scope of Certificate of Need (CON) regulation also include ASAM Level 4 for inpatient hospital care but does not include the larger spectrum of outpatient and residential withdrawal management and treatment programs. The ASAM level of care taxonomy in Figure 1 below is used by the Maryland Department of Health's Behavioral Health Administration (BHA) to classify levels of treatment provided in Maryland.

A Certificate of Need is required to establish or relocate an ICF, or to establish, relocate, or add beds to a hospital-level alcoholism and drug abuse treatment service. However, under 2019 changes to the law,¹ an existing ICF may add beds without CON review and approval.

Figure 1



¹ Source: The ASAM Criteria - American Society of Addiction Medicine
<http://asamcontinuum.org/knowledgebase/what-are-the-asam-levels-of-care/>

The applicant plans to establish a facility that offers medically monitored inpatient care and medically monitored inpatient withdrawal management. According to ASAM,²

[m]edically monitored services are provided by an interdisciplinary staff of nurses, counselors, social workers, addiction specialists, or other health and technical personnel under the direction of a licensed physician. Medical monitoring is provided through an appropriate mix of direct patient contact, review of records, team meetings, 24-hour coverage by a physician, 24-hour nursing and a quality assurance program.

Additionally, according to ASAM,² Level 3.7WM Medically Monitored Inpatient Withdrawal Management services: “are delivered in a freestanding withdrawal management center with inpatient beds; are provided 24 hours daily with observation, monitoring and treatment, and include specialized clinical consultation; supervision for cognitive, biomedical, emotional and behavioral problems; medical nursing care; and direct affiliation with other levels of care.”

B. The Applicant

Pyramid Walden is owned by Pyramid Healthcare, Inc., a for-profit company that is owned by Clearview Pyramid Acquisition Co., LLC. Pyramid Healthcare, Inc. was established in 1999 and operates over eighty inpatient and outpatient facilities in Pennsylvania, New Jersey, North Carolina, Georgia, and Maryland with over 1,000 beds used for residential treatment and/or detoxification services for individuals with SUD.

Pyramid Walden currently operates several facilities in Maryland. These include: a 52-bed ICF in Charlotte Hall (Walden Charlotte Hall in St. Mary’s County) with 27 Level 3.7WM and 3.7 beds and 25 Level 3.5 treatment beds; a 16-bed residential facility in California (St. Mary’s County) that provides Levels 3.5 and 3.1 treatment; and three outpatient facilities in St. Mary’s and Charles Counties that offer Assessment, Level 2.5, Level 2.1, and Level 1 outpatient treatment and refer patients to the applicant’s other programs in St. Mary’s County.

The applicant submitted an organizational chart, which can be reviewed at Appendix 2.

C. The Project

Pyramid Walden is proposing to establish a 64-bed facility providing withdrawal management and treatment services for addiction (or substance use disorder) that will include 50 alcoholism and drug abuse intermediate care facility beds providing medically-monitored intensive inpatient services and additional beds providing clinically-managed high-intensity

²<https://www.medicaid.gov/state-resource-center/innovation-accelerator-program/iap-downloads/reducing-substance-use-disorders/asam-resource-guide.pdf>, p.13

residential services. It will be a “Track Two” ICF for adults, located at 1015 Pulaski Highway in Joppa (Harford County).³

Pyramid Walden has converted a former two-story motel in Joppa into a 64-bed addictions treatment facility, completing the conversion in early 2020. The facility received a license to provide Level 3.5 residential services from BHA on April 6, 2020 (DI#13). The license also allows the applicant to provide outpatient services at the site. The applicant proposes to raise the level of sub-acute services for SUD at the site by gaining approval to operate 50 of the 64 beds as ICF beds

The floorplan of the new facility contains an intake unit, a unisex detox (WM) unit, a women’s inpatient unit, and a men’s inpatient unit. (Appendix 3). The women’s inpatient unit will occupy the first floor and the men’s inpatient unit will occupy the second floor. The inpatient units will house patients in eight semi-private rooms and 16 triple occupancy rooms, each with a private bathroom. The cost of establishing the 64-bed building renovation is estimated as \$5,194,069, with project expenses funded with cash, as shown in Table I-1, below. The applicant allocates a cost estimate of \$3.6 million for the regulated ICF component of the project.

Table I-1: Pyramid Walden - Project Budget Estimate

	3.7WM and 3.7	Residential 3.5	Total
Use of Funds			
Renovations			
Building	\$183,007	\$80,523	\$263,530
Fixed Equipment (non-construction)	\$41,667	\$18,333	\$60,000
Architect/Engineering Fees	\$79,245	\$34,868	\$114,113
Permits (Building, Utilities, etc.)	\$1,944	\$856	\$2,800
<i>Subtotal</i>	\$305,863	\$134,580	\$440,443
Other Capital Costs			
Movable Equipment)	\$162,372	\$71,443	\$233,815
Contingency Allowance	\$48,480	\$21,331	\$69,811
<i>Subtotal</i>	\$210,851	\$92,775	\$303,626
Total Current Capital Costs	\$516,715	\$227,354	\$744,069
Land Purchase	\$555,556	\$244,444	\$800,000
Building Purchase	\$2,375,000	\$1,045,000	\$3,420,000
Total Capital Costs	\$3,447,270	\$1,516,799	\$4,964,069

³ A Track Two ICF, as defined in COMAR 10.24.14, the State Health Plan for Facilities and Services: Alcoholism and Drug Abuse Intermediate Care Facility Treatment Services (ICF Chapter), operates “publicly-funded beds” and must “demonstrate that 50 percent of the facility’s annual patient days, consistent with Regulation .08 of this chapter, will be generated by the indigent or gray area population.” “Indigent” patients are those who qualify for services under the Maryland Medicaid program. {COMAR 10.24.14.08B(11). “Gray area” patients do not qualify for the Maryland Medicaid program but have an annual income (from any source) that is no more than 180% of the current Federal Poverty Index and have no insurance for alcohol and drug abuse treatment services (COMAR 10.24.14. 08.B(9)). As contrasted with Track Two ICFs, a “Track One” ICF has “private beds” and admits a majority of private-pay patients.

Financing Cost and Other Cash Requirements			
Legal Fees	\$10,417	\$4,583	\$15,000
Other Fees	\$10,416	\$4,584	\$15,000
<i>Subtotal</i>	\$20,834	\$9,167	\$30,000
Working Capital/Startup Costs	\$138,889	\$61,111	\$200,000
Total Uses of Funds	\$3,606,992	\$1,587,077	\$5,194,069
Sources of Funds			
Cash	\$3,606,992	\$1,587,077	\$5,194,069
Total Sources of Funds	\$3,606,992	\$1,587,077	\$5,194,069

Source: DI #3, Att. 4, Table B.

D. Summary of Staff Recommendation

Staff concludes that the project proposed by Pyramid Walden: complies with the applicable State Health Plan standards; that the need for the project, its cost effectiveness, and its viability have been demonstrated; and that the impact on the availability and accessibility of intensive inpatient alcohol and drug treatment services is positive, as it will be the first alcohol and drug treatment ICF project in Harford County that will provide services to patients across the full range of income levels.

Based on these conclusions, staff recommends that the Commission approve the application of Pyramid Walden LLC for a Certificate of Need to establish a 50-bed adult ICF providing medically monitored intensive inpatient services and withdrawal management (ASAM Levels 3.7 and 3.7WM), at an approved cost of \$3,606,992, with two conditions:

1. Prior to first use approval, Pyramid Walden LLC shall document that it has posted a statement of charges and information regarding the range and types of its services online and in a prominent place in the registration area, and shall also provide a copy of the document with this information that it will provide to the public upon request; and
2. Prior to first use approval, Pyramid Walden LLC shall provide proof of preliminary accreditation of its Joppa, Maryland facility by the Commission on the Accreditation of Rehabilitation Facilities (CARF) or another accrediting body approved by the Maryland Department of Health and must timely receive final accreditation by CARF or another approved accrediting body.

II. PROCEDURAL HISTORY

A. Record of the Review

Please see Appendix 1, Record of the Review.

B. Interested Party in Review

No persons sought interested party status in this review.

C. Local Government Review and Comment

Pyramid Walden submitted letters supporting the project from the following:

- Marian V. Bland, LCSW-C, Director, Clinical Services, Adults and Older Adults, Maryland Behavioral Health Administration (DI #10, Exh. 25).
- Charles A. Moore, Chief of Police, Town of Bel Air (DI #3, Exh. 11).

D. Other Support and Opposition to the Project

Pyramid Walden submitted letters supporting the project from the following.

- Ron L. Kornrumpf, FACHE, Regional Director, Behavioral Health, University of Maryland, Upper Chesapeake Health System.
- Daniel Torsch, Director, The Daniel Torsch Foundation.
- Linda Williams, Executive Director, Addiction Connections Resource, Inc. (DI #3, Exh. 11).

III. REVIEW AND ANALYSIS

A. STATE HEALTH PLAN

COMAR 10.24.01.08G(3)(a) State Health Plan. An application for a Certificate of Need shall be evaluated according to all relevant State Health Plan standards, policies, and criteria.

The relevant State Health Plan chapter is COMAR 10.24.14, Alcoholism and Drug Abuse Intermediate Care Facility Treatment Services (the ICF Chapter). The ICF Chapter, at Regulation .05, includes the following sixteen “Certificate of Need Approval Rules and Review Standards for New Substance Abuse Treatment Facilities and for Expansions of Existing Facilities.”

.05A. Approval Rules Related To Facility Size. Unless the applicant demonstrates why a relevant standard should not apply, the following standards apply to applicants seeking to establish or to expand either a Track One or a Track Two intermediate care facility.

- (1) The Commission will approve a Certificate of Need application for an intermediate care facility having less than 15 beds only if the applicant dedicates a special population as defined in Regulation .08.**
- (2) The Commission will approve a Certificate of Need application for a new intermediate care facility only if the facility will have no more than 40 adolescent**

or 50 adult intermediate care facility beds, or a total of 90 beds, if the applicant is applying to serve both age groups.

- (3) **The Commission will not approve a Certificate of Need application for expansion of an existing alcohol and drug abuse intermediate care facility if its approval would result in the facility exceeding a total of 40 adolescent or 100 adult intermediate care facility beds, or a total of 140 beds, if the applicant is applying to serve both age groups.**

Pyramid Walden seeks to establish a new 50-bed adult Track Two ICF. Therefore, this CON application is consistent with the facility capacity range in Subsections (1) and (2) of this standard. Subsection 3 is not applicable because the applicant is not an existing intermediate care facility seeking to expand.

Staff concludes that the project meets this standard.

.05B. Identification of Intermediate Care Facility Alcohol and Drug Abuse Bed Need.

- (1) **An applicant seeking Certificate of Need approval to establish or expand an intermediate care facility for substance abuse treatment services must apply under one of the two categories of bed need under this Chapter:**
- (a) **For Track One, the Commission projects maximum need for alcohol and drug abuse intermediate care beds in a region using the need projection methodology in Regulation .07 of this Chapter and updates published in the Maryland Register.**

The applicant is applying as a Track Two facility, i.e., it is an ICF that provides over half of its patient days to indigent or gray area patients. This need methodology does not apply.

- (b) **For Track Two, as defined at Regulation .08, an applicant who proposes to provide 50 percent or more of its patient days annually to indigent and gray area patients may apply for:**

- i. **Publically funded beds, as defined in Regulation .08 of this chapter, consistent to the level of funding provided by the Maryland Medical Assistance Programs (MMAP). And Alcohol and Drug Abuse Administration, or a local jurisdiction or jurisdictions; and**

Subparagraph (b)(i) applies to this project, which will operate as a Track Two ICF. The language in this section of the ICF Chapter is outdated. As of July 1, 2017, Maryland reimburses ICFs through a fee-for-service arrangement using an Administrative Services Organization (ASO). According to Kathleen Rebbert-Franklin, Director of Health Promotion and Prevention at BHA, the fee-for-service arrangement is

a contract held by Medicaid with significant input from BHA. This means that if a provider is willing to serve those with Medicaid, then it can admit to its facility as

authorized and submit bills for reimbursement. There is no pre-determined amount of funding for any particular facility. This ... is a significant change from the previous system where funds were given to specific ICFs through grants from BHA to the local jurisdiction. The previous payment method only allowed a limited number of ICFs to receive funding, and there was limited to no ability to manage utilization. Under our new reimbursement structure, the ASO, Beacon, authorizes admission for everyone admitted to this level of care. Patients must meet medical necessity criteria to receive that approval.
(Docket No. 18-02-2421, DI# 7A).

- ii. **A number of beds to be used for private pay patients in accordance with Regulation .08, in addition to the number of beds projected to be needed in Regulation .07 of this chapter.**

The applicant proposes to establish a Track Two ICF in Harford County with no beds reserved for private-pay patients. The applicant states that it currently operates a Track Two ICF in St Mary's County that serves predominantly indigent patients (DI #10, p.2), and is experienced in recruiting and treating this population. The applicant provides the assurance that it will provide a minimum of 50% of annual bed days for indigent and grey area patients, relying on its procedure of tracking indigent/grey area patients through its call center, which monitors bed availability and admissions to Pyramid-Walden facilities (DI #3, p. 21). Speaking to this procedure, the applicant stated that,

should our percentage of indigent clients ever fall below 50%, Pyramid Walden's outreach team will work with all local and public behavioral healthcare providers, hospitals, and emergency and crisis service centers to ensure they are aware of our goal to meet the needs of the underserved. We will work with the community to further improve access to our services to make sure all indigent clients seeking services have a simple and seamless process to enter our care.
(DI #10, p.2).

As evidence of this commitment, the applicant stated that more than 85% of the annual bed days in its existing ICF in St. Mary's County were provided to indigent and grey area patients.

Staff concludes that the applicant complies with this standard.

(2) To establish or expand a Track Two intermediate care facility, an applicant must:

(a) Document the need for the number and types of beds being applied for;

The applicant notes that Harford County does not have a Track Two ICF, while there are 705 Track Two ICF beds currently in service in Maryland.⁴ Pyramid Walden used data from its call center, which processes requests for SUD treatment from all of Maryland, to estimate and project bed need. Pyramid Walden states that it accepts patients based on bed availability, and when possible, the call center places patients needing ICF services in its St. Mary's County ICF. Pyramid Walden accepts patients from all areas of the state, and to support that reach, it operates a network to provide transportation to all persons receiving inpatient treatment at any of its facilities. (DI #10, p. 3).

Pyramid Walden presented data from its call center for a four-month period (January 1 - April 30, 2020). Out of 2,439 calls from unduplicated individuals, the applicant identifies 1,058 (43%) of these calls as persons in need of ICF services at a time in which Pyramid Walden lacked available bed capacity. (DI #15). Annualizing the data, the applicant calculated that, in the course of a year, 1,875 individuals would be turned away when initially seeking care due to a lack of Level 3.7 treatment beds and that 1,299 individuals who were seeking Level 3.7WM medically-monitored withdrawal management services would have this same experience. Thus, the applicant describes its proposed project as entering a market with unmet demand or demand that cannot be filled on a timely basis.

Citing the fact that its call center has been operational for less than two years and is currently only supporting the Charlotte Hall facility, Pyramid Walden states its belief that its call center numbers represent only a fraction of the State's need for Track Two beds to serve indigent/gray area patients. (DI #10, p.3).

The applicant projected that after initial ramp up, its facility would see 794 WM patients and 991 treatment patients a year (Table III-1). Some of these patients would receive only withdrawal management, some would only receive medically managed residential treatment, and some proportion would use both levels of care.

Table III-1: Projected Patient Volume Indicators, Pyramid Walden-Joppa, Year Two of Operation

	Beds	Discharges	Average Length of Stay (Days)	Patient Days	Bed-Days Available	Occupancy Rate
Level 3.7WM	12	794	4.2	3,336	4,380	76%
Level 3.7	38	991	13.2	13,089	13,870	94%
Level 3.1/3.3/3.5	14	232	19.8	4,599	5,110	90%

Source: Table E - Statistical Projections, DI #15.

Staff Analysis

COMAR 10.24.14 provides guidance for calculating bed need for Track One ICFs, but does not provide guidance for how to calculate bed need for Track Two facilities, leaving it up to the applicant to provide a rationale for the size and scope of the proposed project.

⁴See Appendix 3 for a roster of bed availability by jurisdiction.

Pyramid Walden based its estimate on its experience as an ICF in Southern Maryland, which is supported by a call center. The call center is responsible for receiving requests for intake to the facility and the applicant uses data from the call center to justify its demand projections of 76% to 94% average annual bed occupancy by the second year of operation.

Staff used the applicant's count of patients that it had to turn away for lack of bed availability and its experience with length of stay to calculate the bed need required to accommodate those turned away due to a lack of available beds, as shown in Table III-2.

Table III-2 Staff Calculation of Bed Need Based on Pyramid Walden Call Center Data

Level of Care	Annualized No. of Turndowns	Average Length of Stay	Annual Bed Days Required	Bed Need (bed days/365)
3.7	1,875	13.2	24,750	68
3.7 WM	1,299	4.2	5,456	15

These calculations show a need for 68 level 3.7 beds and 15 level 3.7 WM beds, well in excess of the 50 ICF beds proposed by the applicant. As previously noted, the Behavioral Health Administration of the Maryland Department of health provided a letter of support for the project confirming that Harford County's local behavioral health authority has identified a need for a Track Two ICF in the jurisdiction.

Staff concludes that the applicant has provided sufficient data to support a finding that the project is needed.

- (b) Agree to co-mingle publicly-funded and private-pay patients within the facility;**
- (c) Assure that indigents, including self-referrals, will receive preference for admission, and**
- (d) Agree that, if either the Alcohol and Drug Abuse Administration, or a local jurisdiction terminates the contractual agreement and funding for the facility's clients, the facility will notify the Commission and the Office of Health Care Quality within 15 days that the facility is relinquishing its certification to operate, and will not use either its publicly- or privately-funded intermediate care facility beds for private-pay patients without obtaining a new Certificate of Need.**

Pyramid Walden affirmed that: (1) it will co-mingle publicly-funded and private-pay patients within the facility; (2) indigent persons, including court-referrals, will receive preference for admission; and (3) if its contractual agreement and funding is terminated, it will notify the

Commission and the Behavioral Health Administration⁵ within 15 days, relinquish its certification to operate, and will not use any of its beds for private-pay patients without obtaining a new Certificate of Need. (DI #3, p.21).

.05C. Sliding Fee Scale. An applicant must establish a sliding fee scale for gray area patients consistent with the client’s ability to pay.

Pyramid Walden states that its sliding fee scale for gray area patients is “consistent with the client’s ability to pay based on the 2018 Federal Poverty Guidelines.” (DI #3, p. 21). The applicant notes that it will apply its sliding scale based on total gross household income, number of individuals in the household, and number of individuals under 18 in the household. The applicant will not base its decisions on a patient’s equity in a primary residence or total net worth. (DI #10, p. 1). Pyramid Walden states that it will utilize the Sliding Fee Schedule, shown in the following table.

Table III.3 Pyramid Walden’s Sliding Fee Schedule

Income level is	< 100% of Federal Poverty level (FPL)	75% discount
Income level is	< 150% but > 100% of FPL	50% discount
Income level is	< 200% but > 150% of FPL	25% discount

Source: DI #3, p. 21.

Staff concludes that the applicant complies with this standard.

05D. Provision of Service to Indigent and Gray Area Patients.

This standard is only applicable to applicants for Track One facilities.

.05E. Information Regarding Charges. An applicant must agree to post information concerning charges for services, and the range and types of services provided, in a conspicuous place, and must document that this information is available to the public upon request.

Pyramid Walden states that it will post information regarding the range and types of services it will provide and a statement of charges in a prominent place in the registration area,, and that it will provide this information to the public upon request. (DI #3, p. 22). The applicant has provided a copy of the charges for services, as well as the range and types of services it will provide. (DI#10, Exh. 22).

Staff concludes that the applicant complies with this standard but recommends that, if the Commission approves this application, it attach the following condition:

⁵ The responsibility for the licensing of ICF beds has been transferred from The Office of Health Care Quality to the Behavioral Health administration.

Prior to first use approval, Pyramid Walden LLC shall document that it has posted a statement of charges and information regarding the range and types of its services online and in a prominent place in its registration areas, and shall also provide a copy of the document with this information that it will provide to the public upon request.

.05F. Location. An applicant seeking to establish a new intermediate care facility must propose a location within a 30-minute one-way travel time by automobile to an acute care hospital.

Pyramid Walden states that the location of the proposed facility at 1015 Pulaski Highway in Joppa (Harford County) is approximately 8.6 miles from Upper Chesapeake Medical Center, 16 miles from Harford Memorial Hospital, and 17 miles from Johns Hopkins Bayview Medical Center, all which are within a 30-minute one-way travel time by automobile. (DI #3, p. 23).

Staff concludes that the facility location is consistent with this standard.

.05G. Age Groups.

- (1) An applicant must identify the number of adolescent and adult beds for which it is applying, and document age-specific treatment protocols for adolescents ages 12-17 and adults ages 18 and older.**
- (2) If the applicant is proposing both adolescent and adult beds, it must document that it will provide a separate physical, therapeutic, and educational environment consistent with the treatment needs of each age group including, for adolescents, providing for continuation of formal education.**
- (3) A facility proposing to convert existing adolescent intermediate care substance abuse treatment beds to adult beds, or to convert existing adult beds to adolescent beds, must obtain a Certificate of Need.**

Pyramid Walden states that all 50 beds in the proposed SUD program will serve adults 18 years of age and older. The organization has specific protocols for adolescents and adults 18 years and older, which are currently being implemented at its Charlotte Hall ICF. (DI #3, Exh. 9). It is not proposing conversion of existing adolescent ICF beds to adult beds. (DI #3, p. 23).

Staff concludes that the applicant has met this standard.

.05H. Quality Assurance.

- (1) An applicant must seek accreditation by an appropriate entity, either the Joint Commission on the Accreditation of Healthcare Organizations (JCAHO), in accordance with CFR, Title 42, Part 440, Section 160, the CARF...The Rehabilitation Accreditation Commission, or any other accrediting body**

approved by the Department of Health and Mental Hygiene. The appropriate accreditation must be obtained before a Certificate of Need-approved ICF begins operation, and must be maintained as a condition of continuing authority to operate an ICF for substance abuse treatment in Maryland.

- (a) An applicant seeking to expand an existing ICF must document that its accreditation continues in good standing, and an applicant seeking to establish an ICF must agree to apply for, and obtain, accreditation prior to the first use review required under COMAR 10.24.01.18; and
- (b) An ICF that loses its accreditation must notify the Commission and the Office of Health Care Quality in writing within fifteen days after it receives notice that its accreditation has been revoked or suspended.
- (c) An ICF that loses its accreditation may be permitted to continue operation on a provisional basis, pending remediation of any deficiency that caused its accreditation to be revoked, if the Office of Health Care Quality advises the Commission that its continued operation is in the public interest.

The applicant states that it “will apply for state licensure and accreditation through the CARF International and the Maryland Behavioral Health Administration” upon receiving approval. (DI #3, p. 24). The applicant provided documentation that all of its existing SUD programs are CARF accredited and stated that if the proposed Joppa facility loses its CARF accreditation, it will notify the Commission and the Office of Health Care Quality within 15 days. (DI #3, p. 24 and Exh 8).

Based on Pyramid Walden’s commitment, staff concludes that it met this standard but recommends that, if the Commission approves this application, it attach the following condition:

Prior to first use approval, Pyramid Walden LLC shall provide proof of preliminary accreditation of its Joppa, Maryland facility by the Commission on the Accreditation of Rehabilitation Facilities (CARF) or another accrediting body approved by the Maryland Department of Health and must timely receive final accreditation by CARF or another approved accrediting body.

(2) A Certificate of Need-approved ICF must be certified by the Office of Health Care Quality before it begins operation, and must maintain that certification as a condition of continuing authority to operate an ICF for substance abuse treatment in Maryland.

- (a) An applicant seeking to expand an existing ICF must document that its certification continues in good standing, and an applicant seeking to establish an ICF must agree to apply for certification by the time it requests that Commission staff perform the first use review required under COMAR 10.24.01.18.
- (b) An ICF that loses its State certification must notify the Commission in writing within fifteen days after it receives notice that its accreditation has

been revoked or suspended, and must cease operation until the Office of Health Care Quality notifies the Commission that deficiencies have been corrected.

- (c) Effective on the date that the Office of Health Care Quality revokes State certification from an ICF, the regulations at COMAR 10.24.01.03C governing temporary delicensure of a health care facility apply to the affected ICF bed capacity.**

The applicant states that the ICF will be certified by the Behavioral Health Administration “before it begins operation and will maintain that certification as a condition of continuing authority to operate an ICF for substance abuse treatment in Maryland.” If the ICF loses its certification, the applicant confirms that it will notify the Commission within 15 days and will cease operation until the Behavioral Health Administration notifies the Commission that the deficiencies have been corrected. (DI #3, p. 25).⁶

Staff concludes that the applicant has met the quality assurance standard.

.05I. Utilization Review and Control Programs.

- (1) An applicant must document the commitment to participate in utilization review and control programs, and have treatment protocols, including written policies governing admission, length of stay, discharge planning, and referral.**

Pyramid Walden states that it is committed to participating in utilization review and control programs, and provided copies of its written protocols and policies governing admission, length of stay, discharge planning, and referral. It states that these policies are currently implemented at its facility in Charlotte Hall. (DI #3, p. 25; DI #3 Exh. 9).

- (2) An applicant must document that each patient’s treatment plan includes, or will include, at least one year of aftercare following discharge from the facility.**

Pyramid Walden states that each patient’s discharge plan will include at least one year of aftercare. (DI #3, p. 26). The applicant points to Pyramid Walden’s Continuum of Care Model of treatment, which includes the provision of outpatient treatment in close proximity to the new Joppa facility and the provision of same day/next day appointments. The applicant states that aftercare will include “warm hand-offs” to the next level of care, support through recovery professionals and monitoring through quarterly follow-up calls. (DI #3, p. 26)

Staff concludes that the application is consistent with the utilization review standard.

⁶ The responsibility for the licensing of ICF beds has been transferred from The Office of Health Care Quality to the Behavioral Health administration.

.05J. Transfer and Referral Agreements.

- (1) An applicant must have written transfer and referral agreements with facilities capable of managing cases which exceed, extend, or complement its own capabilities, including facilities which provide inpatient, intensive and general outpatient programs, halfway house placement, long-term care, aftercare, and other types of appropriate follow-up treatment.
- (2) The applicant must provide documentation of its transfer and referral agreements, in the form of letters of agreement or acknowledgement from the following types of facilities:
 - (a) Acute care hospitals;
 - (b) Halfway houses, therapeutic communities, long-term care facilities, and local alcohol and drug abuse intensive and other outpatient programs;
 - (c) Local community mental health center or center(s);
 - (d) The jurisdiction's mental health and alcohol and drug abuse authorities;
 - (e) The Alcohol and Drug Abuse Administration and the Mental Hygiene Administration;
 - (f) The jurisdiction's agencies that provide prevention, education, driving-while-intoxicated programs, family counseling, and other services; and,
 - (g) The Department of Juvenile Justice and local juvenile justice authorities, if applying for beds to serve adolescents.

Pyramid Walden provided documentation of transfer and referral agreements (DI #3, Exh. 11) between themselves and the entities shown in the following table:

Table III.4 Pyramid Walden Transfer and Referral Agreements

Provider Category	Agreement(s) with:
Acute care hospitals	UM Upper Chesapeake Medical Center
Halfway houses, therapeutic communities, long-term care facilities, and local alcohol and drug abuse intensive and other outpatient programs	Stepping Stones Recovery House, LLC
	Praising Through Recovery, Inc.
	Ashley Addiction Treatment
	Recovery Centers of America
	The Bergand Group
Local community mental health center or center	Harford County Health Department
The jurisdiction's mental health and alcohol and drug abuse authorities	Harford County Health Department
The Behavioral Health Administration of MDH ⁷	Harford County Health Department
The jurisdiction's agencies that provide prevention, education, driving-while-intoxicated programs, family counseling, and other services	The Bergand Group

⁷ Previously known as the Alcohol and Drug Administration within the Department of Health and Mental Hygiene

Staff concludes that the applicant has met this standard.

.05K. Sources of Referral.

- (1) An applicant proposing to establish a new Track Two facility must document to demonstrate that 50 percent of the facility's annual patient days, consistent with Regulation .08 of this Chapter, will be generated by the indigent or gray area population, including days paid under a contract with the Alcohol and Drug Abuse Administration or a jurisdictional alcohol or drug abuse authority.**
- (2) An applicant proposing to establish a new Track One facility must document referral agreements to demonstrate that 15 percent of the facility's annual patient days required by Regulation .08 of this Chapter will be incurred by the indigent or gray area populations, including days paid under a contract with the Alcohol or Drug Abuse Administration or a jurisdictional alcohol or drug abuse authority, or the Medical Assistance program.**

The applicant states that 50 percent of the facility's annual patient days will be generated by indigent or gray area populations, and that it will monitor its performance against this requirement in real time using metrics collected through its call center. To demonstrate the organization's commitment to indigent and gray area populations, the applicant points to metrics collected from its Charlotte Hall facility for the 12 months from January 2019 through January 2020. During that time period, 85% of patients admitted were indigent/gray area patients. (DI#3, p.29, Exh. 12). Subsection (2) of the standard is not applicable because Pyramid-Walden does not propose to establish a Track One intermediate care facility.

Staff concludes that the applicant has met this standard.

.05L. In-Service Education. An applicant must document that it will institute or, if an existing facility, maintain a standardized in-service orientation and continuing education program for all categories of direct service personnel, whether paid or volunteer.

The applicant provided the policy governing orientation and in-service education that is used for all of its SUD facilities, and which will be utilized at the Joppa facility for all service personnel. (DI #3, Exh. 13).

Staff reviewed the policy and concludes that the applicant has met this standard.

.05M. Sub-Acute Detoxification. An applicant must demonstrate its capacity to admit and treat alcohol or drug abusers requiring sub-acute detoxification by documenting appropriate admission standards, treatment protocols, staffing standards, and physical plant configuration.

Pyramid Walden states that it has "developed an Admissions Criteria Policy and Procedure and Detox Treatment Protocols for the evaluation, treatment, and detoxification for patients in the

medically monitored intensive treatment program.” (DI #3, p. 30). These policies and procedures will be used in the Joppa facility. Staff has reviewed these protocols and found them to be sufficient. (DI #3, Exh. 14).

Staff concludes that the applicant has met this standard.

.05N. Voluntary Counseling, Testing, and Treatment Protocols for Human Immunodeficiency Virus (HIV). An applicant must demonstrate that it has procedures to train staff in appropriate methods of infection control and specialized counseling for HIV-positive persons and active AIDS patients.

The applicant states that staff at the Joppa facility will be trained on current Pyramid Walden protocols for the treatment, care, and management of patients with Human Immunodeficiency Virus. (DI #3, p. 30). Staff has reviewed these protocols and found them to be sufficient. (DI #3, Exh. 15).

Staff concludes that the applicant has met this standard.

.05O. Outpatient Alcohol & Drug Abuse Programs.

- (1) An applicant must develop and document an outpatient program to provide, at a minimum: individual needs assessment and evaluation; individual, family, and group counseling; aftercare; and information and referral for at least one year after each patient’s discharge from the intermediate care facility.**
- (2) An applicant must document continuity of care and appropriate staffing at off-site outpatient programs.**
- (3) Outpatient programs must identify special populations as defined in Regulation .08, in their service areas and provide outreach and outpatient services to meet their needs.**
- (4) Outpatient programs must demonstrate the ability to provide services in the evening and on weekends.**
- (5) An applicant may demonstrate that outpatient programs are available to its patients, or proposed patient population, through written referral agreements that meet the requirements of (1) through (4) of this standard with existing outpatient programs.**

Pyramid Walden states that it has agreements in place with outpatient facilities in Harford County for referral of its inpatients. (DI #3, Exh. 11, *supra*, Table III-4, p. 14). It further notes that each patient’s treatment plan will include at least one year of aftercare following discharge from the facility. In addition, Pyramid Walden is in the process of opening an outpatient program on the new Joppa site, which will offer at least one year of care after discharge from the inpatient program. The applicant discusses it plans to open a larger outpatient facility in Harford County

within a year of opening the new facility, which will take referrals from the Joppa facility, provide access to services in the evening and on weekends, and offer at least one year of care after discharge from the inpatient program. The new outpatient facility will provide specialized services to special populations⁸, as defined in Regulation .08. (DI #3, p.31).

Staff concludes that the applicant has met this standard.

.05P. Program Reporting. Applicants must agree to report, on a monthly basis, utilization data and other required information to the Alcohol and Drug Abuse Administration's Substance Abuse Management Information System (SAMIS) program, and participate in any comparable data collection program specified by the Department of Health and Mental Hygiene.

Pyramid Walden states that it will report, on a monthly basis, utilization data and all other required information to the Behavioral Health Administration. The applicant adds that its facilities in Southern Maryland currently provide outcome data to the State of Maryland through its Outcome Measurement System, which is administered by Beacon Health Options, Maryland's administrative service organization, as required of publicly funded programs. (DI #3, p. 31).

Based on Pyramid Walden's commitment, staff concludes that the applicant has met the project reporting standard.

B. NEED

COMAR 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.

As discussed earlier in this report under the Need standard, at COMAR 10.24.14.05B,⁹ the applicant provided a calculation of Track Two bed need based on the demand illustrated by the numbers of potential clients it had to turn down due to lack of bed availability. This proposal would add 50 Track One ICF beds in Harford County, a jurisdiction without any Track Two facilities currently. Need for the facility is further illustrated by letters of support for this project from the Maryland Behavioral Health Administration and local law enforcement authorities.

⁸ COMAR 10.24.14.08 defines special populations as "those populations that historically have not been, or are not now served by the alcohol and drug abuse treatment delivery system including, women and women with dependent children, the elderly, the homeless, the poor, adolescents, persons with mixed dependencies, hearing impaired, the disabled, minorities, and others with special needs.

⁹ Discussion of Identification of Intermediate Care Facility Alcohol and Drug Abuse Bed Need, *supra*, pp. 6-7.

Staff recommends that the Commission find that the applicant has demonstrated the unmet needs of the population to be served and established that the project will meet those needs.

C. AVAILABILITY OF MORE COST-EFFECTIVE ALTERNATIVES

COMAR 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.

Pyramid Walden outlines the primary goals of the project as follows:

1. Provide access to additional ICF and medically monitored residential treatment to Maryland residents as quickly as possible.
2. Locate the additional residential treatment beds in a geographic location that currently lacks such resources. (DI#10, p.4).

Pyramid Walden states that renovating an existing building is the most cost-effective and efficient alternative to providing the ICF beds. It notes that there are no other Track Two facilities in Harford County that could be expanded, and building a new building for this purpose would be more expensive and take longer to accomplish. The repurposing of the former motel is both quicker and lower cost. (DI #3, p. 38). The renovations are now complete. The applicant described the process by which it collaborated with stakeholders in the planning of the project:

Pyramid ... plan[ned] with stakeholders in Maryland and Harford County..., ...met with local hospitals, crisis centers, government officials, family members, the Harford County Department of Health, treatment providers ... to identify the specific needs of Harford and surrounding counties and to establish referral agreements [It] engaged in regular communication and planning with the State BHA to identify the most expeditious way that Pyramid Walden [could] provide access to needed treatment. (DI #10, p.4).

Staff recommends that the Commission find that the proposal is a cost-effective and efficient way to establish Track Two ICF beds in Harford County and thereby increase the availability of Track Two ICF beds in the State.

D. VIABILITY OF THE PROPOSAL

COMAR 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.

Availability of Financial Resources

The estimated cost of establishing the Pyramid Walden facility in Joppa is \$5,194,069, with estimated costs for the ICF component of the facility accounting for \$3,606,992 of that total cost. The capital costs include \$4,964,069 to purchase and renovate the former motel. The remaining costs include \$30,000 in legal and consultant fees and \$200,000 in start-up expenses for items such as furniture, signage, laundry equipment, outdoor furniture, and fencing.

Clearview Capital, LLC, the parent company of Pyramid Walden, Inc. submitted consolidated financial statements for 2018 and 2019 (DI #3, Exh. 19), which show that it had sufficient cash to fund the necessary working capital and renovation costs identified in its proposal. Since the building acquisition and renovations are already complete and paid for, the applicant has proven its ability to implement the program. (DI #3, p. 39).

Ability to Sustain the Program

Pyramid Walden's financial projections are based on the assumption that the program will have a 90% occupancy rate by 2021, with a payor mix of 85% Medicaid, 3% self-pay, and 12% private insurance. (DI #3, Exhibit 15). From previous experience at its Charlotte Hall facility (DI #10, p. 5), Pyramid Walden expects a four-day length of stay for its withdrawal management ICF patients and a 13.2-day length of stay for its other ICF patients (ASAM Level 3.7). The applicant estimates that the facility will provide just under 6,000 ICF patient days in 2020 but demand will rise to 16,425 patient days in the next two years of operation.

Pyramid Walden projects that it will generate net income in 2021, its first full calendar year of operation, as shown in Table III.6, below.

Table III.6 Pyramid Walden Projected Revenues and Expenses

Calendar Year	2020	2021	2022
Inpatient services	\$2,871,036	\$7,631,279	\$7,631,279
Outpatient services	\$302,141	\$704,687	\$704,687
Gross Patient Service Revenue	\$3,173,177	\$ 8,335,966	\$8,335,966
Allowance for Bad Debt	\$63,464	\$166,719	\$166,719
Net Patient Service Revenue	\$3,109,714	\$8,169,247	\$8,169,247
NET OPERATING REVENUE	\$3,109,714	\$8,169,247	\$8,169,247
Salaries/wages/benefits	\$2,705,554	\$4,994,869	\$5,144,715
Contractual Services	\$165,778	\$432,840	\$421,840
Project depreciation (5 years)	\$96,922	\$193,844	\$193,844
Supplies	\$62,194	\$ 87,188	\$ 87,188
Other expenses	\$71,064	\$1,918,139	\$1,540,139
TOTAL OPERATING EXPENSES	\$3,611,619	\$7,626,880	\$ 7,387,726
NET INCOME (loss)	(\$501,905)	\$542,367	\$781,521

Source: DI #12, Table F.

Work Force Projections

Pyramid Walden projects a need to employ 82.3 full-time equivalent (FTE) employees (both salaried and contractual) at the facility at a total cost of \$3,942,280 in salaries. (DI #3, Exh. 18, Table E). A profile of the staffing plan is shown in Table III.7 below.

Table III-7 Pyramid Walden Center Workforce Table – Year Two

Job Category	FTEs	Average Salary per FTE (\$)	Total Cost (\$)
Administration			
Program Director	1.0	125,000	125,000
Clinical Director	1.0	100,000	100,000
Medical Director	0.5	250,000	125,000
Total Administration	2.5		350,000
Direct Care Staff			
Behavioral Health Technicians	34.0	31,200	1,060,800
Behavioral Health Supervisors	6.0	37,440	224,640
Charge Nurse (RN)	6.0	79,040	474,240
Staff Nurse (LPN)	10.8	52,000	561,600
Addictions Counselors	11.0	55,000	605,000
Clinical Supervisors	2.0	70,000	140,000
CRNP	1.0	190,000	190,000
Total Direct Care Staff	70.8		3,256,280
Support Staff			
Administrative Assistants	5.0	31,200	156,000
Case Managers	4.0	45,000	180,000
Total Support Staff	9.0		336,000
EMPLOYEES TOTAL	82.3		3,942,280

Source: DI #3, Exh. 18, Table E.

Community Support

Local expressions of support from the project included a police chief and the local hospital system. (DI #3, Exh. 11; DI #10, Exh. 25). As a proprietary corporation, the applicant is not relying on philanthropic support from the community as a support for project funding.

Staff recommends that the Commission find the proposed project to be viable on the basis of resource availability and documentation of support.

E. COMPLIANCE WITH CONDITIONS OF PREVIOUS CERTIFICATES OF NEED

COMAR 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.

Not applicable as Pyramid Walden has never applied for a CON in the past. Pyramid Walden operates an ICF that obtained its CON in 2003 and that program has met all the terms and conditions of that Certificate of Need. (DI #3, p.40).

F. IMPACT ON EXISTING PROVIDERS AND THE HEALTH CARE DELIVERY SYSTEM

COMAR 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.

The applicant states that there are currently no Track Two ICFs and only one Track One ICF in Harford County. Since the facility will treat a majority of indigent/gray area patients, it does not anticipate having a negative impact on any other providers. (DI #3, p. 41). The applicant states that it selected the Joppa location for the project due to Harford County lack of other Track Two ICF providers, the number of people seeking treatment for SUD, and the speed in which the project could add additional needed treatment beds to the area.

Additionally, Pyramid Walden has provided transfer and referral agreements from the several of the Maryland Track One ICFs to show that those programs are supportive of the proposed project. (DI #3, Exh. 11).

The applicant anticipates that the new facility will improve access for those requiring medically monitored treatment of SUD. At an occupancy rate of 80% and assuming a 14-day length of stay, these 50 additional Track Two beds will be able to serve 1,042 additional patients annually. The majority of patients served would be indigent/gray area patients. (DI #3, p.41).

Staff concludes that the applicant has satisfied this criterion.

IV. STAFF RECOMMENDATION

MHCC staff concludes that the project proposed by Pyramid Walden, LLC to establish a 50-bed ICF complies with the applicable State Health Plan standards established for this category of facility. The applicant has documented need for the project and shown it to be a cost-effective and efficient alternative to meet its stated goals. The proposed project appears to be financially viable and should have a very acceptable impact on availability and access to alcohol and drug

treatment, especially for lower income individuals and families. It should not have a negative impact on costs and charges or on other providers of health care services.

Accordingly, Staff recommends that the Commission **APPROVE** the application of Pyramid Walden LLC for a Certificate of Need to renovate an existing facility to accommodate 50 adult beds providing withdrawal management at ASAM Level 3.7 and medically monitored intensive inpatient services, at a cost of \$3,606,992, with the following conditions:

1. Prior to first use approval, Pyramid Walden LLC shall document that it has posted a statement of charges and information regarding the range and types of its services online and in a prominent place in the registration area, and shall also provide a copy of the document with this information that it will provide to the public upon request; and
2. Prior to first use approval, Pyramid Walden LLC shall provide proof of preliminary accreditation of its Joppa, Maryland facility by the Commission on the Accreditation of Rehabilitation Facilities (CARF) or another accrediting body approved by the Maryland Department of Health and must timely receive final accreditation by CARF or another approved accrediting body.

IN THE MATTER OF
PYRAMID WALDEN, LLC
Docket No. 20-12-2440

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BEFORE THE
MARYLAND HEALTH
CARE COMMISSION

FINAL ORDER

Based on Commission Staff's analysis and recommendation, it is this 18th day of June 2020, **ORDERED** that the application for a Certificate of Need submitted by Pyramid Walden, LLC to establish a 50-bed Track Two intermediate care facility providing medically monitored intensive inpatient withdrawal management and treatment (ASAM Levels 3.7WM and 3.7) in Joppa (Harford County) in a facility already renovated at a total cost of \$3,606,992 that operates as a residential and outpatient treatment center, be **APPROVED**, with the following conditions:

1. Prior to first use approval, Pyramid Walden LLC shall document that it has posted a statement of charges and information regarding the range and types of its services online and in a prominent place in the registration area, and shall also provide a copy of the document with this information that it will provide to the public upon request; and
2. Prior to first use approval, Pyramid Walden LLC shall provide proof of preliminary accreditation of its Joppa, Maryland facility by the Commission on the Accreditation of Rehabilitation Facilities (CARF) or another accrediting body approved by the Maryland Department of Health and must timely receive final accreditation by CARF or another approved accrediting body.

MARYLAND HEALTH CARE COMMISSION

APPENDIX 1:

RECORD OF THE REVIEW

Record of the Review

Pyramid Walden, LLC – Docket #20-12-2440

Item #	Description	Date
1	Jonathan Wolfe., submits on behalf of Pyramid Walden, LLC, its Letter of Intent to establish a 50-bed Track Two Alcoholism and Drug Abuse Intermediate Care Facility in Harford County, Maryland on October 17, 2019. Commission staff acknowledges receipt of the Letter of Intent (LOI) on February 26, 2020.	10/17/19
2	<i>Maryland Register</i> – Request to publish notice to solicit additional LOI's	10/23/19
3	Jonthan Wolff, President of Pyramid Walden, LLC, submits a Certificate of Need application (CON) to establish a 50-bed Track Two Level 3.7 medically monitored intensive inpatient treatment program.	2/26/20
4	Commission staff acknowledges receipt of application for Pyramid Walden, LLC to Catherine Briggs	2/26/20
5	Commission staff submits to <i>Baltimore Sun</i> a request to publish notice of receipt of CON application.	2/26/20
6	Commission staff sends Notice of Receipt of Application from Pyramid Walden, LLC to <i>Maryland Register</i> for publication.	2/26/20
7	Letter of Support received from Marion Bland, Maryland Behavioral Health Administration	2/26/20
8	Following completeness review, Commission staff sends applicant a request for completeness information.	3/4/20
9	Notice of receipt as published in the <i>Baltimore Sun</i> newspaper	3/5/20
10	Catherine Briggs., requests and MHCC staff grants extension of time to submit responses to March 4 th request for completeness information no later than March 23 rd .	3/10/20
11	Catherine Briggs submits reponses to completeness information request	3/23/20
12	Commission staff sends applicant a request for completeness information	3/26/20
13	Catherine Briggs submits responses to compleness information request	3/31/20
14	Pyramid Walden LLC License to provide 3.5 Level Services in Joppa	4/7/20
15	Catherine Briggs submits revised tables and turn-down data	5/20/20
16	Catherine Briggs submits site plan for Covid-19 at the Joppa Facility	6/11/20

APPENDIX 2:

**PYRAMID WALDEN'S
ORGANIZATIONAL CHART**

Ownership Distribution

Pyramid Walden, LLC.

Tax ID # 83-1526132

Direct Ownership of Pyramid Walden, LLC.

- Pyramid Healthcare, Inc. owns 100% Pyramid Walden, LLC.
 - Tax ID # 23-3006202
 - PO Box 967
 - Duncansville, PA 16635

Direct Ownership of Pyramid Healthcare, Inc.

- Clearview Pyramid Acquisition Co. LLC (CPAC) owns 100% of Pyramid Healthcare, Inc.
 - Tax ID # 32-0345075
 - 1010 Washington Blvd, 11th Floor | Stamford CT 16901

Indirect Ownership of Pyramid Healthcare, Inc

- Clearview Capital Fund II, LP directly owns 65.05 % of CPAC
 - Tax ID # 20-5569020
 - 1010 Washington Boulevard, 11th Floor | Stamford, CT 06901
 - General Partner - Clearview Capital GP, LLC.
 - 1010 Washington Boulevard, 11th Floor | Stamford, CT 06901
 - Tax ID: 20-5557455
 - CSFB-VRS Private Equity Program I, OP Indirectly owns 6.1% of CPAC (directly owns 9.37% of Clearview Capital Fund II, LP)
 - Tax ID # 20-1751148
 - 11 Madison Avenue | New York, NY 10010
 - Crane Investment Co., LLC indirectly owns 5.2% of CPAC (directly owns 7.99% of Clearview Capital Fund II, LP)
 - Tax ID # 31-4363780
 - 330 West Spring Street, Suite 200 | Columbus, OH 43215
 - RCP Fund IV LP Indirectly owns 6.5% of CPAC (directly owns 9.99% of Clearview Capital Fund II, LP)
 - Tax ID # 20-420528
 - 100 North Riverside Plaza, Suite 2400 | Chicago, IL 60606
- Clearview Capital Fund II (Parallel), LP directly owns 5.39 % of CPAC
 - Tax ID # 26-2415624
 - 1010 Washington Boulevard, 11th Floor | Stamford, CT 06901
 - General Partner: Clearview Capital GP, LLC
 - 1010 Washington Boulevard, 11th Floor | Stamford, CT 06901
 - Tax ID: 20-5557455
- Northstar Mezzanine Partners V, LP directly owns 6.75 % of CPAC
 - Tax ID # 26-0422865
 - 2310 Plaza VIII, 45 South Seventh Street | Minneapolis, MN 55402
 - General Partner: Northstar Capital, LLC
 - 45 South Seventh St, Suite 2319 | Minneapolis, MN 55402
 - Tax ID #41-1785830
- Jonathan Wolf owns 12.0 % of CPAC
 - SS # 196-52-9867
 - DOB: 08/14/59
 - State and Country of Birth: Erie, PA USA
 - Current Address: 113 Scott Ave | Altoona, PA 16602

APPENDIX 3

TRACK 2 BED AVAILABILITY BY JURSDICTION

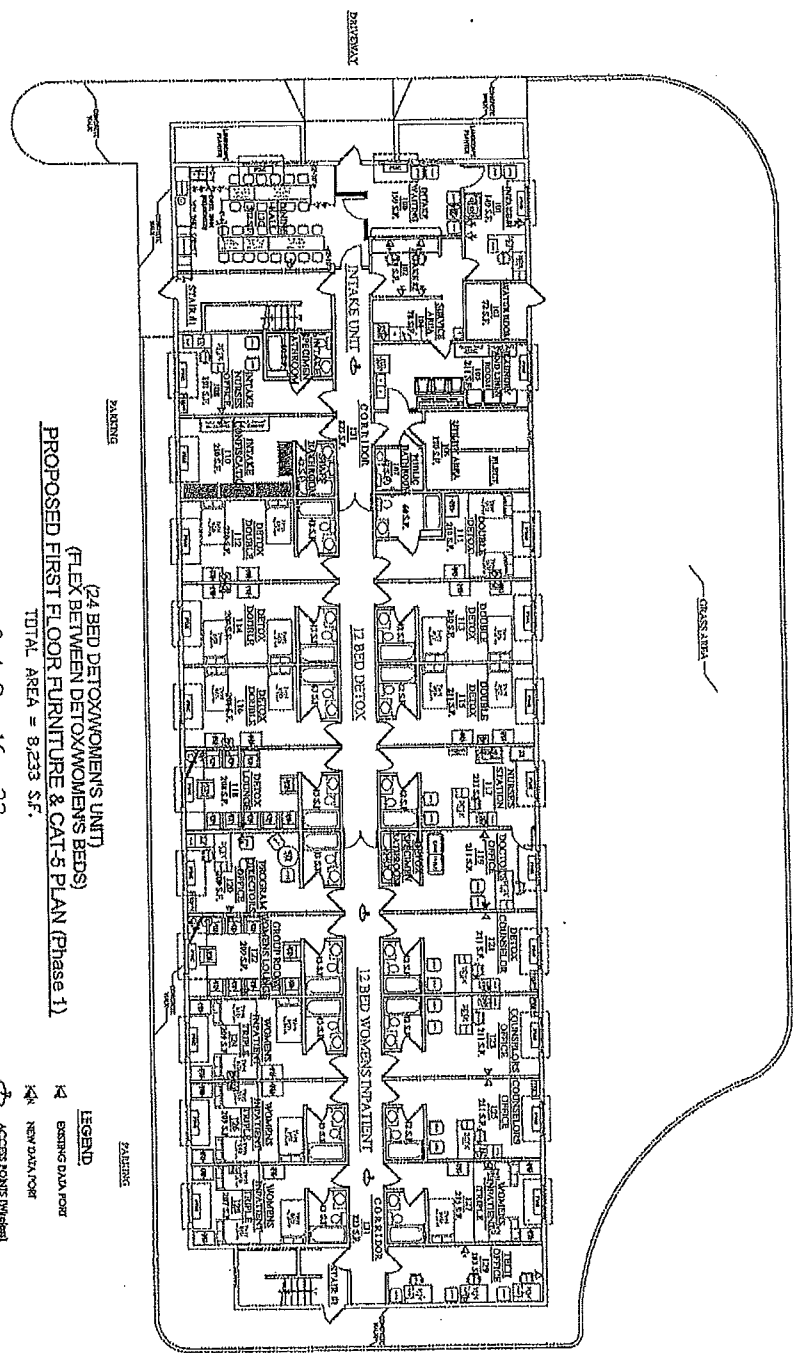
Track Two ICF Beds in Maryland

County	Facility	Number of Beds
Allegany County	Allegany County Health Department	114
Anne Arundel County	Gaudenzia Crownsville	27
Anne Arundel County	Hope House Crownsville	49
Anne Arundel County	Pathways	40
Baltimore City	Baltimore Crisis Response	7
Baltimore City	Gaudenzia Park Heights	67
Baltimore City	Mountain Manor	68
Baltimore City	Tuerk House	29
Carrol County	Shoemaker Center	40
Frederick County	Mountain Manor	118
Montgomery County	Avery Road Treatment Center	60
Prince Georges County	Hope House – Laurel	59
St. Mary's County	Anchor of Walden	27
Total		705

Source: (DI#3, p 19)

APPENDIX 4:

**PYRAMID WALDEN JOPPA CENTER
FLOOR PLANS**



(24 BED DETOX/WOMEN'S UNIT)
 (FLEX BETWEEN DETOX/WOMEN'S BEDS)
 PROPOSED FIRST FLOOR FURNITURE & CAT-5 PLAN (Phase 1)
 TOTAL AREA = 8,233 S.F.

0 4 8 16 32
 1/16" = 1'-0"

- LEGEND**
- SPRING DATA FLOOR
 - NEW DATA FLOOR
 - ⊕ ACCESS POINTS (Plumbed)
 - ⊕ NEW TV COLUMNS, CABLE CORN.
 - ⊕ DESIGNATE SPEC. FLOOR TO BE REMOVED AND COVERED WITH AVAIL. PLATE
 - ⊕ NEW FORWARD FURNITURE

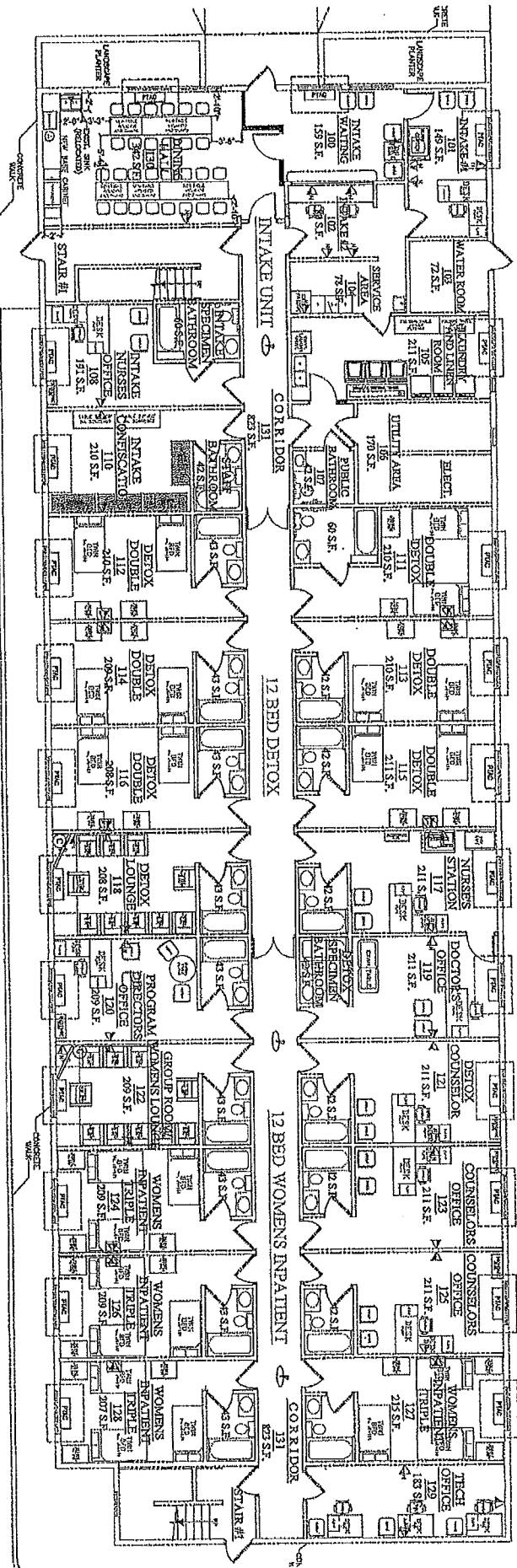
FILE: /PYRAMID PROJECTS/JOPPA, MD/CAD Drawings/Phase 1 (No Construction)/First Floor Furniture Plan (Phase 1) (Option 2)

NO.	REV.	DESCRIPTION	DATE	BY	CHKD.
1	1	V.P. of Operations			
		V.P. of Engineering			
		Engineer			

JOPPA INPATIENT FACILITY
 1015 PULASKI HIGHWAY
 JOPPA, MD. 21085
 FIRST FLOOR FURN. & CAT-5 PLAN (Phase 1)
 Date: 10-4-19 Size: 11x17 Scale: 1/16"=1'-0"

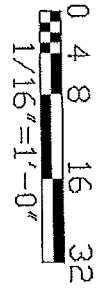
Pyramid Healthcare

20397 Route 19 North
 Two Landmark Building
 Suite 128
 Cranberry Twp., Pa. 16066



**(24 BED DETOX/WOMEN'S UNIT)
 (FLEX BETWEEN DETOX/WOMEN'S BEDS)
 PROPOSED FIRST FLOOR FURNITURE & CAT-5 PLAN (Phase 1)**

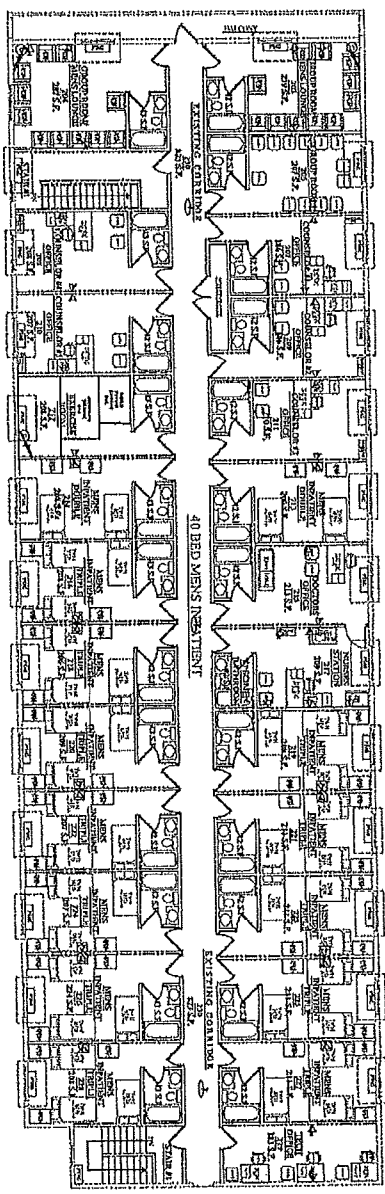
TOTAL AREA = 8,233 S.F.



- LEGEND**
- ▭ EXISTING DATA PORT
 - ▭ NEW DATA PORT
 - ⊙ ACCESS POINTS (Wireless)
 - ▭ NEW TV COAXIAL CABLE CONN.
 - ▭ DESIGNATES EXIST. PORT TO BE REMOVED AND COVERED WITH A WALL PLATE
 - ▭ NEW PYRAMID FURNITURE

PARKING

PARKING



(MENS 40 BED)
 PROPOSED SECOND FLOOR FURNITURE & CAT-5 PLAN (Phase 1)
 TOTAL AREA = 8,233 SF.



- LEGEND**
- EXISTING DATA POINT
 - NEW DATA POINT
 - ⊕ ACCESS POINTS (WALLS)
 - ⊕ NEW TV COAXIAL CABLE CONN.
 - ⊕ DESIGNATES BEST POINT TO BE REMOVED AND COVERED WITH A WALL PLATE
 - ⊕ NEW PYRAMID TERMINATE

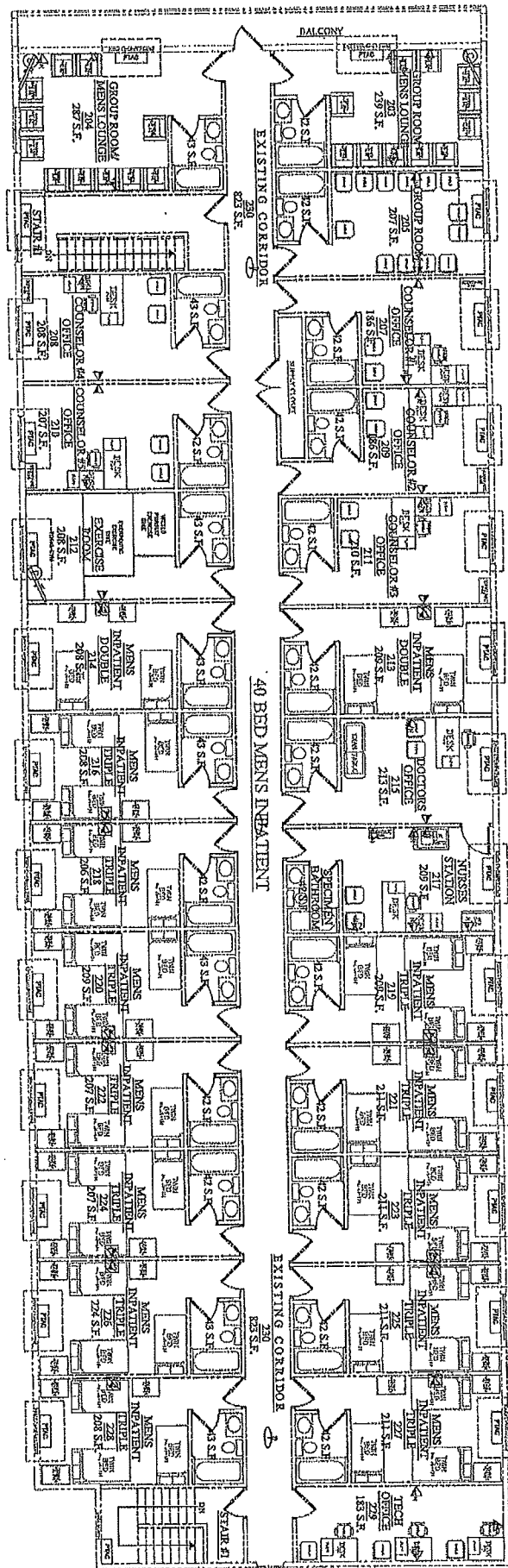
FILE: /PYRAMID PROJECTS/JOPPA, MD/CAD Drawings/Phase 1 (No Construction)/Second Floor Furniture Plan (Phase 1)

Rev. No.	Description	Revised By	Date
1	V.P. of Operations	***	
	V.P. of Engineering	***	
	Engineer	***	

JOPPA INPATIENT FACILITY
 1015 PULASKI HIGHWAY
 JOPPA, MD. 21085
 SECOND FLOOR FURN. & CAT-5 PLAN (Phase 1)
 Date: 10-4-19 Size: 11x17 Scale: 1/16"=1'-0"

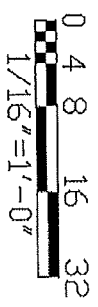
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**(MENS 40 BED)
PROPOSED SECOND FLOOR FURNITURE & CAT-5 PLAN (Phase 1)**

TOTAL AREA = 8,233 S.F.



- LEGEND**
- EXISTING DATA PORT
 - NEW DATA PORT
 - ACCESS POINTS (Wireless)
 - NEW TV COAXIAL CABLE CONN.
 - DESIGNATES EXIT PORT TO BE REMOVED AND COVERED WITH A WALL PLATE
 - NEW PYRAMID FURNITURE