TO: Katherine Bonincontri, MHR, MS, LCPC-S, President and Executive Director, Pascal Crisis Services, Inc.
Carolyn Jacobs, Esquire, Counsel for Gaudenzia, Inc.
Peter D'Souza, MA, MBA, LCADC, CEO Hope House Treatment Centers

FROM: Marcus L. Wang, Esq., Commissioner/Reviewer

RE: Recommended Decision
Pascal Crisis Services, Inc.
Intermediate Care Facility
Docket # 22-02-2459

DATE: April 26, 2023

Enclosed is my Recommended Decision in the review of the Certificate of Need (CON) application by Pascal Crisis Services, Inc. (Pascal) to establish a twenty bed Track Two Intermediate Care Facility (ICF) providing Level 3.7/3.7-WM, Medically Monitored Intensive Inpatient and Withdrawal Management (Detoxification) services in Crownsville, Anne Arundel County.

On February 1, 2023, Gaudenzia filed a Motion for Oral Argument and renewed that same motion on February 21, 2023. Gaudenzia did not specify the reasons for requesting oral argument and I find there is sufficient evidence in the record to render a decision. Therefore, I am denying the Motion. Should Gaudenzia disagree with my enclosed Recommended Decision, they have the right to file exceptions and present oral argument at the Commission meeting on May 18, 2023.

The relevant State Health Plan (SHP) chapter considered in the review of this project is COMAR 10.24.14, State Health Plan for Facilities and Services: Alcoholism and Drug Abuse Intermediate Care Facility Treatment Services. I also considered the general CON review criteria at COMAR 10.24.01.08G(3). Based on my consideration of the application, the comments of Gaudenzia, Inc. and Hope House, Inc., interested parties, and the entire record in this review, I recommend that the Maryland Health Care Commission **APPROVE** Pascal's application for a Certificate of Need to establish a 20-bed ICF with the following conditions:

1. Prior to first use approval, Pascal 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, Pascal shall provide proof of preliminary accreditation of the ICF to 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; and

3. Pascal shall notify the Commission and the Behavioral Health Administration, in writing, within fifteen days after it receives notice that its accreditation has been revoked or suspended or should it lose its State license or certification. If its accreditation has been revoked or suspended for reasons related to health or safety or it loses its State license, Pascal shall cease operation until the Behavioral Health Administration notifies the Commission that the deficiencies have been corrected. (COMAR 10.24.14.05H)

Project Description

Pascal proposes to establish 20 ICF beds providing "clinically managed high intensity inpatient services" (ASAM Level 3.7/3.7WM). The facility will only serve adults and will be located at 43 Community Place in Crownsville (Anne Arundel County). Pascal proposes to renovate the ICF, with completion projected by early 2023. The total cost of the project is estimated at $60,500.

Recommendation

I recommend that the Maryland Health Care Commission **APPROVE** Pascal's application for a Certificate of Need to establish a 20-bed ICF in Crownsville with the above conditions. I find that the project proposed by Pascal complies with the applicable State Health Plan standards established for this category of facility. The applicant has demonstrated need for the project, its cost-effectiveness and viability. The proposed project should have a positive impact on availability and access to alcohol and drug treatment services to patients across the full range of income levels, especially for lower income individuals and families.

Further Proceedings

This matter will be placed on the agenda of a meeting of the Maryland Health Care Commission on May 18, 2023, which begins at 1:00 p.m. at 4160 Patterson Avenue in Baltimore. This meeting is expected to be a "hybrid" meeting at which Commissioners and persons with matters before the Commission may attend in person or attend virtually through a Zoom webinar format. However, I request that representatives who plan to speak on behalf of the applicant and interested parties attend the meeting in person. Please let the Commission know as soon as possible if there are any concerns with my request to appear in person. The link to register to attend the meeting will be placed on the Commission's meeting page: https://mhcc.maryland.gov/mhcc/pages/home/meeting_schedule/meeting_schedule.aspx?id=0. After registering, each person will receive a confirmation email containing information about joining the Commission meeting via the Internet. The Commission will issue a final decision based on the record of the proceedings.

Pascal Crisis Services, Inc.
Intermediate Care Facility
Docket # 22-02-2459
April 26, 2023

As provided in COMAR 10.24.01.09B, an applicant or interested party may submit written exceptions to the enclosed Recommended Decision. Written exceptions must identify specifically those findings or conclusions to which exception is taken, citing the portions of the record on which each exception is based. Copies of exceptions and responses to exceptions must be communicated to all parties, via regular mail or email, by the due date and time shown below.

Oral argument during the exceptions hearing before the Commission will be limited to 10 minutes for the applicant, and 10 minutes for the interested party unless extended by the Chairman. The schedule for the submission of exceptions and any response to exceptions is as follows:

Submission of exceptions:	Wednesday, May 3, 2023, no later than 4:00 pm.
Submission of responses:	Monday, May 8, 2023, no later than 4:00 p.m.
Exceptions hearing:	Thursday, May 18, 2023, Monthly Commission meeting starts at 1:00 p.m.

All filings in this review shall continue to be submitted in Portable Document Format (PDF) by email to the parties in this review, to Ms. Ruby Potter, and others copied on the e-mail by which this letter is sent, also please submit a copy to mhcc.confilings@maryland.gov. In addition, please send a copy of all filings to Ms. Potter in Word format, since having filings in that format will assist me in this review.

I remind all parties that this remains a contested case and that the *ex parte* prohibitions in the Administrative Procedure Act, Maryland Code Ann., State Gov't §10-219, apply to this proceeding until the Commission issues a final decision.

Sincerely,

Marcus L. Wang, Esq.
Commissioner/Reviewer

cc: Wynee Hawk, Director, Center for Health Care Facilities Planning and Development
Caitlin Tepe, Assistant Attorney General
Alexa Bertinelli, Assistant Attorney General
Tonii Gedin, Acting Health Officer, Anne Arundel County

IN THE MATTER OF	*	**BEFORE THE**
	*	
ROBERT A PASCAL YOUTH	*	
	*	**MARYLAND**
AND FAMILY SERVICES, INC	*	
	*	
d/b/a PASCAL CRISIS	*	**HEALTH CARE**
	*	
SERVICES, INC.	*	
	*	**COMMISSION**
	*	
Docket No. 22-02-2459	*	
	*	

*** ***

REVIEWER'S RECOMMENDED DECISION

May 18, 2023

Table of Contents

I. INTRODUCTION

A. Background

Robert A. Pascal Youth and Family Services, Inc. d/b/a Pascal Crisis Services, Inc., (Pascal) proposes to establish a 20-bed, alcoholism and drug abuse intermediate care facility (ICF) in its current location at 43 Community Place, Crownsville, Anne Arundel County. The Maryland Health Care Commission (MHCC or the Commission) defines this term in the State Health Plan (COMAR 10.24.14) as:

> a facility designed to facilitate the sub-acute detoxification and rehabilitation of alcohol and drug abusers by placing them in an organized therapeutic environment in which they receive medical services, diagnostic services, individual and group therapy and counseling, vocational rehabilitation, and work therapy while benefiting from the support that a residential setting can provide.

This definition corresponds with a level of treatment for substance abuse disorder (SUD) defined by the American Society of Addiction Medicine (ASAM) for health care facilities that provide "medically monitored intensive inpatient services." Maryland state agencies use the ASAM level of care taxonomy to classify facilities and programs providing SUD services. Medically monitored intensive inpatient service, categorized as Level 3.7 care in the ASAM taxonomy, is the highest level of sub-acute (i.e., non-hospital services) for SUD. (See Figure 1 below.) ICFs typically operate as facilities providing withdrawal management (WM), commonly referred to as "detoxification" services, and post-WM treatment services. Some recently developed ICFs in Maryland focus on withdrawal management without describing themselves as having a significant post-WM program of treatment for SUD. Such facilities coordinate with other ICF providers or stepdown inpatient/residential facilities and outpatient programs for ongoing treatment and management of SUD. As expected, these ICFs have shorter lengths of stay than the more common model of ICFs reporting the provision of WM and on-going treatment. Average length of stay at ICFs recently considered by the Commission can range up to 30 days.

The ASAM level of care taxonomy illustrated 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.

Figure 1

A Certificate of Need is required to establish or relocate an ICF (ASAM Level 3.7), or to establish, relocate, or add beds to a hospital-level alcoholism and drug abuse treatment service (ASAM Level 4). Md. Code Ann., Health-Gen. §19-120. Once established, a licensed and operating ICF may add beds without CON review and approval. §19-120(h)(2)(v). This latter feature became an effective change in the scope of CON regulation in 2019. Bed additions by ICFs required CON review and approval prior to this change in the law. Because the change eliminated the Commission's control of the inventory of ICF beds, it made the bed need projection standard in the State Health Plan (SHP), at COMAR 10.24.14.05B, obsolete.

That standard, when effective, was only applicable to ICFs with "private beds" which are beds in private facilities not sponsored by local government and that derive no "significant funding by the state or local jurisdictions." COMAR 10.24.14.08B(20). These ICFs are categorized in the SHP as Track One ICFs. There was no bed need projection standard applied to ICFs with "publicly funded beds" prior to the law amendments referenced in the preceding paragraph. Such beds are operated in ICFs which are "owned and wholly operated by the State or substantially funded by the budget process of the State; or in facilities substantially funded by one or more jurisdictional governments, which are established jointly by providers and the jurisdictions to meet the special needs of their residents and that reserve at least 50 percent of their proposed annual adolescent or adult bed capacity for indigent and gray area patients." COMAR 10.24.14.08B(21). These ICFs are categorized in the SHP as Track Two ICFs.[1]

[1]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

The "indigent population" is defined, in the SHP, as "persons who qualify for services under the Maryland Medical Assistance Program (Medicaid) regardless of whether Medical Assistance will reimburse for alcohol and drug abuse treatment." COMAR 10.24.14.08B(11). The "gray area population" is defined, in the SHP as "persons who do not qualify for services under the Maryland Medical Assistance Program but whose annual income from any source is no more than 180 percent of the most recent Federal Poverty Index, and who have no insurance for alcohol and drug abuse treatment services.".08B(9).

ASAM describes "medically monitored inpatient care and medically monitored inpatient withdrawal management programs" as programs directly 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, 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." [2]

B. The Applicant

Pascal is a 501(c)(3) non-profit organization governed by a board of directors, who are responsible for making decisions about the organization's operations and direction. Applicant's business office is located at 1215 Annapolis Road, Suite 204, Odenton, Anne Arundel County. The applicant submitted an organizational chart, which can be reviewed at Appendix 2.

Pascal has been operational since 2017 when it opened a comprehensive crisis stabilization center that currently provides an array of inpatient and outpatient behavioral health, substance use disorder and crisis stabilization services, including withdrawal management. The applicant relocated services to the current location at 43 Community Place in Crownsville in June of 2019, leasing a county-owned 16,000 square foot facility. Pascal currently operates a combined total of 44 CARF accredited and licensed Residential Crisis Services (psychiatric crisis beds), State Opioid Response (SOR) beds, and Resolution beds at a fully staffed facility. In order to provide the full continuum of services, Pascal seeks to add ICF beds to the crisis stabilization center.

C. The Project

Pascal is proposing to establish a 20-bed Track Two [3] ICF for adults facility providing medically managed withdrawal management and treatment services for substance use disorder

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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.

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

[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

(SUD) that will include alcoholism and drug abuse. It will be physically located at 43 Community Place, Crownsville, MD 21032 (Anne Arundel County).

Pascal's stated objective is to provide access to comprehensive co-occurring treatment for Marylanders in need of immediate mental health treatment, especially those who are historically hard to place with high acuity disorders, and who also require substance use disorder treatment. Pascal also plans to provide 3.7 and 3.7WM treatment to those substance users of multiple substances, which are also considered hard to-place. (DI #4, pg. 5).

The floorplan of the new facility contains a nurse's unit, a unisex WM unit, and an activity room on the second floor adjacent to the patient rooms. See the floorplan attached in Appendix 6. The kitchen and dining area is in the basement level. The inpatient units will house patients in three semi-private rooms of two beds, two semi-private rooms of three beds, and two quadruple occupancy rooms, for a total of 20 beds. The cost estimate to establish the 20-bed building renovation is $60,500, with project expenses funded with cash, as shown in Table I-1, below.

Table I-1: Pascal - Project Budget Estimate

	3.7WM and 3.7
Building	$35,000
Fixed Equipment (non-construction)	$0
Architect/Engineering Fees	$3,500
Permits (Building, Utilities, etc.)	$1,500
Subtotal	*$40,000*
Movable Equipment)	$5,500
Contingency Allowance	$15,000
Subtotal	*$20,500*
Total Current Capital Costs	***$60,500***
Land Purchase	$0
Building Purchase	$0
Total Capital Costs	*$60,500*
Legal Fees	$0
Other Fees	$0
Subtotal	$0
Working Capital/Startup Costs	$0
Total Uses of Funds	***$60,500***
Cash	*$60,500*
Total Sources of Funds	***$60,500***

Source: DI #10, Exh. 3, Table B.

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.

D. Reviewer's Recommendation

I recommend that the Commission APPROVE Pascal's application for a Certificate of Need to establish a 20 bed ICF. I find the project proposed by Pascal complies with the applicable State Health Plan standards and that the need for the project, its cost effectiveness, and its viability have been demonstrated. Furthermore, the impact on the availability and accessibility of intensive inpatient alcohol and drug treatment services is positive, as it will provide behavioral health and withdrawal management services to historically hard to place patients in Anne Arundel County.

While both Gaudenzia and Hope House filed as interested parties to this CON application, I did not find their objections to the need, cost effectiveness, impact or viability of the project sufficiently persuasive to deny the project.

Based on these conclusions, and as further explained in this decision, I recommend that the Commission approve the application of Pascal for a Certificate of Need to establish a 20-bed adult ICF providing medically monitored intensive inpatient services and withdrawal management (ASAM Levels 3.7 and 3.7WM), at an approved cost of $60,500, with three conditions:

1. Prior to first use approval, Pascal 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, Pascal shall provide proof of preliminary accreditation of the ICF to 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; and

3. Pascal shall notify the Commission and the Behavioral Health Administration, in writing, within fifteen days after it receives notice that its accreditation has been revoked or suspended or should it lose its State license or certification. If its accreditation has been revoked or suspended for reasons related to health or safety or it loses its State license, Pascal shall cease operation until the Behavioral Health Administration notifies the Commission that the deficiencies have been corrected. (COMAR 10.24.14.05H)

II. PROCEDURAL HISTORY

A. Record of the Review

Please see Appendix 1, Record of the Review.

B. Interested Parties in the Review

Gaudenzia Inc. (Gaudenzia) and Hope House Treatment Center (Hope House) each sought interested party status. Gaudenzia has a Track Two ICF facility located in Crownsville (Anne Arundel County). This not-for-profit ICF provides outpatient and residential services, as well as ASAM Level 3.7 and Level 3.7WM services. The ICF has 66 beds providing the 3.7 and 3.7 WM services. I recognized Gaudenzia as an interested party in this review because it is authorized to provide the same services as Pascal in the same planning region. COMAR 10.24.01.01B(2) & (20).

Hope House has a Track Two ICF facility also located in Crownsville (Anne Arundel County) with 50 beds. This ICF also provides substance abuse services, including ASAM Level 3.7 and Level 3.7 WM services. I also recognized Hope House as an interested party in this review because it provides the same services as Pascal in the same planning region. COMAR 10.24.01.01B(2) & (20).

Gaudenzia submitted comments stating the applicant failed to demonstrate that the project: (1) is cost effective; (2) viable; and (3) will not have an impact on existing providers consistent with a review of the SHP. (DI #20). Hope House submitted comments stating the applicant failed to document the need, cost effectiveness and impact of the proposal consistent with a review of the SHP. (DI #22). For these reasons, Gaudenzia and Hope House recommends the Commission deny the application. (DI # 20, DI #22).

C. Local Government Review and Comment

Pascal submitted letters supporting the project from the following:

- Peter Franchot, Comptroller of Maryland
- Edward Reilly, State Senator, Anne Arundel County
- Nicholaus R. Kipke, Maryland Delegate, Anne Arundel County
- Hon. Stacy W. McCormack, Circuit Court for Anne Arundel County
- Sheri Lazaruz, Circuit Court, Cecil County (DI #4, Exh. 8).

D. Other Support for the Project

Pascal submitted letters supporting the project from the following.

- Rebekha Rogers, LCSW, Clinical Director, Project Chesapeake.
- Basile Ferro, Elevate Recovery Centers,
- Patricia Crowley, Grace House Recovery Services, LLC
- Josh Goldstein, Avenues Recovery Centers of Maryland
- Christopher McCabe, Chrysalis House Inc.
- Kim Wireman, Powell Recovery Center, Inc.
- Brianna Deshaies, Harcum Homes, LLC
- Emily Eskridge, Recovery Centers of America
- Sara Burden, Evolve Life Centers (DI #4, Exh. 8).

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.

Reviewer's Analysis and Findings

Pascal seeks to establish a new 20-bed ICF for adults. The proposed bed capacity complies with this standard. Subsection 3 is not applicable.

.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.

Reviewer's Analysis and Findings

The applicant is applying as a Track Two facility. This need methodology does not apply. Additionally, as noted in the Background section of this Recommended Decision's Introduction, 2019 amendments in the law governing CON regulation that are not yet reflected in these SHP regulations have the effect of making this standard obsolete. MHCC no longer controls the supply of Track One ICF beds because existing ICFs, of any type, have been able to add bed capacity without CON requirements during the last four years.

> **(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. Publicly 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[4], or a local jurisdiction or jurisdictions; and**
>
> 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.**

Applicant's Response

The applicant states that they are a credentialed Medicaid provider and proffers its existing track record of serving Medicaid recipients, court referrals, and county funded populations in this facility as evidence of its commitment. Pascal states that 97.3% of their annual patient days are attributed to indigent and gray area patients and beds will not be reserved for private pay patients. Pascal further provides assurance that it will continue to track intake demographics which includes gray area patient statistical information to maintain 50% or more annual patient days to indigent and gray area patients and serve all Marylanders regardless of insurance status or ability to pay. (DI #4, p. 13; DI #10, p. 11).

Reviewer's Analysis and Findings

Subparagraph (b)(i) applies to this project, which will operate as a Track Two ICF. Maryland reimburses ICFs through a fee-for-service arrangement using an Administrative Services Organization (ASO), which is currently OPTUM. The Behavioral Health Administration (BHA) states that the fee-for-service arrangement is a contract held by Medicaid. This means that if a provider is willing to serve those with Medicaid, and submit bills to the ASO 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

[4] The Alcohol and Drug Abuse Administration merged with the Mental Hygiene Administration in July of 2014 to become the Behavioral Health Administration in the Maryland Department of Health.

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 ability to manage utilization. Under the new reimbursement structure, the ASO, OPTUM Beacon, authorizes admission for everyone admitted to this level of care. Patients must meet medical necessity criteria to receive that approval.

The applicant proposes to establish a Track Two ICF in Anne Arundel County with no beds reserved for private-pay patients. The applicant states that it currently operates a crisis center that serves predominantly indigent patients and is experienced in recruiting and treating this population. (DI #10, p.11). 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 tracking procedure for indigent and gray area patients through its electronic health record system, and by using its existing mobile treatment in outreach efforts to the most vulnerable population., (DI #10, p. 11).

The applicant has a track record as a predominant Medicaid provider, seeks beds that are funded by the state and represents that it is not seeking beds for the exclusive use of private pay patients. I find 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 is proposing a new 20 bed Track Two ICF in Anne Arundel County, which is part of the Central Maryland region, which comprises Baltimore City and Baltimore, Harford, Howard, and Anne Arundel Counties. To document need, Pascal used data from the National Institute of Health, Maryland Department of Health, Anne Arundel County, University of Maryland, the Pyramid Walden-Joppa CON Application, Docket No. 20-12-2440 and their own internal tracking of "Turn Aways". (DI#4, pp. 24 – 28). The applicant states that projected population growth in Maryland combined with the continuing opioid crisis demonstrates a need for additional ICF beds. (DI#4, p. 14). Pascal also states that while the Central Maryland region is its primary service area, it receives statewide referrals for patients. (DI #4, pg. 14). To assist patients from all areas of the state, applicant operates a transportation network for all persons referred for inpatient treatment at any of its facilities. (DI #10, pp. 7-8).

Pascal states that the State Opioid Response (SOR) program managed by the Anne Arundel County Health Department provides a significant source of patients in need of treatment. Nearly 90 percent of total patients in the Anne Arundel County SOR program are referred to Pascal. See Table III-1. The applicant states that this patient base will continue to be the predominant referral source for Pascal.

Table III-1: State Opioid Response (SOR) Program: Admissions Based on Referrals

ICF Facility and SOR Beds	February 2022	April 2022	June 2022	October 2022	Total Admissions	Average	% of TOTAL
Pascal: 15	86	84	71	81	322	81	89.0%
Harbor House: 4	0	0	0	0	0	0	0.0%
Gaudenzia: 16	1	16	14	9	40	10	11.0%
Total Admission	**87**	**100**	**85**	**90**	**362**	**91**	**100.0%**

Source: Anne Arundel County Health Department SOR Grant Office, (DI #12, pg. 5)

The applicant projected that by CY 2025, its facility would treat 1,273 3.7/3.7WM patients and a total of 2,350 residential treatment patients a year. See Table III-2. The projections shown for CY2025 are from Table E of DI #14, where the applicant labeled bed category (c) as "Other", and then SOR, when, as seen in the footnote, the category should be Resolution Crisis Beds, (RCS). The applicant projects reaching a bed occupancy rate of 97.7% of ICF beds by CY 2025, notwithstanding a certain number of patients would receive only withdrawal management, others only medically managed residential treatment, and a proportion would use both levels of care.[5] Pascal also referenced the use of U.S. and Maryland census data and population growth estimates, coupled with statistics from various sources to demonstrate the continuing opioid crisis and acceleration of drug overdoses as supporting the need for additional ICF beds. (DI#4, p. 14, 24-27).

Table III-2 Current and Projected Patient Volume Indicators

	Current Year (CY2022)		Final Projection Year (CY 2025)					
	Beds	Discharges	Beds	Discharges	Average Length of Stay (Days)	Patient Days	Bed-Days Available	Occupancy Rate
3.7/3.7WM Level Beds	0	0	20	1,273	5.7	7,284	4,380	96%
Residential Crisis Beds	30	1496	16	1,950	5.8	11,250	13,870	193%
SOR Beds	20	761	0					
Crisis Resolution Beds (CRS)			6	400	4.4	1,750	1,850	99%

Source: Table A – Bed Count (DI #29) and Table E - Statistical Projections (DI#14, and DI #29).

Pascal provided the Data-Informed Overdose Risk Mitigation (DORM) 2021 annual report to show data indicating the statewide and regional need for an increase in ICF services. To support the local need, Pascal based its estimate on its experience as a crisis center in Southern Maryland, which is in part supported by a grant for state SOR beds. This information shows that Pascal receives and treats the majority of patients referred to a SOR bed by the Anne Arundel Health Department.

Interested Party Comments

Hope House states that the "Turn Away" data provided by the applicant, as seen in Appendix 3, is in direct conflict with their admissions data. Hope House provided data in their response titled Hope House's Monthly and Yearly Bed Occupancy data, but does not specify

[5] Pascal did not include grant funded Crisis Response System (CRS) "Resolution Beds" in the original file. Pascal only provides an estimation of bed capacity for Resolution Beds because the daily bed occupancy number fluctuates based on need. A Resolution Bed is utilized when the Local Behavioral Health Authority (LBHA) requests a person be admitted in need of a mental health bed despite their RCS beds being fully occupied, causing Pascal to exceed its Residential Crisis Services (RCS) 16-bed census. (DI #29, pg.1).

whether the averages are yearly or monthly, nor does it provide the underlying assumptions used to create this exhibit. (DI# 21, p. 2).

Applicant Response to Interested Party Comments

Pascal responded stating that their beds remain at full occupancy and their "Turn Away" data does not correspond to Hope House's data regarding lack of referrals and/or bed occupancy issues. Pascal states they have a wait list at times because of their ability to provide treatment for individuals seeking substance use treatment and co-occurring mental health needs, which cannot adequately be served by other providers. (DI# 26, p. 13).

Reviewer's Analysis and Findings

COMAR 10.24.14 provides guidance for calculating bed need for Track One ICFs, however, for Track Two facilities, the SHP regulations allow the applicant to provide a rational basis to justify the size and scope of the proposed project without an official bed need forecast.

Pascal's bed need projections are based on national, State and county reports generally about the opioid crisis and the increase in overdose deaths, as well as its experience participating in the State SOR grant program and tracking Turn Away data from its call center, shown in Appendix Three. Pascal submitted affirmations under the penalties of perjury as the Board designated official, to the accuracy of the Turn Away data with its application. (DI#4, p. 10). I have no reason to doubt the applicant's credibility and find the data to be reliable. In fact, the Commission has previously accepted the use of Turn Away data to demonstrate need for a Track Two ICF. (DI# 4 pg. 14). While Hope House provided an exhibit to their comments that purported to show bed occupancy data, absent an explanation of the underlying assumptions, it was not entirely clear whether the exhibit referred to actual bed days or the average daily census. (DI#21, Exhibit 1).

Since there is no prescribed methodology to determine Track Two bed need, the applicant's approach of observing the number of individuals turned away for lack of timely bed availability is a reasonable approach. An assessment of unfulfilled demand is an acceptable proxy for assessing need. I find that the applicant has provided sufficient support for the addition of 20 ICF beds in the central Maryland region and has documented the number and types of ICF beds needed, in conformance with this standard. Please also see more regarding the need for the project in section B, the need criteria *COMAR 10.24.01.08G(3)(b)*.

(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.

Pascal 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 Administration 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 #4, pp.14-15).

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

Pascal states that its sliding fee scale for gray area patients is "consistent with the client's insurance status and/or ability to pay." (DI #4, p. 15). The applicant notes that it "has never turned any client away from treatment due to their inability to pay for services. In fact, a sliding scale fee has not been necessary as all uninsured clients receive an uninsured authorization for services as well as an application for Medicaid." (DI #4, p. 15). Pascal states that it will utilize a Sliding Fee Schedule, if necessary, as shown in the following table.

Table III-3 Pascal'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 #4, p. 15.

I find that the applicant's proposed policy for discounting charges 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.

Pascal 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 #4, p. 16). The applicant also provided a copy of the charges for services, as well as the range and types of services it will provide. (DI #4, p. 16).

I find that the applicant complies with this standard, but I recommend that if the Commission approves this application, it attach the following condition:

Prior to first use approval, Pascal 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.

Pascal states that the location of the proposed facility at 43 Community Place in Crownsville (Anne Arundel County) is approximately 6.3 miles from Anne Arundel Medical Center, 16 miles from Harford Memorial Hospital, and 12.3 miles from UM Baltimore Washington Medical Center, each of which are within a 30-minute one-way travel time by automobile. (DI #4, p. 16, and Exh. 3).

I find that the proposed ICF's 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.

Pascal seeks to establish ICF beds for adults and is not proposing conversion of existing adolescent ICF beds to adult beds. (DI #4, p. 17). The standard does not apply.

.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. [6]

The applicant is currently accredited by the Commission on Accreditation of Rehabilitation Facilities (CARF) under a 3-year accreditation. (DI#4, Exhibit 4). The Applicant will be certified by the Behavioral Health Administration before it begins operation and will maintain that certification as a condition of authority to operate an ICF for substance use treatment in Maryland.

The Applicant states that if it loses its CARF accreditation, it will notify the Commission and the Behavioral Health Administration in writing within fifteen days of receiving notice. If the Applicant loses its State certification, the Applicant will notify the Commission in writing within fifteen days of receiving notice and will cease operation until the Behavioral Health Administration notifies the Commission that deficiencies have been corrected.

Reviewer's Analysis and Findings

Based on Pascal's history and stated commitment, I find that the proposed project complies with this standard. To assure compliance, I recommend that, if the Commission approves this application, it attaches the following condition:

Prior to first use approval, Pascal shall provide proof of preliminary accreditation of its Crownsville, 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. [COMAR 10.24.14.05H]

(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

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

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 #4, p. 17).[7]

I find that the applicant complies with this standard but recommends that, if the Commission approves this application, it attaches the following condition:

> *Pascal shall notify the Commission and the Behavioral Health Administration, in writing, within fifteen days after it receives notice that its accreditation has been revoked or suspended or should it lose its State certification. If its accreditation or state certification has been revoked or suspended for reasons related to health or safety, Pascal shall cease operation until the Behavioral Health Administration notifies the Commission that the deficiencies have been corrected. [COMAR 10.24.14.05H.*

.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.

Pascal states that it is committed to participating in utilization review and control programs, and provided copies of its written protocols and polices governing admission, length of stay, discharge planning, and referral. It states that these policies are currently implemented at its facility. (DI #4, p. 18; DI #4 Exh. 5).

[7] As the responsibility for the licensing of ICF beds has been transferred from The Office of Health Care Quality to the Behavioral Health Administration, the applicant references the new licensing organization.

(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.

Pascal states that each patient's discharge plan will include at least one year of aftercare, and that patients often continue in outpatient care longer due to the positive rapport developed. (DI #4, p. 18).

Reviewer's Analysis and Findings

I find that the application is consistent with the utilization review standard.

.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.

Pascal provided documentation of formal transfer and referral agreements, memorandum of understanding (MOU) or memorandum of agreement (MOA) with the entities shown in Table III-4. (DI #4, Exh. 6).

Table III-4 Pascal Transfer and Referral Agreements

Name of Organization	Agreement, MOU or MOA, or Letter of Support
Anne Arundel County Health Department	Agreement
Anne Arundel County Mental Health Agency	MOA
Anne Arundel County Drug Court	Letter of Support
Project Chesapeake	Agreement
Elevate Recovery	MOU
Avenues Recovery	Agreement
Grace House Recovery Services	Agreement
Chrysalis House	Agreement
Powell Recovery Center	Agreement
Harcum Homes	Agreement
Recovery Centers of America	Agreement
Harvest of Hope Wellness Center	Agreement
Addiction Treatment of Maryland (ATOM)	Agreement and MOU
Evolve Life Centers	Agreement and MOU
Hope's Horizon	MOU
Opportunity Ministries	MOU
Penn North Recovery	Agreement and MOU
Recovery 180	Agreement
Believe, Evolve, Recover Behavioral Health Services	Agreement

CON Application, Exhibit 6.

Reviewer's Analysis and Findings

I find 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 over 97 percent of patient days are provided to persons covered by Medicaid, Federal Probation and Parole and County contracts. The applicant currently tracks patient demographics at intake which includes gray area patient statistical information. Pascal uses EHR tracking to monitor gray area population and if patient days should drop below 50%, Pascal states that it will use its CARF accredited and licensed Assertive Community Treatment (Mobile

Treatment) unit to reach gray area patients in the field. (DI #4, p.20, DI #10, pg. 11). Subsection (2) of the standard is not applicable, Pascal does not propose to establish a Track One intermediate care facility.

Reviewer's Analysis and Findings

I find 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 its services, and which will be utilized at the Crownsville facility for all service personnel. (DI #4, Exh. 5).

Reviewer's Analysis and Findings

I reviewed the policy and find 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.

Pascal states that it "will implement appropriate admission standards, treatment protocols, staffing standards and physical plant configuration in accordance with ASAM Patient Placement Criteria, CARF guidelines, and industry standards," and provided its patient assessment and admission policies and procedures. (DI #4, pp. 20-21). These policies and procedures are attached and will be used in the Crownsville facility. (DI #4, Exh. 5).

Reviewer's Analysis and Findings

I find 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 facility will be trained on current protocols for the treatment, care, and management of patients with Human Immunodeficiency Virus. (DI #4, p. 21). The universal infection control was attached to the application. (DI #4, Exh. 5).

Reviewer's Analysis and Findings

I have reviewed the procedures and find 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.

Pascal states that it has agreements in place with outpatient facilities in Anne Arundel County for referral of its inpatients. (DI #4, Exh. 6, *supra,* Table III-4, p. 16). It further notes that each patient's treatment plan will include at least one year of aftercare following discharge from the facility. Pascal states that it has two existing outpatient programs in Anne Arundel County, which provide access to services in the evening and on weekends and will continue to offer at least one year of care after discharge from the new and existing programs. The applicant states that the new services will provide specialized services to special populations[8], as defined in Regulation .08. (DI #4, p.21-22).

Reviewer's Analysis and Findings

I find 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.

[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."

Pascal states that it will report monthly utilization data and all other required information to the Department of Health, Behavioral Health Administration. The applicant adds that it will also provide outcome data to the Alcohol and Drug Abuse Administration's Substance Abuse Management Information System (SAMIS) program and participate in any data collection program. (DI #4, p. 22).

Reviewer's Analysis and Findings

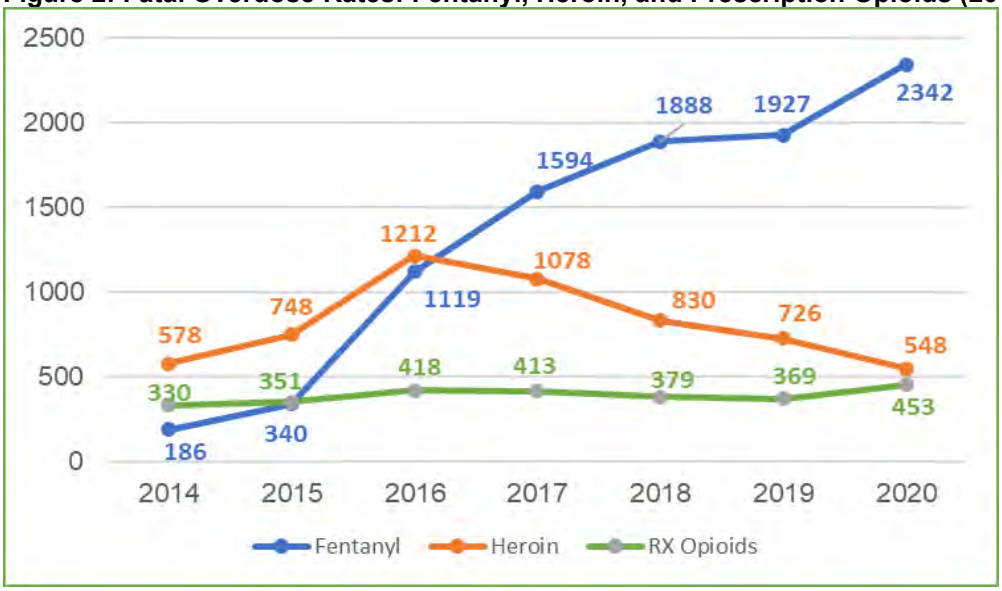
I find that the applicant has met the program reporting standard.

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 Recommended Decision under the Need standard, at COMAR 10.24.14.05B,[9] the applicant provided a projected Track Two bed need based on the demand illustrated by the numbers of referrals to its SOR beds. It also provided information from the 2021 DORM report. Figure 2 shows the continued overall growth in overdose deaths from fentanyl, heroin and opioids, the primary substances involved in fatal overdoses.

Figure 2: Fatal Overdose Rates: Fentanyl, Heroin, and Prescription Opioids (2014–2020)

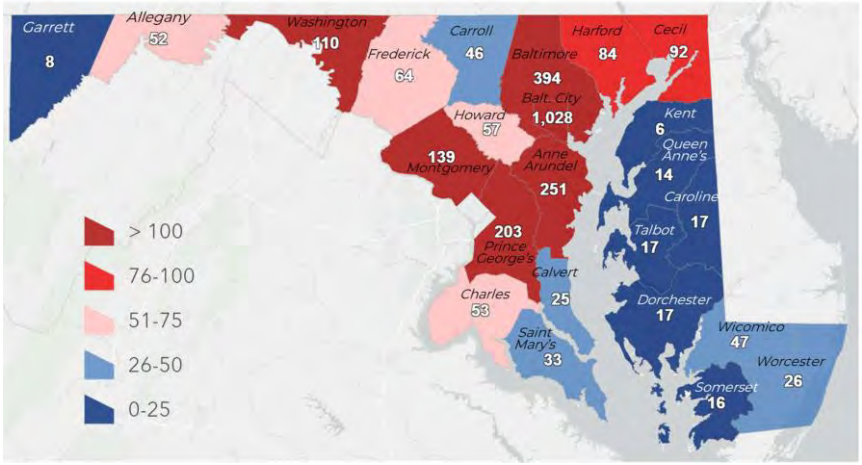


Source: Data-Informed Overdose Risk Mitigation (DORM) 2021 Annual Report, Maryland Department of Health, pg. 10. https://beforeitstoolate.maryland.gov/wp-content/uploads/sites/34/2022/07/2021-DORM-Annual-Report-Final.pdf

[9] Discussion of Identification of Intermediate Care Facility Alcohol and Drug Abuse Bed Need, *supra*, pp. 9-11.

Figure 3 shows the total fatal overdoses in Maryland, by county in 2020. As seen in dark red, overdose deaths in Maryland are largely concentrated in the central region of the state. In 2020, 59.8 percent of all overdose deaths occurred in Baltimore City (1,028), Baltimore County (394), and Anne Arundel County (251), which were the only counties with 250 or more overdose deaths in the state.

Figure 3: Fatal Overdoses by County, All Substances, (2020)



Source: Data-Informed Overdose Risk Mitigation (DORM) 2021 Annual Report, Maryland Department of Health, pg. 8.

This proposal would add 20 Track two ICF beds in Anne Arundel County, a jurisdiction with three Track Two facilities currently, and 156 ICF beds. The need for the facility is further illustrated by a letter of support for this project from the Anne Arundel County Circuit Court Adult Drug Court, which said" Our region continues to experience a shortage of services that offer this level of detoxification treatment." (DI #4, exh. 8).

Interested Party Comments

Hope House states that it operates an inpatient program for psychiatric and substance use Disorder, Level 3.7/3.7WM. It has a bed capacity of 50 beds in Anne Arundel County. It states that it has not been able to fill beds to capacity due to COVID, which has dramatically decreased the number of referrals to Hope House. As a result, Hope House does not believe there is a need to duplicate the same services already provided in the county and region. (DI #20, pp. 1-2).

Reviewer's Analysis and Findings

There is no applicable need analysis in the State Health Plan for the Commission's consideration. The SHP comes from a policy perspective that the supply of Track Two ICF services is likely to be in chronic deficit relative to the demand for ICF services by lower income households. For this reason, the SHP does not contain any bed need projection for Track Two ICFs that would limit growth in ICFs and ICF bed capacity that primarily serves the indigent and gray area population. I note that this perspective is 20 years old.

I note that Hope House found fault with the applicant's needs assessment citing a decline in bed occupancy, that the wait list was unnecessary, and questioning the use of turn away data. This was discussed earlier in this Recommended Decision in my consideration of the Need standard of the SHP. I recommend that the Commission find that the applicant has demonstrated the existence of unmet needs in the population to be served and further established that this project will meet those needs. In this case, a proprietary operator of ICF services, in Maryland and other states, is using call center information to gauge the demand for ICF services and investing in the establishment of a new ICF, presumably with confidence that there is a sufficient demand queue to make the project successful.

Pascal provided data from the Anne Arundel County Health Department indicating that the majority of SOR bed referrals are sent to Pascal for treatment. This patient population will be the source for a majority of patients for the proposed 20-bed ICF. In addition, the 2021 DORM report published by the Maryland Department of Health provides a wealth of information on the continued need for SUD treatment in Maryland, and in Anne Arundel County. While Covid has affected all health care providers in the nation, state, and local region, I do not feel that the momentary drop in referrals experienced by one ICF during the pandemic indicates an overall decrease in need. To the contrary, the evidence provided by the applicant still shows a need for additional SUD treatment both in Anne Arundel County specifically and in Maryland generally.

I believe that these circumstances warrant a finding by the Commission that the applicant has demonstrated need for the project. I find the applicant has met the requirements in this criterion.

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.

Pascal summarized information from a December 2019 House and Senate Hearing regarding the Psychiatric Services Chapter of the State Health Plan. In the hearing it was explicitly expressed that "…there needs to be more community services, crisis beds, step-down beds, and stabilization centers." It was also noted that crisis beds are a lower acuity level than inpatient psychiatric beds, not a higher-level acuity, and access to crisis beds assists in keeping behavioral health patients out of an inpatient psychiatric bed. (DI#4, p. 30). Co-location of psychiatric crisis beds with SOR beds allows Crisis Centers such as Pascal to be a more cost-effective alternative than inpatient acute care psychiatric care. (DI #4, p. 30). The minor renovations at a cost of just over $60,000 is a low-cost way to gain 20 ICF beds in the region. Alternative options, which include either the expansion of other existing centers, or construction of a new ICF, would likely be more expensive and take longer to accomplish than the proposed project.

Interested Party Comments

Gaudenzia states that it is authorized to provide the same services as Pascal proposes to provide (alcohol and drug abuse intermediate care facility treatment services, including

ASAM Level 3.7/3.7WM Medically Monitored Inpatient Detoxification) in the same jurisdiction, Anne Arundel County, to the same type of patients, individuals with co-occurring disorders. And it further states that Pascal does not have a "unique service delivery model due to the 24/7/365 admission policy" because Gaudenzia also admits clients 24/7/365 into all levels of care. (DI #20, pg. 4-5). Gaudenzia also states that Pascal does not have the "unique capability" of moving a client from a SOR bed and referring them internally to a residential crisis bed without changing providers or location because Gaudenzia also has the ability to move patients from their SOR beds into a treatment bed. Finally, Gaudenzia states that Pascal's claim of its need to maintain a waiting list makes no sense to Gaudenzia, as they have never needed to maintain a wait list. Gaudenzia states that it is able to flex its 3.7 beds and does not turn any prospective client away from treatment. (DI #20, pg.6).

Hope House states that it also provides the same services as Pascal, however, that it has had trouble operating at capacity because referrals are down as a result of COVID-19. (DI #21, p. 1). Hope House generally believes that Pascal's proposed ICF beds will only "hasten the demise of Hope House Treatment Centers." (DI #21, p. 2).

Applicant's Response

Pascal states that they provide a "full spectrum of treatment" including to individuals suffering from co- occurring substance use and patients with high mental health needs. Pascal states Gaudenzia does not provide the same services as illustrated in Appendix 4. Pascal states that they provide a combination of services focused on each individual patient's needs to improve patient outcomes. Pascal states they offer "consolidated services in one physical location that reduces the amount of time an individual will need to receive similar services at multiple locations." Pascal is staffed and able to treat withdrawal management patients who are also in crisis. (DI# 26, pg. 2).

Pascal states that it is the only agency that has obtained a license and is accredited for Residential Crisis Services (RCS). This accreditation allows Pascal to operate residential mental-health beds for which persons receive crisis stabilization services for an average length of stay of 10-days, and residential substance use disorder beds, or 3.1 WM, in one physical location. (DI #26, pp. 1-2).

Pascal countered that the fact Gaudenzia does not utilize a waiting list may be attributed to patients choosing Pascal over other providers in the area. To support this assertion, Pascal stated that from December 1, 2022 to January 31, 2023, the Pascal Crisis Stabilization Center call center received 547 unduplicated individual screening calls for beds. (DI #26, pg. 5). The vast majority of callers were actively using some type of substance and 55 callers had previously been to other local 3.7/3.7WM providers in the area. Pascal asserts that the callers were therefore choosing to call Pascal despite being aware of the other providers or could not be admitted at those other providers at the time of their call. (DI #26, pg. 6).

Finally, Pascal states that it plans to transition 20 SOR beds to 20 3.7/3.7WM Track Two ICF beds upon the approval of their application. The implementation of this project is a minimal renovation project of around $60,500, which will be paid for in cash.

Reviewer's Analysis and Findings

Pascal is able to provide a vast array of consolidated services in one location. Their ability to move patients from various levels of care within one location prevents patients from having to transfer to other locations and providers. (DI #4, p. 30). Staff verified the CARF accreditation or certification information submitted by Pascal, and a comparison is shown in Appendix 4. Pascal is accredited or certified in more categories than either Gaudenzia or Hope House, with eight. These differences in services clarify the types of care that each organization provides and supports Pascal's assertion that they can provide a wide range of services to complement the Level 3.7 and Level 3.7 WM services.

In Gaudenzia's 2018 application to expand to 3.7 and 3.7 WM services at their Crownsville location, (Docket Number 18-02-2421) it maintained that "…its proposal would reduce the number of clients on the Hope House and Pathways waiting lists and decrease the out-migration of Anne Arundel County residents for treatment." [10] Gaudenzia acknowledged the validity of other provider's waitlists and asserted that minimizing ICF waiting lists is beneficial for the County. These assertions are in contradiction to what they assert in the interested party comments in this review and strengthens Pascal's argument that these beds are a cost-effective option.

The minor renovations at a cost of just over $60,500 is a low-cost way to gain 20 ICF beds in the region. Pascal appears to serve a subset of the SUD population, treating patients with co-occurring substance use and patients with high mental health needs.

Alternative options, which include either the expansion of other existing centers, or construction of a new ICF, would likely be more expensive and take longer to accomplish than the proposed project. I find that the proposal is a cost-effective and efficient way to establish Track Two ICF beds in Anne Arundel County and thereby increase the availability of Track Two ICF beds in the State.

I recommend that the Commission find that the proposal is a cost-effective and efficient option for achieving the applicant's objective of providing ICF services in Anne Arundel County. The SHP, as currently configured, clearly supports the development of more Track Two ICF beds. In terms of the "competitive application" referenced in this criterion, no comparative review has been filed.

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

[10] On page 19 of the October 17 2019 Staff Report and Recommendation regarding expansion of services to include ASAM level 3.7/3.7WM services at the Gaudenzia Crownsville location. https://mhcc.maryland.gov/mhcc/pages/hcfs/hcfs_con/documents/2019_decisions/con_gaurdenzia_crownsville_2421_decision_20191010.pdf

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.

Applicant's Response

Availability of Financial Resources

Pascal proposes a renovation of the Crownsville facility at an estimated cost of $60,500 to be paid for in cash. This renovation will ensure that Pascal meets the quality and architectural standards for ASAM Level 3.7 and 3.7WM services. The project will add two toilets, two sinks and two showers to the 2nd floor and make minor adjustments to existing rooms to maximize the services. (DI #10, pp. 5-6).

Pascal submitted a letter from Anderson, Davis & Associates, CPA, PA, the firm that reviewed audited financial statements for the years ending June 30, 2021, 2020, 2019 and 2018. Based on a review of the statements, Anderson Davis attests the projected cash flow is sufficient to support funding of the project. (DI #10, exh. 4).

Ability to Sustain the Program

Pascal's financial projections are based on the assumption that the program will have a 90% occupancy rate by 2024, with a payor mix of 93% Medicaid, 6.9% private insurance and 0.1% grant funded. (DI #14, Table D). Pascal expects a 5.7-day length of stay for withdrawal management ICF patients, and a 5.8-day length of stay for the other ICF patients (ASAM Level 3.7). The applicant projects the facility will provide approximately 17,000 ICF patient days in 2023 and demand will rise to 18,573 patient days in 2024 and 2025. (DI # 29, Table E.)

Pascal projected net income of $1.1 million in 2023, its first full calendar year of operation, as shown in Table III-5.

Table III-5 Pascal Projected Revenues and Expenses

Calendar Year	2023	2024	2025
Inpatient services	$3,396,931	$3,396,931	$3,396,931
Outpatient services	$2,947,403	$3,061,826	$3,179,383
NET OPERATING REVENUE	**$6,344,334**	**$6,458,757**	**$6,576,314**
Salaries/wages/benefits	$4,745,000	$4,887,350	$5,033,971
Contractual Services	$233,000	$239,990	$247,190
Supplies	$83,200	$85,000	$87,500
Other expenses	$152,600	$157,178	$161,893
TOTAL OPERATING EXPENSES	**$5,213,800**	**$5,369,518**	**$5,530,554**
NET INCOME (loss)	**$1,130,534**	**$1,089,239**	**$1,045,760**

Source: DI #29, Table F.

Work Force Projections

Pascal projects a need to employ 90 full-time equivalent (FTE) employees (both salaried and contractual) at the facility at a total cost of $4,978,000. (DI #29 Table G). A profile of the staffing plan is shown in Table III-6.

Table III-6 Pascal Center Workforce Table – Year Two

Job Category	FTEs	Average Salary per FTE ($)	Total Cost ($)
Administration			
Clinical Director	2.0	$120,000	$240,000
Intake/Case Management	8.0	$51,000	$408,000
Substance Use Counselor(s)	5.0	$52,000	$260,000
Administrative Staff	5.0	$40,000	$200,000
Total Administration	**20.0**		$1,108,000
Direct Care Staff			
Psychiatrist / Medical Director	1.0	$182,000	$182,000
CRNP	4.0	$120,000	$480,000
LCPC, LCSW-C	11.0	$70,000	$770,000
RN	6.0	$90,000	$540,000
LPN	4.0	$60,000	$240,000
Behavioral Health Supervisor	3.0	$60,000	$180,000
Psychiatric Technicians	24.0	$35,000	$840,000
Total Direct Care Staff	**53.0**		**$3,232,000**
Support Staff			
Peer Recovery Specialist / Driver	9.0	$35,000	$315,000
Facilities Maintenance	1.5	$60,000	$90,000
Total Support Staff	**10.5**		**$405,0000**
Total Contractual Staff	**6.5**		**$233,000**
EMPLOYEES TOTAL	**90.0**		**$4,978,000**

Source: DI #29, Table G.

By year two of its projected business model, Pascal plans to add 11new administrative positions, 11 clinical, either nursing, social workers, or clinical supervisors, and 5.5 support staff to its personnel roster.

Interested Party Comments

Gaudenzia states that the Pascal project is not financially viable and therefore does not meet the standard. Gaudenzia based this assertion on the report in the November 3, 2022, Maryland Daily Record which states that "the head of Pascal Crisis Services, in a letter to the General Assembly, said the nonprofit has been unable to resolve issues with Optum and is concerned over its lack of a reliable system to track billed and paid services: "Pascal remains in limbo as Optum continues to be unable to account for their reconciliation of internal

payment data." The dispute is based on Optum's assertion that Pascal received $750,000 in overpayments from January 2020 through August 2020. Gaudenzia states that this issue raises concerns about the financial viability of Pascal. (DI #20, pg. 6).

Applicant Response

Pascals states that for the reported payment dispute of $772,446.69 with Optum, they are "actively engaged in the reconciliation process and has not made any "repayment" to Optum because Pascal does not owe Optum any amount. Indeed, the reconciliation process has revealed that Pascal is owed monies from Optum." As of their March 7, 2023, Pascal states that they have received $342,865.68 that Optum had previously denied, leaving a balance still under review of $379,581.01. (DI #14, pp.7-11, and DI #29, pp. 2-3).

Pascal also states that Optum recently identified an additional $164,893.30 in claims that need to be resubmitted by Pascal for payment. Pascal has also identified an additional $163,522.24 in claims it believes Optum inappropriately denied. Pascal states its substantial financial reserves have allowed it to wait for the reimbursement from Optum for over three years, and states Pascal will not be adversely financially impacted regardless of the resolution of the reconciliation process with Optum.

Reviewer's Analysis

The financial information on its past performance and projected performance suggests that Pascal will be financially viable. Applicant has a recent history of generating a positive operating margin, which is projected to be enhanced by the facility's expansion.

Gaudenzia questioned Pascal's viability due to the reported issues providers have with Optum, the fiscal intermediary for behavioral health services covered by Maryland Medicaid. Pascal is actively engaged in a reconciliation process with Optum and has actually been paid a portion of the disputed overpayment by Optum. Optum has further identified additional claims as eligible for reprocessing for payment. The dispute with Optum is being addressed, and to date, appears to be resolved in Pascal's favor.

For these reasons, I recommend the Commission find the proposed project to be viable.

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.

This criteria is not applicable, Pascal has never previously applied for a CON.

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.

Pascal states it provides a unique service delivery model in Maryland due to its 24/7/365 Admission policy, which simultaneously offers immediate mental health care by licensed clinicians to an individual upon arrival, in addition to other needed services. This is especially important for its high mental health acuity patients. If an individual requires continued treatment for mental health after completion of 3.7 and/or 3.7WM services, its co-located Residential Crisis Services beds can be utilized. (DI # 4, pg. 35).

The applicant states that there are currently three Track Two ICFs located in Anne Arundel County. (DI #10, pg. 16). A majority of the patients treated at the proposed facility are expected to have low income and all within the SHP definitions of the indigent and gray area population. Given the current need for SUD services in the state, and that the facility will treat a majority of indigent and gray area patients, Pascal does not anticipate having a negative impact on any other providers. (DI #4, p. 35). Pascal states that its plan will transition 20 SOR beds to 20 3.7/3.7WM Track Two ICF beds upon the approval of their application. As a result, Pascal's application for the 3.7/3.7WM detox beds will not impact other providers as the current census served by Pascal for Withdrawal Management treatment will be unchanged; individuals currently in SOR beds will have access to full detox 3.7/3.7WM beds. (DI #26, pg. 6).

Pascal has provided transfer and referral agreements and letters of support from several Maryland ICFs to show that many programs are supportive of the proposed project. (DI #4, Exh. 6 & 8).

The applicant anticipates that the new facility will improve access for those requiring medically monitored SUD treatment. At an occupancy rate of more than 80% and assuming a 5.7-day length of stay, these 20 additional ICF beds will be able to serve 1,273 additional patients annually. The majority of patients served would be indigent/gray area patients. (DI #4, p.13, and DI # 14, Table C).

<u>Interested Party Comments</u>

Gaudenzia states Pascal's project will increase health care costs and negatively impact existing providers in the Central Maryland health planning region, particularly in Anne Arundel County. (DI #20, pp. 7-8). In addition, Gaudenzia states Pascal did not describe this impact in its October 30, 2022 response, but continued to maintain that "Pascal is the only provider that accepts admissions 24/7/365 in our jurisdiction". Gaudenzia maintains that it has the same practice, that the additional beds will impact existing ICF staffing, and that costs to the state

and the health care system will increase, as most patients are publicly funded through Medicaid spending. (DI #20, pp. 7-8).

Hope House states that it serves the same population as Pascal, and that 95% of its patients are covered by Medicaid, the same rate as Pascal. Hope House states that "we are right now in the process of temporarily closing our Laurel Facility due to the lack of referrals to 3.7 and 3.7WM." Hope House states that duplication of services could hasten the demise of Hope House. (DI #22, pp. 1-2).

Applicant's Response

As a crisis response center focused on treating persons with co-occurring complex psychiatric disorders and SUD, Pascal stated that the certification and accreditation it has received from CARF differs from Gaudenzia and highlights the difference in the patient populations for the two treatment centers. The applicant states that Gaudenzia, Inc., is not licensed or accredited to provide the same level of mental health services as Pascal at its locations in Crownsville, and that Pascal's additional RCS and mental health licenses allows it to offer more comprehensive mental health care. (DI #26, pg. 3).

Pascal states that it currently maintains the required staff for program implementation and no additional hiring will be necessary. The project will not be impacting the staffing of Gaudenzia or other ICFs in the region. (DI #26, pg. 8). Pascal states the same staff providing Withdrawal Management services to SOR clients will remain in place and will transition from providing Withdrawal Management services to SOR clients to providing care to the requested 20 3.7/3.7WM Track 2 ICF beds, thus limiting the impact on existing providers. (DI #26, pg. 8). Pascal has stated that referrals are not expected to change, as SOR patients currently receiving SUD treatment solely via medically assisted treatment (MAT) will be replaced with 3.7/3.7WM level of care. (DI #12, pp. 7, 10).

Pascal maintains that its ability to offer enhanced treatment will allow for patients being diverted from hospital emergency departments and resulting in decreased cost of care to the state. (DI #12, pp. 7-8).

Pascal asserts that the temporary closure of the Hope House Laurel facility is contrary to the documented need for SUD services. Pascal presented an academic paper from the University of Maryland regarding the needs of patients with SUD and co-occurring mental illness, and how this population is not receiving needed care. (DI #26, pp. 9-11 and Exh. 2). Pascal pointed to Hope House's staggered admission policy as a possible cause of Hope House's experience with reduced admissions. (DI # 26, exh. 3). Pascal believes the data indicate there remains a substantial need for more treatment beds and presented evidence of the referrals it has received from and has sent to Hope House. (DI #26, Pp. 10-14).

Reviewers Analysis and Findings

In prior ICF staff reports, including those involving the interested parties,[11] [12] it has been stated that Maryland lacks sufficient ICF capacity for low-income individuals and that this deficit is substantial. The ICF Chapter of the State Health Plan relies on an assumption that this dearth of needed resources for the indigent and gray area population is a long-standing condition of the health care delivery system in Maryland, and that the deficit is likely to persist. Also, Maryland lacks routine and uniform data collection to make reliable findings on demand and use of ICF service capacity, as exists for other types of facility regulated under the CON program. The published data from the 2021 DORM Annual Report[13] indicates that the need for Track Two ICF beds in both Anne Arundel County and statewide remains high.

Across the board in health care there are clearly staffing and staff expense challenges, and it is expected that ICFs face the same problems. Market pressures likely will lead to the need for higher salaries to attract and retain employees and these labor market conditions are likely to persist into the future. The interested party's comments regarding these issues are reasonable.

However, the ICF market is organized to allow private firms to supply a substantial portion of needed service capacity. A substantial majority of ICF projects developed in Maryland in recent years have been proprietary. My consideration of the interested party comments leads me to find that tight labor market conditions cannot be fairly used to wall off development of new ICF bed capacity, when market demand is not in decline and appears to be increasing. I find that it is unlikely that the new program will have a significant impact on existing providers given my belief that strong demand for Track Two ICF services will continue in the region.

The projected utilization assumptions used by Pascal in projecting its costs and charges do not appear to be out of line with existing ICF providers. Given that I believe there remains strong demand for ICF services, there should be a net positive impact on costs. I find that the proposed project will have a positive impact on the availability and accessibility of Track Two ICF services, consistent with the regulatory oversight policy of the current SHP regulations for ICF services. The project will have an impact on utilization of existing providers serving the Bowie area by increasing the supply of ICFs and ICF beds in that regional market. I do not believe this impact will be existential or significant enough to warrant a denial of the proposed project based on project impact. I find that the applicant has modeled cost estimates based on its Maryland ICF experience. Any impact of the project on charges will be muted by the very limited volume of service expected to be provided to private payers in which the applicant can exercise some price setting power.

For these reasons, I find the proposed project will not have a negative impact on existing addictions treatment providers, on ICF bed occupancy, on costs and charges of other providers, or on costs to the health care delivery system. All indicators suggest that the impact of this project will be positive because it will make ICF services for low-income individuals marginally more available and accessible.

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[11] https://mhcc.maryland.gov/mhcc/pages/hcfs/hcfs_con/documents/2019_decisions/con_hope_house_decision_20190221.pdf

[12] https://mhcc.maryland.gov/mhcc/pages/hcfs/hcfs_con/documents/2019_decisions/con_gaurdenzia_crownsville_2421_decision_20191010.pdf

[13] https://beforeitstoolate.maryland.gov/wp-content/uploads/sites/34/2022/07/2021-DORM-Annual-Report-Final.pdf

I find that the applicant has satisfied this criterion.

IV. REVIEWER'S RECOMMENDATION

I find that the project proposed by Robert A. Pascal Youth and Family Services, Inc. d/b/a Pascal Crisis Services, Inc., to establish a 20-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 an 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, I recommend that the Commission **APPROVE** the application of Pascal for a Certificate of Need to renovate an existing facility to accommodate 20 adult beds providing withdrawal management at ASAM Level 3.7WM and medically monitored intensive inpatient services, at a cost of $60,500, with the following conditions:

1. Prior to first use approval, Pascal 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, Pascal shall provide proof of preliminary accreditation of its Crownsville, 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.

3. Pascal shall notify the Commission and the Behavioral Health Administration, in writing, within fifteen days after it receives notice that its accreditation has been revoked or suspended or should it lose its State license. If its accreditation has been revoked or suspended for reasons related to health or safety or it loses its State license, Pascal shall cease operation until the Behavioral Health Administration notifies the Commission that the deficiencies have been corrected. [COMAR 10.24.14.05H]

IN THE MATTER OF	*	**BEFORE THE**
	*	
ROBERT A PASCAL YOUTH	*	
	*	**MARYLAND**
AND FAMILY SERVICES, INC	*	
	*	
d/b/a PASCAL CRISIS	*	**HEALTH CARE**
	*	
SERVICES, INC.	*	
	*	**COMMISSION**
Docket No. 22-02-2459	*	
	*	

* *

FINAL ORDER

Upon consideration of the full record of this review, the Reviewer's Recommended Decision, and any exceptions taken thereto, it is this 18th day of May, 2023:

ORDERED, that the Recommended Decision of the Reviewer is adopted as the final decision of the Maryland Health Care Commission; and it is further

ORDERED, that the Recommended Decision's findings of fact and conclusions of law are adopted by the Maryland Health Care Commission and incorporated into this order; and it is further

ORDERED, that the application for a Certificate of Need submitted by Robert A. Pascal Youth and Family Services, Inc. d/b/a Pascal Crisis Services, Inc.to establish a 20-bed adult ICF providing medically monitored intensive inpatient services, including withdrawal management (ASAM Level 3.7 services) is **APPROVED**, at a cost of $60,500, with three conditions:

1. Prior to first use approval, Pascal 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, Pascal shall provide proof of preliminary accreditation of its Crownsville, 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.

3. Pascal shall notify the Commission and the Behavioral Health Administration, in writing, within fifteen days after it receives notice that its accreditation has been revoked or suspended or should it lose its State license. If its accreditation has been revoked or suspended for reasons related to health or safety or it loses its State license, Pascal shall cease operation until the

Behavioral Health Administration notifies the Commission that the deficiencies have been corrected. [COMAR 10.24.14.05H]

MARYLAND HEALTH CARE COMMISSION

APPENDIX 1:

RECORD OF THE REVIEW

Record of the Review

IN THE MATTER OF

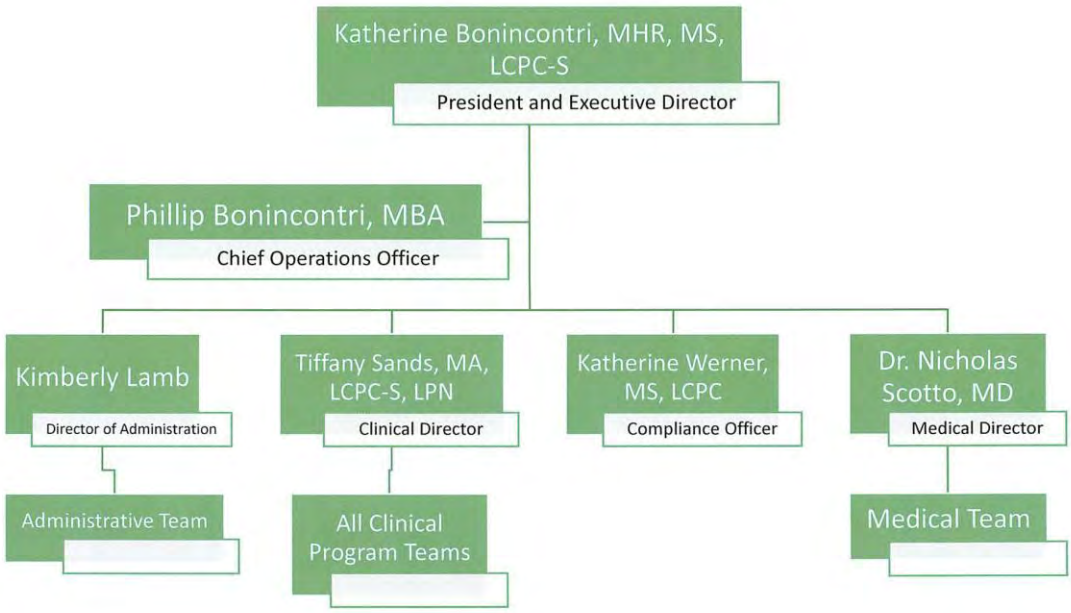
Pascal Crisis Stabilization Center
Docket No. 22-02-2459

Docket Item #	Correspondence File Application Materials File Requests for Commission Actions	Date
1	Applicant to MHCC – Letter of Intent	2/8/22
2	Maryland Register publish notice for additional Letters of Intent	4/22/22
3	Hon. Stacy McCormack – Letter of Support from Drug Court	5/19/22
4	Certificate of Need Application Received	8/8/22
5	Receipt of CON Application Acknowledged by MHCC	8/17/22
6	MHCC Request to publish notice of receipt of application to Baltimore Sun	8/17/22
7	MHCC Request to publish notice of receipt of application to Maryland Register	8/17/22
8	MHCC Request for completeness information	8/25/22
9	Applicant Requests Completeness Response Extension until 9/23/22. Approved by MHCC.	8/26/22- 8/29/22
10	Applicant Submits First Completeness Response	9/23/22
11	MHCC Second round of completeness questions	10/19/22
12	Applicant Submits Second Completeness Response	10/30/22
13	E-mail – MHCC to Applicant– Request for additional information	11/4/22
14	Applicant Submits Third Response with Additional Information	11/16/22
15	MHCC publishes notice of formal start of review in Maryland Register	12/2/22
16	MHCC Notifies Applicant – Formal Review of Application will begin 12/17/22	12/7/22
17	MHCC Requests Baltimore Sun publish notice of formal start of review	12/7/22
18	MHCC Request Local Health Comment FORM to Baltimore Sun	12/7/22
19	MHCC Publish notice of formal start of review	12/8/22
20	Comments from Gaudenzia, Inc. Received (Applicant not cc'd)	1/13/23
21	MHCC Emails Applicant Notice That Response to Comments due by COB 2/8/23	1/24/23
22	Comments from Hope House Received (Applicant not cc'd)	1/13/23
23	MHCC Emails Applicant Notice That Response to Comments due by COB 2/8/23	1/31/23
24	MHCC Emails Applicant that the Combined Response to Comments from Gaudenzia/Hope House are due by COB 2/15/23	1/31/23
25	Email – Jacobs to Parker – Request for Oral Argument	2/1/23
26	Applicant submits responses to comments from Gaudenzia and Hope House	2/15/23
27	Email – Jacobs to Parker – Renewed Request for Oral Argument	2/21/23
28	Wang to Jacobs/D.Souza/Bonincontri – Commission Wang assigned as reviewer and request for additional completeness information	2/22/23
29	Cawood to Wang – Applicant response for completeness as requested on 2/22/23	3/7/23
30	MHCC emails Jacobs Request Status of Request for Oral Argument on application	3/27/23

APPENDIX 2:

PASCAL CRISIS STABILIZATION CENTER

ORGANIZATIONAL CHART



Robert A. Pascal Youth and Family Services, Inc. d/b/a Pascal Crisis Services, Inc.

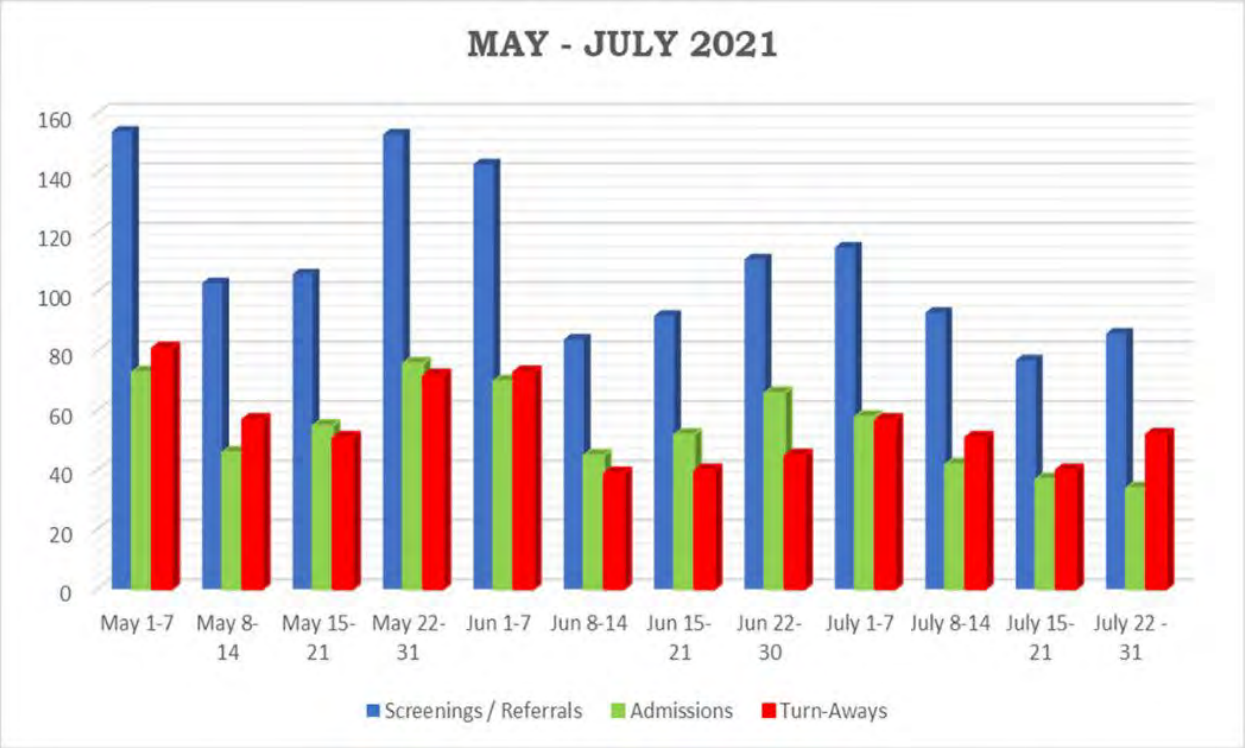
Board of Directors

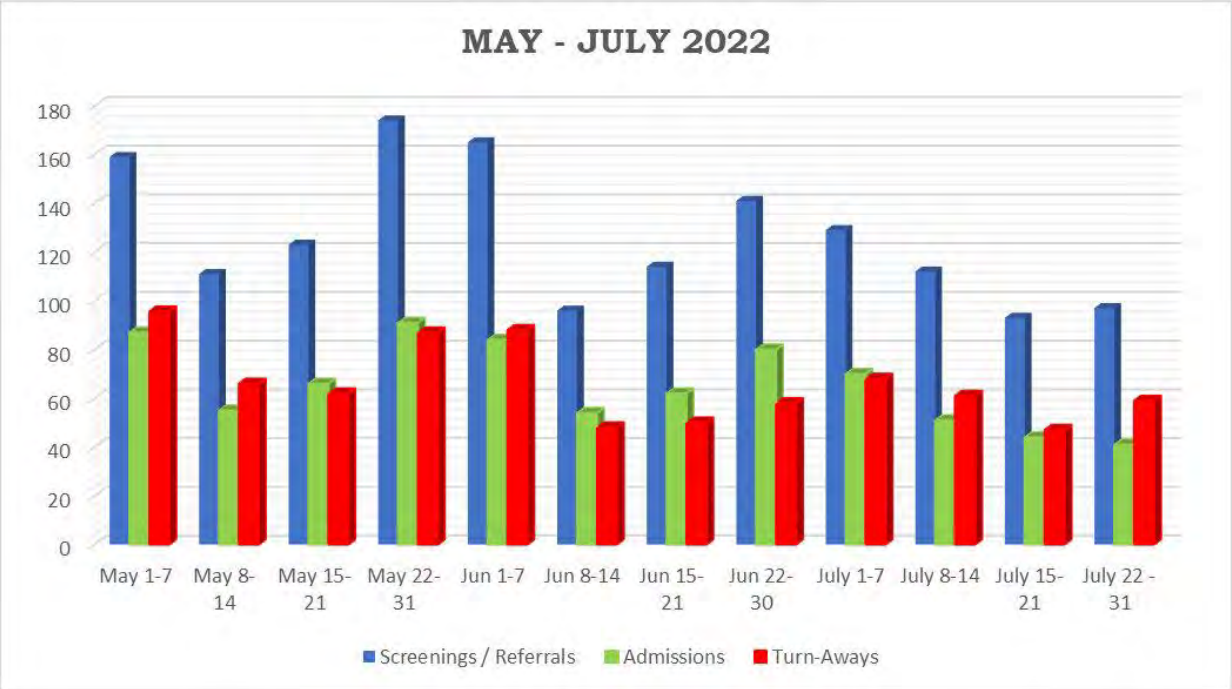
Name	Title
Robert Pascal	President
O. James Lighthizer	Vice Chair
Bruce Poole	Secretary
Nelson Sabatini	Treasurer
R. Pascal	Director

APPENDIX 3

PASCAL TURN AWAY DATA

Pascal Turnaway Data





658 total patient Turnaway's in May-July 2021 compared to 790 in May-July 2022, or a 17% increase.
Source: Pascal CON Application, DI #4, pg. 28.

APPENDIX 4

CARF ACCREDITATION DATA

CARF Programmatic Accreditation and Certification by Facility

Gaudenzia	Hope House	Pascal	Program	Program Focus	Age Group Special Population	CARF Status
No	No	Yes	ASAM Level of Care 3.1		Adults	***Certified***
No	No	Yes	ASAM Level of Care 3.7		Adults	***Certified***
No	No	Yes	Call Centers (BH)	Mental Health	Adults	Three-Year Accreditation
Yes	No	Yes	Community Housing (BH)	Substance Use Disorders/ Addictions	Adults	Three-Year Accreditation
No	No	Yes	Crisis Stabilization (BH)	Mental Health	Adults	Three-Year Accreditation
No	Yes	No	Detoxification/ Withdrawal Management - Inpatient	Substance Use Disorders/ Addictions	Adults	Three-Year Accreditation
Yes	No	Yes	Detoxification/Withdrawal Management - Residential	Substance Use Disorders/ Addictions	Adults	Three-Year Accreditation
No	Yes	No	Inpatient Treatment (BH)	Integrated: SUD Mental Health	Adults	Three-Year Accreditation
Yes	No	Yes	Inpatient Treatment (BH)	Substance Use Disorders/ Addictions	Adults	Three-Year Accreditation
No	Yes	No	Intensive-Outpatient Treatment (BH)	Integrated: SUD/Mental Health	Adults	Three-Year Accreditation
No	No	Yes	Intensive-Outpatient Treatment (BH)	Substance Use Disorders/Addictions	Adults	Three-Year Accreditation
Yes	No	No	Outpatient-Treatment (BH)	Substance Use Disorders/Addictions	Adults	Three-Year Accreditation
No	Yes	No	Outpatient-Treatment (BH)	Integrated: SUD/Mental Health	Adults	Three-Year Accreditation
No	No	Yes	Outpatient-Treatment (BH)	Mental Health	Adults	Three-Year Accreditation
No	Yes	No	Partial Hospitalization	Integrated: SUD/Mental Health	Adult	Three-Year Accreditation
No	Yes	No	Residential Treatment (BH)	Integrated: SUD/Mental Health	Adults	Three-Year Accreditation
Yes	No	No	Residential Treatment (BH)	Substance Use Disorders/Addictions	Adults	Three-Year Accreditation
No	No	Yes	Outpatient Treatment (BH)	Mental Health	Children and Adolescents	Three-Year Accreditation
5 Services	6 Services	8 Services				

Source: CARF Website, http://www.carf.org/providerSearch.aspx Find a Provider (carf.org).

APPENDIX 5

ICF BED AVAILABILITY BY JURSIDICTION

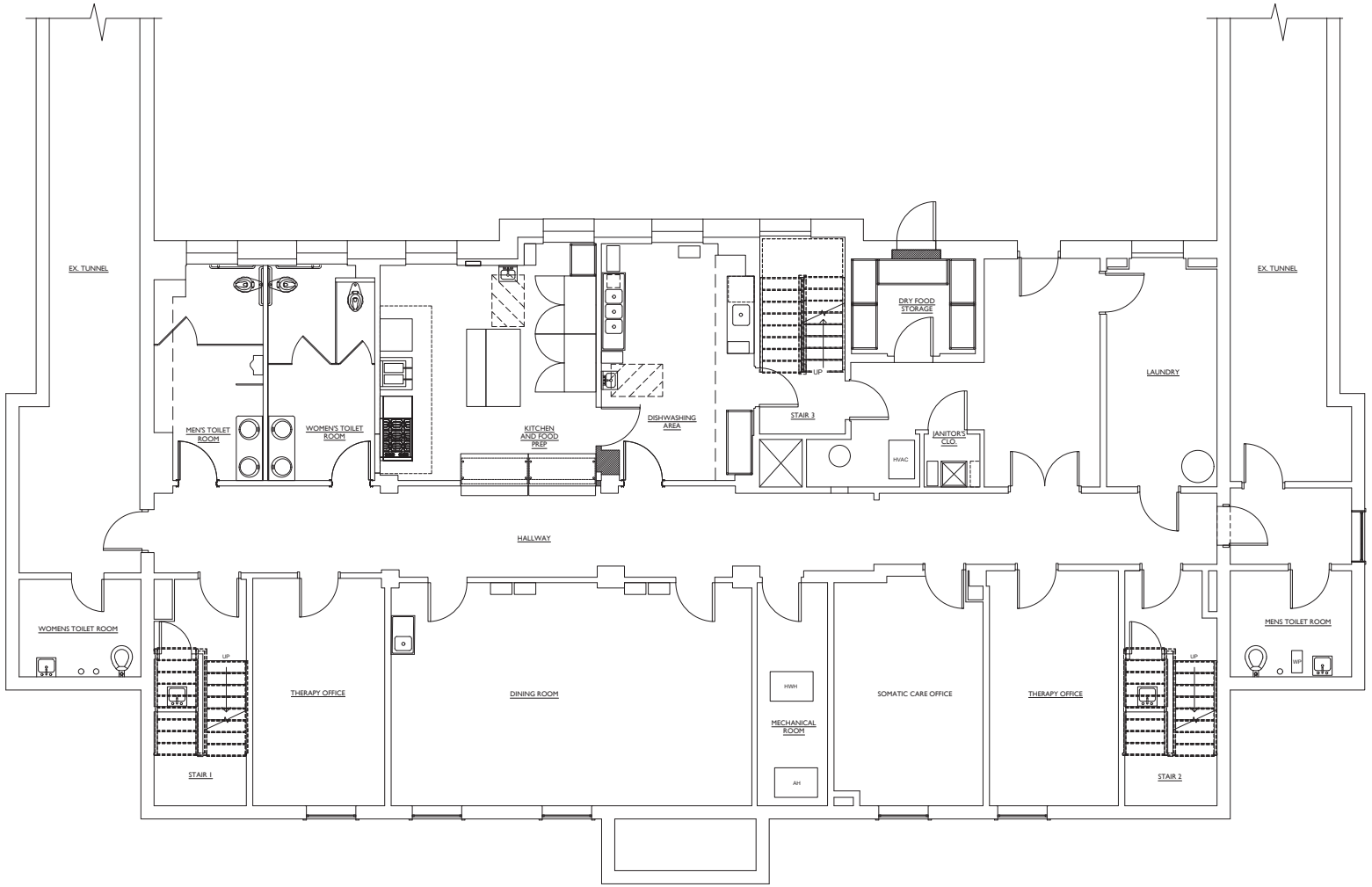
Region	Provider Name	Street	City	BHA 3/1/23 Beds
Central MD	Baltimore Detox Center	1825 Woodlawn Drive	Baltimore	24
Central MD	Ashley, Inc.	800 Tydings Lane	Havre de Grace	121
Central MD Region Total				**145**
Eastern Shore	RCA at Bracebridge Hall	314 Grove Neck Road	Earleville	123
Eastern Shore	Hudson Health Services, Inc	1500- 1506 Harting Drive	Salisbury	51
Eastern Shore	Avenues Recovery Center of Chesapeake Bay	821 Fieldcrest Rd	Cambridge	104
Eastern Shore Region Total				**278**
Montgomery and Southern MD	RCA Capital Region	11100 Billingsley Road	Waldorf	64
Montgomery and Southern MD	Avenues Recovery Center of Maryland	125 Fairground Rd	Prince Frederick	20
Montgomery and Southern MD Region Total				**84**
TRACK 1 TOTAL				**507**
TRACK 2				
Region	**Provider Name**	**Street**	**City**	**Beds**
Central MD	Hope House Treatment Centers	26 Marbury Drive	Crownsville	50
Central MD	Pathways	2620 Riva Road	Annapolis	40
Central MD	Gaudenzia Crownsville	107 Circle Drive	Crownsville	54
Central MD	Pyramid Walden, Joppa	1015 Pulaski Hwy	Joppa	50
Central MD	Gaudenzia - Baltimore	4615 Park Heights Avenue	Baltimore	40
Central MD	Mountain Manor	3800 Frederick Avenue	Baltimore	88
Central MD	Tuerk House	730 Ashburton Street	Baltimore	82
Central MD	Baltimore Crisis Response	5124 Greenwich Avenue	Baltimore	18
Central MD	Shoemaker Center	6655 Sykesville Road	Sykesville	12
Central MD Region Total				**434**
Western MD	Joseph S. Massie Unit	10102 Country Club Road S	Cumberland	45
Western MD	Maryland Treatment Centers, Inc.	9701 Keysville Road	Emmitsburg	103
Western MD Region Total				**148**
Eastern Shore	A.F.Whitsitt Center	300 Scheeler Road	Chestertown	40
Eastern Shore Region Total				**40**
Mont. Co./S. MD	Maryland Treatment Centers, Inc.	14701 Avery Road	Rockville	88
Mont. Co./S. MD	Hope House	429 Main Street	Laurel	22
Mont. Co./S. MD	Hope House	419 Main Street	Laurel	22
Mont. Co./S. MD	Pyramid Walden, LLC - Bowie	3000 Lottsford Vista Road	Bowie	50
Mont. Co./S. MD	Pyramid Walden, LLC - Charlotte Hall	30007 Business Center Drive	Charlotte Hall	52
Montgomery and Southern MD Region Total				**234**
TRACK 2 TOTAL				**856**

Source: (Behavioral Health Administration, March 1, 2023).

APPENDIX 6:

PASCAL CRISIS STABILIZATION CENTER

FLOOR PLANS



1 A-101 BASEMENT FLOOR PLAN
SCALE: 1/4"=1'-0"

TRANSFORMING ARCHITECTURE
CUSTOM DESIGNS, EAST COAST

7612 Browns Bridge Road
Highland, MD 20777
301-776-2666
301-776-2886 fax
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PROJECT PHASE

PERMIT

PROJECT TITLE

Robert A. Pascal Youth and Family Services, Inc.

43 Community Place
Crownsville, MD 21032

REVISIONS

SYMBOL	DATE	ISSUED FOR

PROJECT NUMBER 20-495

DATE 09/21/2022

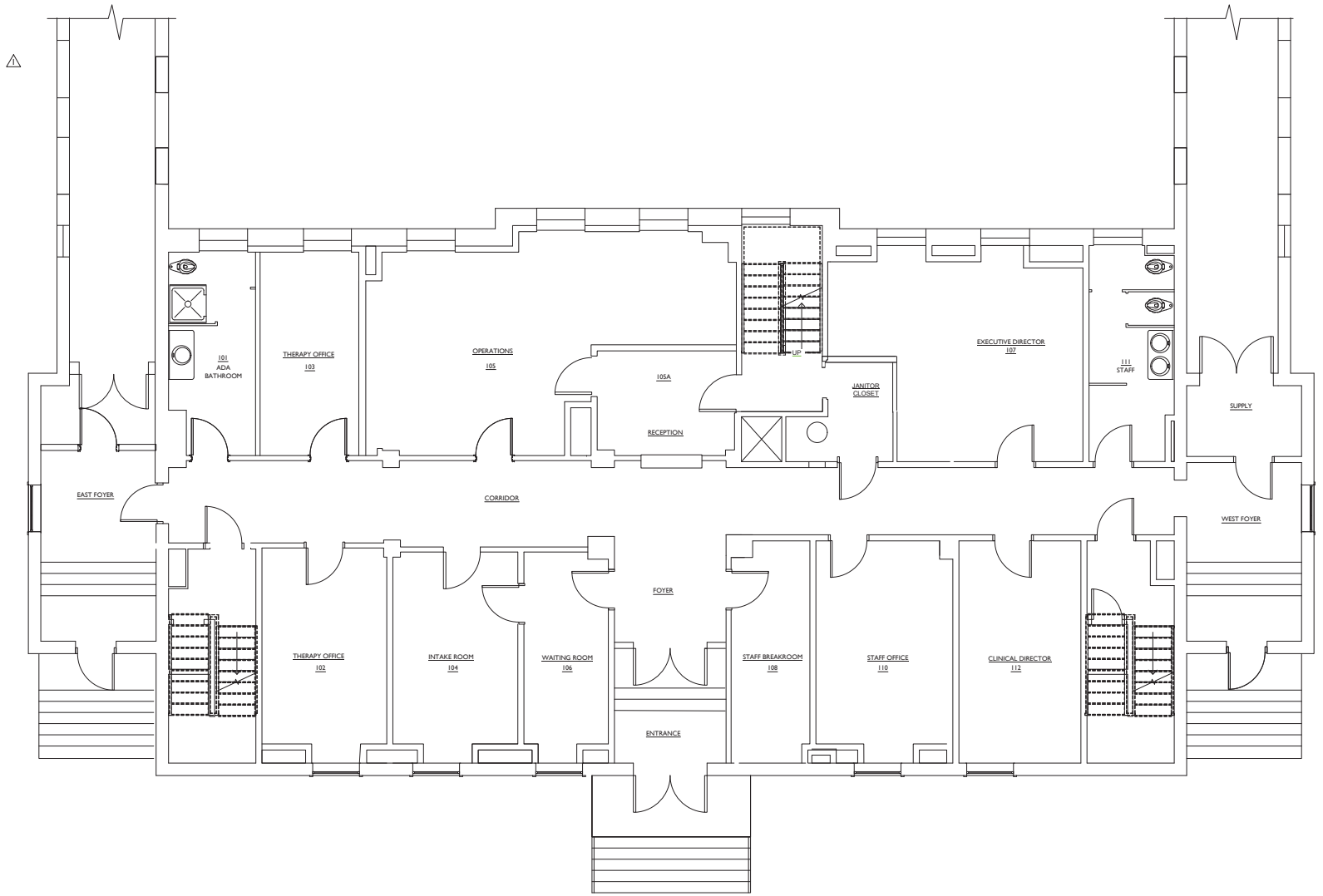
SCALE AS NOTED

DRAWING TITLE

BASEMENT FLOOR PLAN

SHEET NUMBER

A-101



1 A-102 FIRST FLOOR PLAN
SCALE 1/4"=1'-0"

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CUSTOM DESIGNS, EASY FEES

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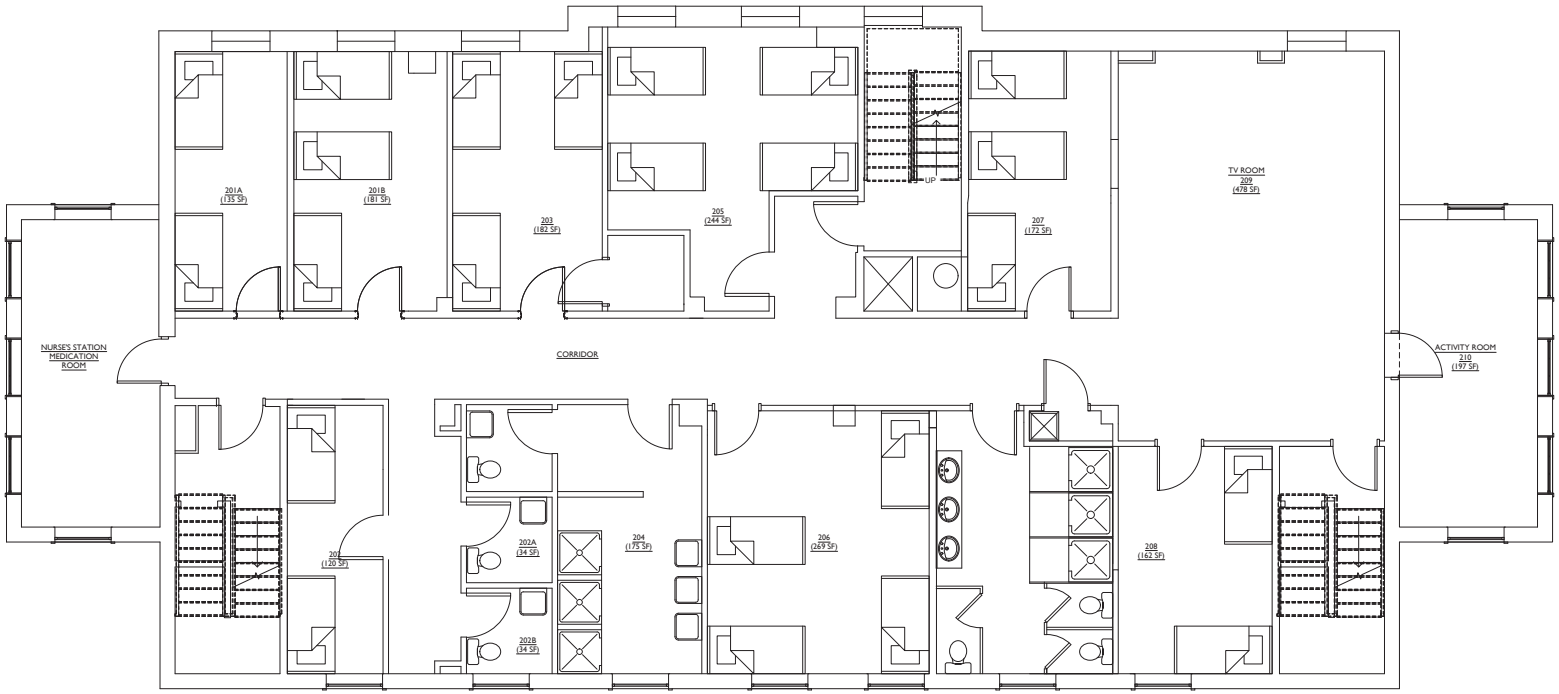
DRAWING TITLE

FIRST FLOOR PLAN

SHEET NUMBER

A-102



1 A-103 SECOND FLOOR PLAN
SCALE: 1/4"=1'-0"

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PROJECT PHASE

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PROJECT TITLE

Robert A. Pascal Youth and Family Services, Inc.

43 Community Place
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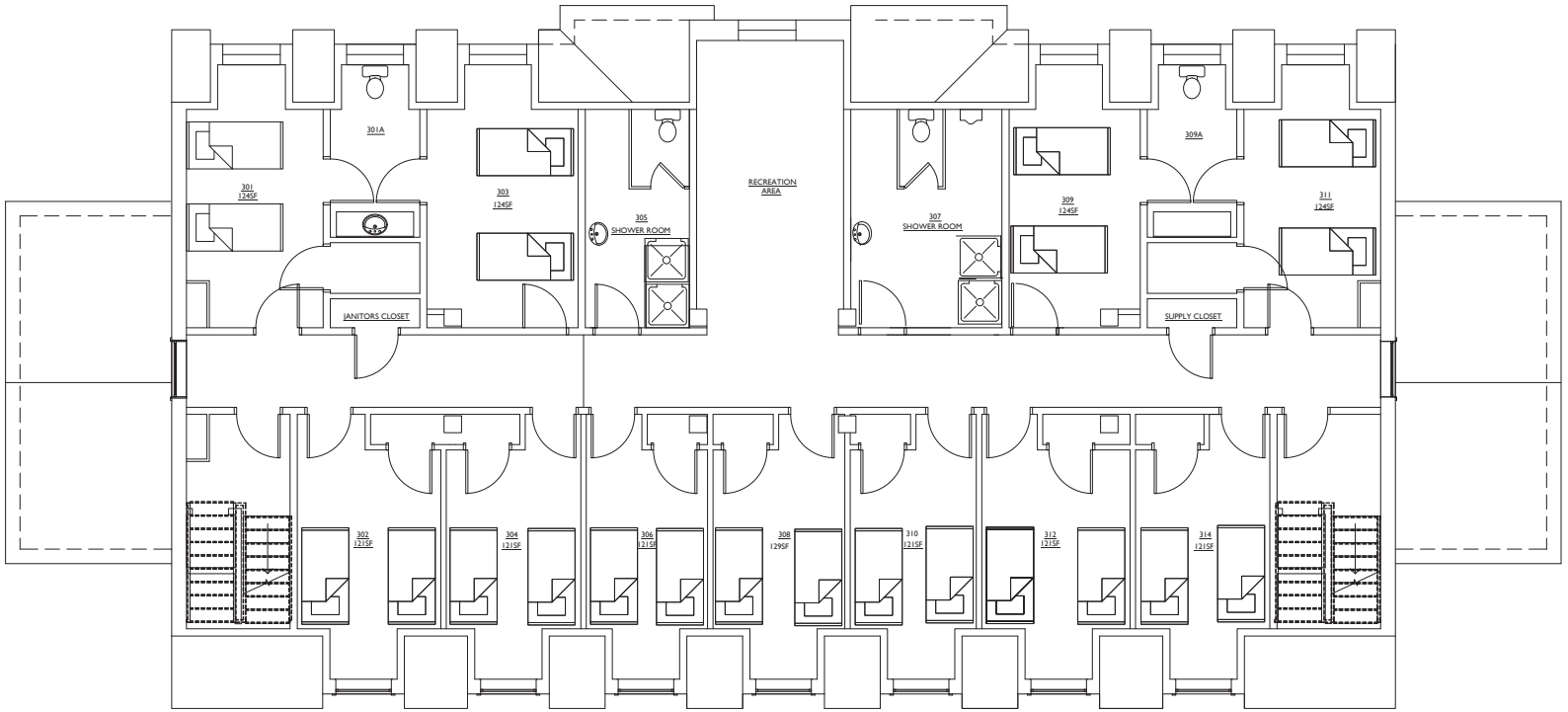
PROJECT NUMBER 20-495
DATE 09/21/2022
SCALE AS NOTED

DRAWING TITLE

SECOND FLOOR PLAN

SHEET NUMBER

A-103



1 A-104 THIRD FLOOR PLAN
SCALE: 1/4"=1'-0"

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PROJECT PHASE

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PROJECT TITLE

Robert A. Pascal Youth and Family Services, Inc.

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REVISIONS

SYMBOL	DATE	ISSUED FOR

PROJECT NUMBER	20-495
DATE	09/21/2022
SCALE	AS NOTED

DRAWING TITLE

THIRD FLOOR PLAN

SHEET NUMBER

A-104