

MARYLAND HEALTH CARE COMMISSION

Certificate of Need

TO: Sandra Gateau, RN Administrator
Harborside Surgery Center
251 National Harbor Boulevard, Suite 200
Baltimore, Maryland 20745

Date: November 21, 2024

RE: Harborside Surgery Center
Establish an Ambulatory Surgical Facility
With Three Operating Rooms and Two Procedure Rooms

Docket No.: 24-16-2470

PROJECT DESCRIPTION

This Certificate of Need authorizes SurgCenter at National Harbor, LLC d/b/a Harborside Surgery Center to establish Harborside Surgery Center (Harborside), an ambulatory surgical facility (ASF) at 251 National Harbor Boulevard, Suite 200 in Oxon Hill, Maryland (Prince George's County). Harborside currently is a multi-specialty ambulatory surgical center (ASC)¹ and proposes to convert one procedure room to an operating room, resulting in three sterile operating rooms and two procedure rooms after project completion, thereby establishing an ambulatory surgical facility.² Upon completion, the facility will have three operating rooms in a sterile corridor and two procedure rooms. The total approved project cost is \$247,985 that the applicant will fund with cash reserves.

ORDER

The Maryland Health Care Commission (Commission) reviewed the Staff Report and Recommendation and, based on that analysis and the record of the review, ordered on November 21, 2024, that a Certificate of Need be issued for the project.

PERFORMANCE REQUIREMENTS

In accordance with COMAR 10.24.01.12A(1), Harborside shall follow the project implantation schedule proposed in the application. Harborside states that a construction contract

¹ Note that an ASC is licensed by the Office of Health Care Quality as a freestanding ambulatory surgical facility under its regulations, COMAR 10.05.05.

² COMAR 10.24.11.07B(3) defines an ambulatory surgical facility as a health care facility that: (a) has three or more operating rooms; (b) operates primarily for the purpose of providing surgical services to patients who do not require overnight hospitalization; and (c) seeks reimbursement from payors as an ambulatory surgical facility.

would be signed within 30 days of receipt of the Certificate of Need; construction would begin within two months of a signed construction contract and was not expected to exceed four weeks.

In accordance with COMAR 10.24.01.12C(1)(b), the project is subject to the following performance requirement:

Obligation of at least 51 percent of the approved capital expenditure, as documented by a binding construction contract or equipment purchase order, within 24 months of the date of this Certificate of Need.

Failure to meet these performance requirements will render this Certificate of Need void, subject to the requirements of COMAR 10.24.01.12 F through I.

PROPOSED CHANGES TO THE APPROVED PROJECT

Before making any changes to the facts in the Certificate of Need application and other information provided to the Commission, Harborside must notify the Commission in writing and receive Commission approval of each proposed change, including the obligation of any funds above those approved by the Commission in this Certificate of Need, in accordance with COMAR 10.24.01.17.

DESIGN APPROVAL AND FACILITIES LICENSURE BY MDH

This Certificate of Need does not constitute a license or replace any approvals required by the Office of Health Care Quality (OHCQ) or others within the Maryland Department of Health (MDH) to construct and operate a new space within an existing facility. MDH requires that Harborside provide all the information required for plan approval and facility licensure, including information pertaining to project design and specifications.

SEMI-ANNUAL STATUS REPORTS

Harborside must submit semi-annual status reports on the approved project to the Commission beginning May 21, 2025, six months from the date of this Certificate of Need, and continuing, at six-month intervals, until the completion of the project.

CONDITIONS TO BE MET PRIOR TO FIRST USE APPROVAL

The following conditions shall be met prior to the Commission granting first use approval.

Prior to first use, Harborside shall provide to the public or patient, upon inquiry or as required by applicable regulations or law, information concerning charges for the full range of surgical services provided.

Prior to first use approval, Harborside shall ensure that it provides to the public, upon inquiry or as required by applicable law, the names of the health care carrier networks in which it and its surgeons currently participate.

Prior to first use approval, Harborside shall provide its plan to ensure that it provides charity care that is equivalent to or greater than the average amount of charity care provided by ASFs in the most recent year reported, measured as a percentage of total operating expenses, and that it reports charity care and bad debt as defined in the Freestanding Ambulatory Surgery Facility Survey.

Prior to first use approval, Harborside shall amend its brochure and website to include a link to the medical financial assistance and charity care policies.

Harborside will adopt a policy stating that annually, as part of the budgeting process, Harborside will include a discussion with its Board to discuss and identify necessary resources needed to address its commitment to Health Equity. Before first use, Harborside will identify the specific social determinants of health of their service area and submit a plan as to how this project plans to address it, including updated plans for the outreach clinic and their discussions with Prince George's County Department of Health.

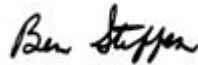
REQUEST FOR FIRST USE REVIEW

Harborside must request in writing a first use review from the Commission not less than 60 days but not more than 120 days before the first use of the approved operating room. The request must include the anticipated date of first use and document that the project has been substantially completed and will be completed, within 120 days or less, in a manner and at a cost consistent with this Certificate of Need. Commission staff will review the request in consultation with OHCQ, as necessary, and in accordance with COMAR 10.24.01.18 determine whether the project conforms to the Certificate of Need. First use approval does not constitute a license or replace any approvals required by OHCQ or others within MDH to operate a new space within an existing health care facility. Therefore, Harborside should assure that OHCQ is notified of the imminent completion of the project and should arrange for completion of any inspections and or approvals required by OHCQ in a timely manner. First use approval remains in effect for 90 days. If first use of the new operating room does not occur within 90 days of approval, Harborside shall reapply for first use approval.

ACKNOWLEDGEMENT OF RECEIPT OF CERTIFICATE OF NEED

Acknowledgement of your receipt of this Certificate of Need, stating acceptance of its terms and conditions, is required within thirty (30) days.

MARYLAND HEALTH CARE COMMISSION



Ben Steffen
Executive Director

cc: Nilesh Kalyanaraman, M.D., Executive Director, Office of Health Care Quality
Matthew D. Levy, M.D., Health Officer, Prince George's County Health Department