

**MARYLAND HEALTH CARE COMMISSION**

4160 PATTERSON AVENUE – BALTIMORE, MARYLAND 21215  
TELEPHONE: 410-764-3460 FAX: 410-358-1236

May 7, 2019

By E-Mail and USPS

David Stup, Chief Executive Officer  
Maryland House Detox, LLC  
817 South Camp Meade Road  
Linthicum, Maryland 21090

**Re: Determination of Coverage – Addition of 24 ICF Beds**

Dear Mr. Stup:

I write in response to your letter of April 10, 2019 seeking a determination of whether a proposal by Maryland House Detox, LLC (“MHD”), located at 817 South Camp Meade Road in Linthicum Heights requires Certificate of Need (“CON”) approval. MHD proposes to add 24 beds for which it will seek licensure from the Behavioral Health Administration within the Maryland Department of Health (“MDH”) as medically-monitored intensive inpatient withdrawal management (“WM”) beds (or Level 3.7 beds, using the American Society of Addiction Medicine level of care taxonomy).

As you know, legislation enacted into law on April 5, 2019 as Maryland Laws Chapter 15 (House Bill 626)<sup>1</sup> reduces the scope of CON regulation by allowing an intermediate care facility (“ICF”) that offers “residential or intensive substance-related disorder treatment services and has a current license issued by the Secretary,” to add ICF beds without obtaining a CON. The Maryland Health Care Commission (“MHCC”) has confirmed that MHD is licensed to provide Level 3.7-WM services. As of this date, Maryland law requires that a non-hospital health care facility obtain a CON for any capital project involving a capital expenditure that exceeds \$6.15 million. MDH’s proposal to add 24 ICF beds through the construction of a building addition of approximately 6,700 square feet at a total estimated capital cost of \$4,718,042 is below the capital review threshold.

I have reviewed the information provided by MHD hereby determine that the addition of 24 WM ICF beds does not require CON review and approval. However, in order for MHCC to maintain an accurate inventory of beds in development and beds operated by alcoholism and drug

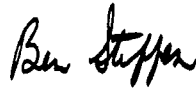
<sup>1</sup> This change is codified at Md. Code Ann., Health – General § 19-120(h)(2)(v).

David C. Stup, Chief Executive Officer  
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abuse treatment intermediate care facilities, this determination of coverage requires MHD to notify MHCC in writing: (1) when construction of this building addition is initiated; (2) if any changes are made in the project prior to or during its implementation; and (3) when the project is completed and ready to accept patients. This determination is limited to the above-described capital project, as detailed in your April 10, 2019 letter.

Within 30 days, please provide written acknowledgment of MHD's receipt of this determination of coverage, stating acceptance of the three requirements listed above. Please contact Kevin McDonald at 410-764-5982 if you have any questions.

Sincerely,



Ben Steffen  
Executive Director

cc: Billie Penley, MBA, Acting Health Officer, Anne Arundel County  
Frances B. Phillips, Deputy Secretary, MDH  
Tricia Tomsko Nay, M.D., Executive Director, OHCQ  
Kevin McDonald, Chief, Certificate of Need  
Suellen Wideman, AAG



March 20, 2019

Health Facilities Coordination Office  
Maryland Healthcare Commission  
4160 Patterson Avenue  
Baltimore, MD 21215

CHS - 9142

Re: Maryland House Detox, LLC Letter of Intent

Mr. Kevin McDonald, Chief, Certificate of Need:

Maryland House Detox, LLC (MHD), located at 817 S. Camp Meade Rd, Linthicum Heights, MD 21090, is hereby filing this Letter of Intent on its own behalf. MHD was formed in Delaware as a limited liability company on July 9<sup>th</sup>, 2014 and was filed as a foreign entity in Maryland on July 20<sup>th</sup>, 2015.

MHD is fully owned and operated by Delphi Health Group, LLC (DHG), located at 1901 West Cypress Creek Road, Suite 600, Ft. Lauderdale, FL 33309. DHG was formed in Delaware as a limited liability company on May 6<sup>th</sup>, 2014.

In an effort to respond to the immense needs of a State that has a growing number of deaths caused from substance use, MHD received a Certificate of Need in December 2016 and began treating patients in May 2018. Maryland is among the top five states with the highest rates of opioid-related overdose deaths. The death rate in Maryland has consistently been above the national average since 1999 and continues to rise. Since beginning operations in May 2018, MHD has admitted 627 patients and maintains an occupancy over 95%.

In response to the consistent and growing need, MHD's proposed project will expand its existing stand-alone 16 bed Level 3.7 detox withdrawal management facility by 24 beds to a total of 40 beds. The expansion will include the addition of approximately 6,700 square feet to its existing structure, developed from the ground up. MHD falls under the jurisdiction of the Central Maryland Planning Region.

Should you have any questions or concerns, please feel free to contact David Stup, Director of Corporate Business Development at 443-900-7585 or [dstup@delphihealthgroup.com](mailto:dstup@delphihealthgroup.com). We look forward to working with you.

Sincerely,

David Stup

Director of Corporate Business Development

Delphi Behavioral Health Group

M: 443.900.7585 O: 954.487.1246 F: 954.337.0473

1901 West Cypress Creek Rd, Suite 600

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