

April 10, 2020

Ben Steffen, Executive Director
Maryland Health Care Commission
4160 Patterson Avenue
Baltimore, MD 21215

Renee Webster, REHS
Deputy Director
Office of Health Care Quality
7120 Samuel Morse Drive, Second Floor
Columbia, MD 21046-3422

RE: Doctors Community Hospital - Emergency Certificate of Need Application

Dear Mr. Steffen and Ms. Webster:

On behalf of Doctors Community Hospital, Inc (DCH) and pursuant to COMAR 10.24.01.20, I write to seek an Emergency Certificate of Need (CON) to expand our bed capacity by 128 beds by converting administrative areas within the hospital, the ground floor of an existing non-clinical building on the DCH campus, which formerly served as a skilled nursing facility, and several floors of mixed clinical and administrative space within the North Building, also on the DCH campus, into acute, inpatient beds.

As you are aware, in response to the novel coronavirus COVID-19 pandemic, the President of the United States declared a national state of emergency, the Secretary of Health and Human Services declared a public health emergency and on March 5, 2020 Maryland Governor Hogan issued a Declaration of State of Emergency and Existence of Catastrophic Health Emergency-COVID-19. On March 16, 2020, Governor Hogan issued an Executive Order calling on health care providers and facilities to respond to the health emergency and immediately increase statewide hospital capacity.

Project Description

DCH is applying for an Emergency CON to expand bed capacity for the expected surge in hospital admissions related to COVID-19 infection and treatment. DCH proposes to temporarily convert non-clinical areas and outpatient areas into 128 low-acuity, MSGA beds¹. Our proposal is to open the beds identified herein in phases to meet the immediate future need, in order to optimize the efficiency of our care processes and costs. All beds described herein can be available within 28 days of receiving a CON, and many can be open sooner.

Field Hospitals DCH is planning to obtain 3 modular inpatient units for temporary utilization in parking areas adjacent to the hospital (8118 Good Luck Road) through the Maryland Hospital Association (MHA), each housing up to 10 inpatient beds. These units will be able to function as early as 7 days following delivery and installation, which will be determined by the MHA. It has been brought to our attention that the MHA will notify the MHCC and OHCQ of these units and request the corresponding CON on behalf of DCH and other hospitals that will be receiving them.

Hospital Tower DCH proposes to convert rooms on the 3rd, 4th and 5th floors that currently serve as administrative space into 15 inpatient, MSGA beds. The hospital tower is located at 8118 Good Luck Road. The cost of this project is expected to be \$200,000.

1. In addition to the beds requested within this CON, DCH is planning to activate up to 215 inpatient MSGA beds located within the hospital tower (8118 Good Luck Road) through the conversion of private rooms into semi-private rooms, as appropriate, as well as through utilization of additional space in the hospital tower and surgical space in the North Building (8100 Good Luck Road), including Operating Rooms, post anesthesia care units (PACUs), and procedural care areas. These changes can be made without a CON by seeking a temporary adjustment of bed licensure through the OHCQ.

North Building DCH proposes to convert administrative and outpatient clinical areas on several floors of the North Building (8100 Good Luck Road) on the DCH campus into low-acuity, MSGA beds. The first floor will have 2 beds built into an administrative area adjacent to the Doctors Community Ambulatory Surgery center. The conference areas on the fourth and fifth floors will be converted into 50 low-acuity MSGA beds, and the Sleep Center will be converted into 10 low-acuity, MSGA beds. The cost of the projects within the North Building that will expand bed capacity by 62 beds is expected to be \$800,000.

Magnolia Gardens DCH proposes to renovate the ground floor of the former Magnolia Gardens Nursing Home facility, a two-story building located on the DCH campus at 8200 Good Luck Road, in order to accommodate low-acuity MSGA hospital beds. The building has been used primarily for storage since 2016. DCH has determined the ground floor of the building has the capacity for 51 beds and the building will need updates including paint, lighting, and cleaning as well as various equipment including beds, portable gases, and IT. DCH has begun the process of preparing for reuse and estimates that the beds can be operational within 10 days following receipt of the Emergency CON. The capital cost of the project, including facility renovation, portable gases, beds, IT and other equipment is estimated to be \$600,000.

Project Summary

| Proposed Unit | Maximum Number of Beds | Estimated Cost | Time from CON to Completion |
|----------------------------------|------------------------|--------------------|-----------------------------|
| Hospital Tower (3, 4, 5 floors) | 15 | \$200,000 | 20 days |
| North Building | 62 | \$800,000 | 28 days |
| Magnolia Gardens | 51 | \$600,000 | 10 days |
| Total DCH Additional Beds | 128 | \$1,600,000 | |

The additional surge beds that don't require a CON and the Field Hospital will also be available within this same time frame. The estimate of capital costs indicated above for each portion of our bed expansion includes any required facility work as well as the acquisition and deployment of all necessary equipment, portable gases, and IT and should total no more than \$1,600,000 if all units are required for operation. DCH intends to use existing cash, available line of credit, and reimbursement from State/Federal/other sources as it becomes available.

DCH seeks a waiver from the Executive Director or designee pursuant to COMAR 10.24.01.10A(2) such that: (1) the requirement under COMAR 10.24.01.20C for the Emergency CON applicant to file a formal CON application be suspended until at least thirty (30) days after the declared state of emergency of March 5, 2020 is terminated; and (2) that any Emergency CON granted pursuant to this Emergency CON application do not expire until thirty (30) days after the declared state of emergency of March 5, 2020 is terminated or 165 days after its issuance, whichever is later.

DCH respectfully request you to act on this request as soon as possible so that DCH can begin work on this critically important project. Please let us know if you need any additional information regarding the requested Emergency CON Application.

Sincerely,



Paul R. Grenaldo
 President
 Doctors Community Hospital, Inc.
 8118 Good Luck Road
 Lanham, MD 20706