

August 19, 2021

VIA E-MAIL

Ruby Potter
Health Facilities Coordinator
Maryland Health Care Commission
4160 Patterson Avenue
Baltimore, Maryland 21215

Re: Hope Health Systems, Inc – Matter No. 20-03-2444 – Completeness Response

Dear Ms. Potter,

On behalf of applicant Hope Health Systems, Inc., we are submitting the below response to the MHCC questions in its letter dated August 5, 2021.

1. Corporate Organization

Please provide a clear and complete description of the Hope Health organization and each Hope Health subsidiary or related entity that details each entity's ownership and role within the organization. Please include an organization chart that shows the relationships between the applicant and the other entities. At a minimum, the chart should include Hope Health Systems, Inc., Hope Health Properties, LLC, and every other entity that exists or will be formed and that is expected play a role in ownership and/or operation of the proposed psychiatric hospital. Supplement the chart with a written description of each involved entity, its role within the organizational structure, detailing whether each is a subsidiary entity, an operating division, a doing business as name, or has other status. My request for this information is based in part on the inconsistencies shown in following information previously provided by Hope Health,

I note that MHCC staff's April 2, 2021 letter gave several examples of Hope Health's inconsistent statements. For example, the applicant has described the ownership of the building that would house the proposed hospital as follows:

- **Owned by Hope Health Systems (application, p. 5);¹**
- **Leased by Hope Health Systems (application, p. 7); and**

- Owned by Hope Health Properties, LLC (HHP) in a copy of a lease between Hope Health Properties, LLC (landlord) and Hope Health Hospital (tenant). (application, Exh. 3).

In addition, the ownership of Hope Health Properties is not clear. For example, in its January 7, 2021 response to staff’s completeness questions, Hope Health stated that it owns 100% of Hope Health Properties, LLC. (DI #13, p. 9). However, in its April 26 modification, Hope Health stated that it “(HHS) leases space within each of the HHP Properties. HHS is not a member of HHP and there is no hierarchal relationship between the parties.” (DI #35, p. 2),

I request that Hope Health correct these inconsistencies and clarify organizational structure and relationships in the requested chart and/or supplemental document.

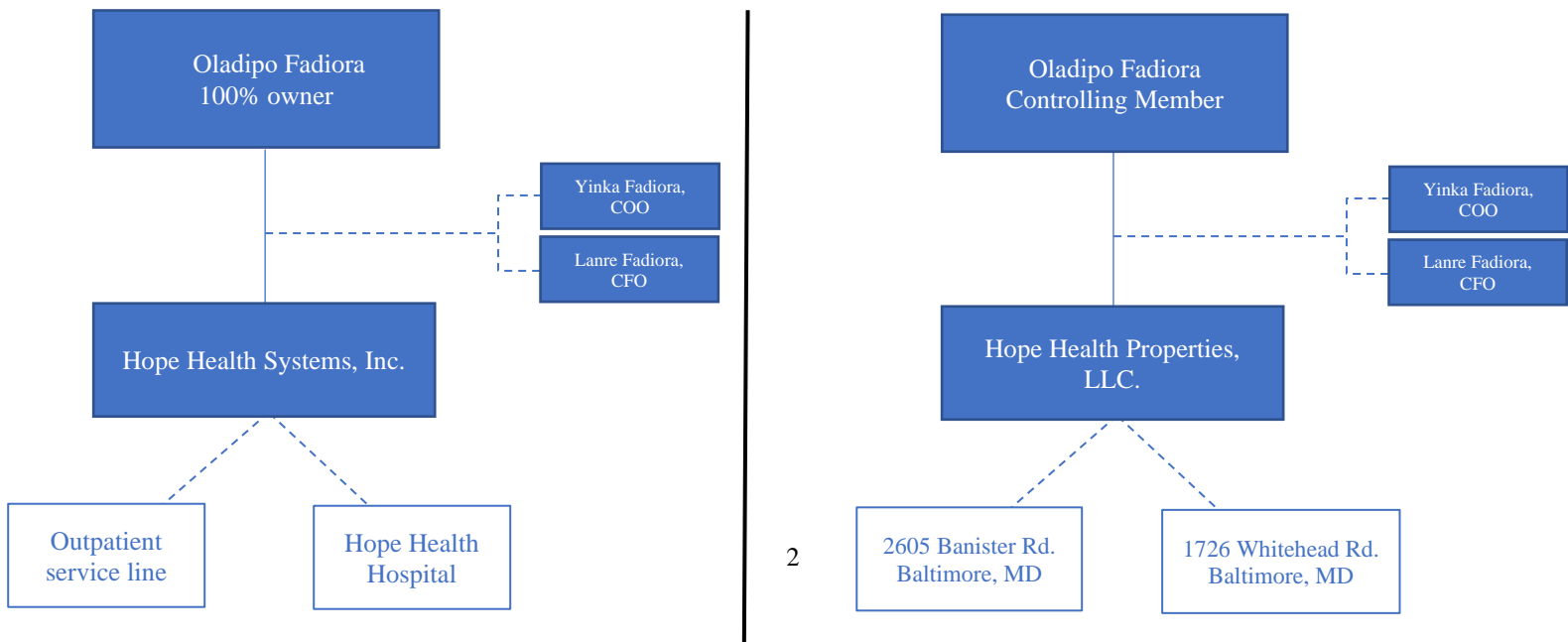
Applicant Response:

The statement on page 5 of the application was an error in understanding the application request. The applicant understood “Owner” to mean the hospital owner and operator, not the physical plant.

Hope Health Systems, Inc. (“HHS”) d/b/a Hope Health Hospital (“HHH”) will operate the hospital. Hope Health Properties, LLC (“HHP”) owns the building where the proposed hospital shall be located. HHS has entered into a lease for a portion of the HHP owned property located at 1726 Whitehead Rd. Baltimore, MD to operate Hope Health Hospital.

HHP and HHS share common ownership and management. The sole shareholder, board chair and president of HHS and the controlling member of HHP is Oladipo Fadiora, MBA. Yinka Fadiora, MHS, M.Ed, CCHP, serves as the chief operating officer/general manager of HHS and HHP and is responsible for day-to-day management of both. Lanre Fadiora, BA, is an accountant and serves as the chief financial officer of both HHS and HHP.

Please see the organizational chart below.



2. Utilization and Volume Projections

Please provide:

- a) A list of the mental disorders, by diagnostic code, that the proposed hospital projects treating;
- b) Projected case volumes, case mix and length of stay, by diagnostic code for the first three years of operation.

Applicant Response: The data available to Hope Health Systems, Inc. is not conducive to a per-APR-DRG analysis. HSCRC was only able to provide summary level data across multiple APR-DRGs as part of the public use request, as HSCRC related that licensing limitations prevent additional detail from being provided to a non-hospital entity. The only available public data Hope Health Systems, Inc. identified was related to publicly posted data for short-term acute care providers. As such the below *estimates* of the requested detail by APR-DRG are based upon the volume experienced by acute care hospitals providing psychiatric services, and that data is not broken down by age groups or include historical data for freestanding psychiatric facilities. We note this level of projected detail was not present in the UMMC 2018 filing (#18-24-2429) public documents, although the below APR-DRGs below do align with the “Most Frequent Inpatient Psychiatric Cases” cited under Exhibit 7 of the UMMC filing for a new adolescent unit.

APR-DRG		2022 (Year 1)			2023 (Year 2)			2024 (Year 3)		
APR-DRG	Medical Conditions (APR-DRG)	Total Case Volume	HHS ALOS	CMI	Total Case Volume	HHS ALOS	CMI	Total Case Volume	HHS ALOS	CMI
750	7. Schizophrenia	173.0	9.2	1.60965	184.0	9.2	1.60965	187.0	9.0	1.60965
751	5. Major depressive disorders & other/unspecified psychoses	128.0		0.95715	137.0		0.95715	140.0		0.95715
752	202. Disorders of personality & impulse control	3.0		0.9482	3.0		0.9482	3.0		0.9482
753	6. Bipolar disorders	140.0		0.9274	149.0		0.9274	151.0		0.9274
754	16. Depression except major depressive disorder	33.0		0.6929	35.0		0.6929	36.0		0.6929
755	67. Adjustment disorders & neuroses except depressive diagnoses	11.0		0.6585	11.0		0.6585	11.0		0.6585
756	107. Acute anxiety & delirium states	4.0		0.523	5.0		0.523	5.0		0.523
757	241. Organic mental health disturbances	2.0		0.8069	2.0		0.8069	3.0		0.8069
758	74. Childhood behavioral disorders	12.0		0.83445	12.0		0.83445	12.0		0.83445
759	308. Eating disorders	1.0		1.2963	1.0		1.2963	1.0		1.2963
760	248. Other mental health disorders	1.0		0.6826	1.0		0.6826	1.0		0.6826
	TOTAL	508.0		1.14	540.0		1.14	550.0		1.14

c) Also, please explain:

Why and how Hope Health projects that it will be able to achieve a lower length of stay than other hospital programs for child and adolescent psychiatric services have been able to achieve. Please detail each underlying assumption and provide supporting data and documentation.

Applicant Response:

Hope Health Systems is an existing outpatient mental health provider and hence, after the establishment of the hospital will have a step-down protocol for its clients through its partial hospitalization and its intensive outpatient program. As stated in CON application of Anne Arundel Medical Center (AAMC) Mental Health Hospital, Docket No. 16-02-2375, application at p. 54 (March 29th, 2016), a reduction in length of stay at the hospital can be achieved by removing delays or barriers to timely care and by strengthening the continuity of care.

Resembling the services provided by AAMC as explained in the CON application of Anne Arundel Medical Center Mental Health Hospital, Docket No. 16-02-2375, application at p. 54 (March 29th, 2016), Hope health hospital team will initiate discharge plans from an early stage. The hospital will leverage the existing partial hospitalization program, the intensive outpatient program and other outpatient services that will assist with reduced length of stay. Hope health hospital intends to maintain the continuity of care by accelerating the discharge process through existing relationship with other community mental health providers and local health departments.

In addition, as stated in Hope Health's response to Sheppard Pratt interested party comments on March 15th 2021, even if HHS was to demonstrate a higher ALOS, the number of patients requiring care will remain the same. Increasing the length of stay at the hospital will only result in reduced total admissions and will further demonstrate a reduced impact to existing providers.

3. Need

Applicant Response:

Please note the data is not conducive to this request from MHCC. We have not seen even existing providers with access to more detailed data produce results at the zip code level in prior submissions.

However, we have sought to develop a response as requested, but note some inconsistencies may be present between these results and our original analyses for need/volume.

Items of note include:

- The original analysis was based on the hospital provider summary data from HSCRC, while this analysis uses the county level summary data.
- The county data includes line items for out-of-state (OOS) and unknown patient volumes. Since a population cannot be tied to these items, the incidence rate for psychiatric patients by county will be slightly skewed from an analysis of the entire State.
- HSCRC cannot provide the applicant with data by zip code, and thus the analysis is based on historical volume data at a county level.
- We used census population data available by ZCTA to estimate the per ZCTA results from the county level.
- We used ZCTA's instead of zip codes as the most granular analysis. The Census Bureau does not provide population estimates by zip code and cross walking from ZCTA to zip code would result in many inaccuracies due to overlapping areas of population.
- Given the multiple layers of calculations required to reach the requested detail, we avoided rounding results. As a result, the figures include fractional results that would not occur for actual patient volumes.

We further note additional considerations below and in Exhibit 1.

- a. **Identify the primary and secondary service areas of the proposed hospital. Please outline the primary service area, specifying those zip code areas from which, cumulatively, Hope Health projects that 60% of its admissions will originate, ranked by order of frequency. For the secondary service area use the zip code areas from which, cumulatively, an additional 25% of admissions will**

Applicant Response:

The applicant estimates the primary service area to be Baltimore County and Baltimore City County and the secondary service area to be Anne Arundel, Carroll, Harford, and Howard Counties.

Please see Exhibit 1 for the ZCTA level breakdown and the provided excel materials for additional details.

- b. **Identify the number of children and adolescents in the primary and secondary service areas;**

Applicant Response:

Please see the below table and the provided excel materials for additional details.

Service Area	0-12 Population (2022)	13-17 Population (2022)
Primary	221,632.45	85,411.83
Secondary	214,916.36	86,182.17

- c. Specify the use rates, in terms of admissions per population, by age group, for the defined service area;

Applicant Response:

Please see the below table and the provided excel materials for additional details.

Service Area	0-12 Incidence Rate Per Person	13-17 Incidence Rate Per Person
Primary	0.003292	0.014694
Secondary	0.001944	0.011638

- d. Specify the market share for psychiatric hospitalization that Hope Health expects to capture from the primary and secondary service area; and

Applicant Response:

Please see the below table and the provided excel materials for additional details.

Service Area	0-12 Market Share (2022)	13-17 Market Share (2022)
Primary	9.98%	14.74%
Secondary	6.65%	7.47%

- e. Calculate the projected case volume and patient days (based on an average length of stay assumption that the applicant can support, identifying source of supporting data)

Applicant Response:

As also noted in the excel materials, the data used in these projections include data from HSCRC by Hope Health Systems, Inc. for historical psychiatric volumes, US Census Bureau data from the American Community Surveys, and population growth projections from the Maryland Department of Planning. Please see the below table and the provided excel materials for additional details.

Service Area	0-12 Admissions (2022)	0-12 Patient Days (2022)	13-17 Admissions (2022)	0-12 Patient Days (2022)
Primary	76.2	701.04	228.6	2,103.12
Secondary	31.75	292.1	95.25	876.3

4. Viability

- a. The following table shows fluctuations of Hope Health’s project budget and revenue and expense projections over the period from October 21, 2020 through April 26, 2021. Please provide a detailed explanation of how and why these changes occurred in Hope Health’s projections over that six-month period, addressing each specific line item.

PROJECT BUDGET (from Table E)				
	Oct 21, 2020 Application	Mar 15, 2021 Submission	Apr 26, 2021 Submission	Percent Change Oct 2020-Apr 2021
Total Capital Costs	\$3,802,866	\$3,802,866	\$875,000	-77.0%
Total Uses and Sources of Funds	\$4,500,000	\$4,500,000	\$1,500,000	-66.7%
OPERATING BUDGET (from TABLE J –Uninflated)				
Net Operating Revenue	\$6,112,302	\$5,844,590	\$5,844,590	-4.4%
Expenses				
Salaries/Benefits	\$3,558,457	\$3,962,262	\$4,603,463	29.4%
Contractual Expense	\$608,769	\$634,135	\$528,445	-13.2%
Project Amortization	\$341,317	\$341,317	\$113,772	-66.7%
Supplies	\$522,555	\$544,328	\$473,329	-9.4%
Other Expenses	\$305,000	\$125,000	\$125,000	-59.0%
Total Expenses	\$5,336,098	\$5,787,042	\$6,011,217	12.7%
Net Income (Loss)	\$776,205	\$57,548	(\$166,627)	-121.5%

Applicant Response:

Capital Costs – The applicant initially planned for the build out of the hospital building to be undertaken by the applicant entity Hope Health Systems, Inc. During its internal analysis of the project between the March 15, 2021 and April 26, 2021 filings, the applicant’s legal counsel determined a more advantageous and appropriate financing arrangement would place responsibility for the build-out with Hope Health Properties, LLC. Under agreement between Hope Health Systems, Inc. and Hope Health Properties, LLC, the lease was adjusted to represent Hope Health Properties, LLC’s responsibility for the project buildout. With this adjustment, the capital costs reportable by Hope Health Systems, Inc. decrease to \$875,000.

Total Use and Source of Fund – As noted above the applicant initially anticipated the costs associated with the build out of the structure to reside with Hope Health Systems, Inc. Once those costs were moved to Hope Health Properties, LLC, the total use and source of funds were adjusted downward.

Net Operating Revenue – The applicant conservatively reduced its per diem reimbursement rate assumption from \$1,658.37 to \$1,585.73 on March 15, 2021. The applicants previously averaged two different approaches to identify an estimate on its prospective rates, as detailed in our February 26, 2021 submission to MHCC. As explained in our April 26, 2021 response, the \$1,585.73

estimate is based upon the FY 2021 unit rates reported for Sheppard Pratt and Brook Lane.

Salaries – From October to March, HHS increased the FTEs in order to demonstrate the viability of the proposed project in keeping with comments from stakeholders that claimed the project did not account for enough staff. Between March and April, HHS (1) adjusted assumptions regarding regular employees vs. contracted personnel for certain roles (2) made minor revisions to staffing FTEs by role, and (3) corrected the employee benefits chart after pre-blacked out lines on the MHCC excel document errantly led to a blank response line.

Contractual Expense – Between the original submission and March modification HHS increase the costs associated with the project (120% to 125% of Sheppard Pratt’s reported costs) to show MHCC a more conservative assumption in response to comments. Between March and April an error in the applicant’s formulas was discovered – the applicant had incorrectly increased Sheppard Pratt’s reported costs for laundry/linen/housekeeping/dietary by 140% (original) and 145% (March modification) when it intended to use 120 and 125%. We reported the corrected amount in the April response.

Project Amortization – As reported above, the project build out was moved from Hope Health Systems, Inc. to Hope Health Properties, LLC between the March and April submissions. As such, the project amortization was likewise reduced in the April filing.

Supplies – As with the contractual expenses, the applicants based its projections on a multiple of Sheppard Pratt’s reported costs per patient day. The applicant identified the same error of using 140% (original) and 145% (March modification) when it intended to use 120% and 125%, and the April response includes this correction.

Other Expenses – The “Other Expenses” first reflected both the lease costs and miscellaneous costs (marketing, training, recruitment, etc.) in the original submission. In the March/April submissions, the table was amended to break out the lease costs in a separate line item and reflect the amended lease terms. The \$125,000 figure in March/April is representative of the remaining miscellaneous items (marketing, training, recruitment, etc.).

Total Costs – This is a function of the above described adjustments.

Net Income (Loss) – This is a function of the above described adjustments.

- b. Please explain the turnaround in Hope Health’s financial status between December 31, 2017 (liabilities exceeded value of assets by 52%; negative equity of approximately \$125,000)² and December 31, 2018 (current assets 3% greater than current liabilities and total equity of \$296,000).³**

Applicant Response:

Please see the letter attached as Exhibit 2 for a statement from our accountants regarding the financials status between the referenced dates.

- c. Please provide audited financial statements for 2019 and 2020.**

Applicant Response:

Please find the 2019 audited financial statements attached for your review as Exhibit 3. The 2020 audited financial statements have not been completed at this time. Our auditors have estimated the 2020 documents will be completed in mid-October. We will be happy to provide them as soon as they are available for submission.

- d. Please provide a Table F and a Table G for each outpatient facility operated by Hope Health. They are listed as Woodlawn, Greenspring, and Carroll County in Maryland, and Middletown in Delaware. (CON application, pp. 14-15).**

Applicant Response:

Hope Health Systems, Inc. is not currently designing the outpatient facilities to be hospital locations, and are not part of the proposed project for purposes of the requested tables. As a result, there are not substantive projections for future years that would align with the inpatient hospital projections.

However, in an effort to be responsive, please find the requested tables attached as Exhibit 4 for the three (3) outpatient facilities in Maryland for CY 2019 and CY 2020. The Delaware facility is no longer operational as the contract was canceled due to the COVID-19 pandemic.

- e. Regarding staffing, Hope Health states that it “is uniquely positioned to ensure successful transition (by discharged patients) to an outpatient venue since it is currently successfully operating a suite of outpatient services” and that its “current staff members already have specialization in children and adolescent mental health treatment.” Please clarify whether or not the proposed hospital will be sharing staff with outpatient services that Hope Health or one of its related entities currently provide at the site. If so, please include the shared employees on the Workforce Table (Table L) if they are not already included on that table.

Applicant Response:

The statements referenced in this question were not meant to indicate any formally “shared” staffing between hospital and non-hospital operations under Hope Health Systems, Inc. All hospital staff will maintain defined job roles/responsibilities under the licensed and certified hospital and will not “float” between non-hospital outpatient and hospital inpatient settings. Any individuals that may work in both the inpatient and non-hospital outpatient settings for Hope Health Systems, Inc. would be required to clock in and out when starting/ending a hospital shift. This is in keeping with federal requirements under the Conditions of Participation (CoPs) as interpreted and enforced by the Centers for Medicare and Medicaid (CMS).

5. Zoning

Has Hope Health received approval of its requested zoning change that would enable locating a hospital on the proposed site? If not, detail the steps of the process that have been completed, the steps that remain, and any timetable for completing the process. Please provide relevant documentation from the Baltimore County Department of Planning.

Applicant Response:


In order to utilize the subject property for a hospital land use, a text amendment of the Baltimore County Zoning Regulations will be required. Proposed legislation to put into place such a text amendment is attached as Exhibit 5. The drafted text amendment must be approved by a majority vote of the Baltimore County Council. Hon. Thomas Quirk, the Councilman representing the Council District in which the property is located, has agreed to sponsor such legislation. Due to the Covid pandemic and summer vacation schedule, the next Council work session is scheduled for August 31, 2021. Council legislative sessions are scheduled for September 7 and 20, 2021. It is anticipated that this legislation will be considered at one or more of these meetings.

One or more persons shall be officially authorized in writing by the applicant to sign for and act for the applicant for the project which is the subject of this application. Copies of this authorization shall be attached to the application. The undersigned is the owner(s), or Board-designated official of the applicant regarding the project proposed in the application.

I hereby declare and affirm under the penalties of perjury that the facts stated in this application and its attachments are true and correct to the best of my knowledge, information, and belief.

8/17/21

Date



Signature of Owner or Board-designated Official

CFO

Position/Title

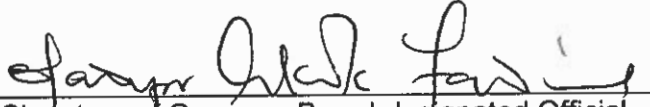
Lanre Fadiora

Printed Name

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8/17/21
Date


Signature of Owner or Board-designated Official

CEO
Position/Title

Oladipo Fadiora
Printed Name

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8/17/21
Date



Signature of Owner or Board-designated Official

Executive Director
Position/Title

Yinka Fadiora
Printed Name

EXHIBIT 1 – SERVICE AREA BY ZCTA

- a. Identify the primary and secondary service areas of the proposed hospital. Please outline the primary service area, specifying those zip code areas from which, cumulatively, Hope Health projects that 60% of its admissions will originate, ranked by order of frequency. For the secondary service area use the zip code areas from which, cumulatively, an additional 25% of admissions will

Applicant Response:

Age 0-12 - Primary Service Area (60% of Projected Admissions)		
County	ZCTA	Projected Admissions (2022)
Baltimore County	21117	3.302036606
Baltimore County	21234	3.136783967
Baltimore County	21222	3.016286563
Baltimore City	21215	3.004265036
Baltimore County	21221	2.563442942
Baltimore County	21220	2.526120208
Baltimore City	21206	2.507180664
Baltimore City	21224	2.326667879
Baltimore City	21229	2.243875385
Baltimore County	21236	2.236124958
Baltimore County	21244	2.104769783
Baltimore County	21228	2.077349085
Baltimore County	21227	2.062379346
Baltimore City	21213	2.007590034
Baltimore City	21217	1.979723045
Baltimore City	21218	1.896533907
Baltimore County	21093	1.858138969
Baltimore City	21230	1.698582193
Baltimore County	21136	1.676203438
Baltimore County	21133	1.637073545
Baltimore County	21207	1.615628046
Baltimore County	21237	1.586408139
Baltimore City	21216	1.539616809
Baltimore County	21208	1.521711025
Baltimore City	21223	1.517446767
Baltimore City	21205	1.404262864
Baltimore City	21212	1.398547255
Baltimore City	21225	1.373083897
Baltimore County	21030	1.304108276
Baltimore City	21239	1.172365836
Baltimore City	21214	1.129711251
Baltimore County	21209	1.051085527
Baltimore City	21209	0.904133372
Baltimore County	21128	0.80264385

Baltimore County	21286	0.768328809
Baltimore County	21212	0.712089868
Baltimore County	21204	0.708311665
Baltimore City	21207	0.680457607
Baltimore City	21201	0.654119219
Baltimore County	21206	0.647020313
Baltimore City	21202	0.622957611
Baltimore City	21231	0.617672492
Baltimore City	21211	0.569420046
Baltimore County	21224	0.494921873
Baltimore City	21210	0.482642751
Baltimore City	21234	0.449544373
Baltimore County	21219	0.442814415
Baltimore County	21229	0.409286104
Baltimore County	21131	0.387377167
Baltimore County	21120	0.366118247
Baltimore County	21152	0.304528901
Baltimore County	21111	0.277089924
Baltimore County	21162	0.258388158
Baltimore County	21239	0.245780211
Baltimore County	21087	0.198399718
Baltimore County	21053	0.185861747
Baltimore County	21057	0.177453878
Baltimore City	21226	0.176417189
Baltimore County	21013	0.169528471
Baltimore County	21163	0.122552218
Baltimore County	21161	0.118692467
Baltimore City	21222	0.104005725
Baltimore City	21208	0.094078954
Baltimore County	21215	0.089358076
Baltimore County	21074	0.067417709
Baltimore County	21155	0.064470559
Baltimore County	21043	0.059725726
Baltimore City	21227	0.053752827
Baltimore County	21102	0.049559259
Baltimore County	21153	0.035955601
Baltimore County	21210	0.033855452
Baltimore County	21082	0.030353636
Baltimore County	21071	0.026385669
Baltimore City	21228	0.011746801
Baltimore City	21236	0.011283042
Baltimore County	21051	0.010458568
Baltimore County	21104	0.008626241
Baltimore County	21052	0.007861015
Baltimore County	21156	0.007792659

Baltimore City	21237	0.002552781
Baltimore County	21085	0.001103796
Baltimore City	21031	0
Baltimore County	21105	0
Baltimore County	21250	0
Baltimore County	21251	0
Baltimore County	21252	0

Age 0-12 - Secondary Service Area (25% of Projected Admissions)		
County	ZCTA	Projected Admissions (2022)
Anne Arundel County	21122	1.395856229
Anne Arundel County	21061	1.303070763
Howard County	21043	1.219782838
Howard County	20723	1.1324494
Anne Arundel County	21144	1.080623555
Howard County	21042	1.060817107
Howard County	21045	1.060454259
Howard County	21075	0.969772433
Howard County	21044	0.959461495
Anne Arundel County	21113	0.90430143
Carroll County	21157	0.844614555
Carroll County	21784	0.839413439
Harford County	21014	0.808919761
Anne Arundel County	21060	0.799679869
Anne Arundel County	21401	0.783353195
Anne Arundel County	21114	0.779011311
Harford County	21009	0.761125746
Anne Arundel County	21146	0.744514151
Harford County	21040	0.733377318
Anne Arundel County	21403	0.726254447
Harford County	21015	0.703475732
Harford County	21001	0.590692776
Anne Arundel County	21012	0.575775453
Anne Arundel County	20724	0.479302359
Carroll County	21158	0.456906309
Anne Arundel County	21108	0.449920295
Anne Arundel County	21225	0.447518963
Anne Arundel County	21037	0.447451964
Anne Arundel County	21409	0.436835165
Harford County	21050	0.435938425
Anne Arundel County	20755	0.425861499
Harford County	21078	0.362882727
Harford County	21085	0.349292135
Howard County	21046	0.336692942
Carroll County	21771	0.317691282
Anne Arundel County	21076	0.305938485
Carroll County	21074	0.299347566
Anne Arundel County	21054	0.283174106
Harford County	21047	0.261168815
Carroll County	21102	0.236944246
Carroll County	21048	0.226929832

Howard County	21029	0.2208234
Anne Arundel County	20711	0.217123939
Carroll County	21787	0.20899227
Anne Arundel County	21090	0.208678083
Howard County	20759	0.197903485
Anne Arundel County	21035	0.18925856
Anne Arundel County	21032	0.1781362
Harford County	21017	0.17082721
Howard County	21797	0.158116134
Harford County	21084	0.152510215
Howard County	20794	0.132470056
Carroll County	21776	0.116747706
Anne Arundel County	20794	0.111253141
Harford County	21132	0.110296212
Anne Arundel County	21226	0.099320329
Harford County	21005	0.095254441
Howard County	21163	0.092622
Harford County	21154	0.090887476
Howard County	21738	0.090530639
Carroll County	21797	0.083340362
Anne Arundel County	21140	0.082406579
Howard County	20777	0.080351585
Anne Arundel County	20776	0.077291483
Howard County	21771	0.075737089
Anne Arundel County	20764	0.075655842
Harford County	21034	0.073449939
Carroll County	21104	0.064082258
Howard County	21737	0.063800818
Harford County	21160	0.061349804
Anne Arundel County	20733	0.060310553
Harford County	21028	0.054950986
Howard County	21794	0.05406439
Harford County	21161	0.053271818
Carroll County	21791	0.050007377
Howard County	21784	0.049632298
Howard County	21104	0.048996627
Howard County	21076	0.045130038
Anne Arundel County	20751	0.042913278
Anne Arundel County	21402	0.041693982
Anne Arundel County	20778	0.040831553
Harford County	21013	0.035328207
Howard County	21036	0.033865837
Harford County	21111	0.029004204
Carroll County	21757	0.028479051
Anne Arundel County	20714	0.023874063
Carroll County	21136	0.022248438
Anne Arundel County	20779	0.020757774
Anne Arundel County	20754	0.020609603
Harford County	21087	0.015423277
Howard County	20763	0.015421051
Howard County	21723	0.010220226
Anne Arundel County	20758	0.009159591
Anne Arundel County	20765	0.006512826

Carroll County	21155	0.004520205
Anne Arundel County	21077	0.00446084
Anne Arundel County	21405	0.004044495
Harford County	21010	0.002699027
Harford County	21130	0.002577723
Howard County	20833	0.001786033
Harford County	21082	0.001090286
Anne Arundel County	20736	0.000302713
Anne Arundel County	20701	0
Anne Arundel County	20701	0
Anne Arundel County	21056	0
Howard County	21240	0

Age 13-17 - Primary Service Area (60% of Projected Admissions)		
County	ZCTA	Projected Admissions (2022)
Baltimore County	21117	9.818321751
Baltimore County	21222	9.126055942
Baltimore City	21218	8.6158926
Baltimore County	21234	8.452779068
Baltimore City	21215	8.133598709
Baltimore County	21228	7.280569256
Baltimore City	21206	7.042189264
Baltimore County	21136	6.66971075
Baltimore City	21229	6.401971645
Baltimore County	21093	6.22591537
Baltimore County	21244	6.20356593
Baltimore County	21133	6.174830936
Baltimore City	21213	6.06077952
Baltimore County	21221	5.983264309
Baltimore County	21220	5.947079502
Baltimore City	21217	5.711334946
Baltimore County	21236	5.423349647
Baltimore County	21207	5.185037837
Baltimore County	21208	5.11140947
Baltimore County	21204	4.89825222
Baltimore City	21216	4.85749331
Baltimore City	21210	4.429552371
Baltimore County	21227	4.148295802
Baltimore City	21224	4.100756658
Baltimore County	21286	3.996824815
Baltimore County	21237	3.911269457
Baltimore City	21239	3.87240975
Baltimore City	21225	3.754674606
Baltimore City	21212	3.278197471
Baltimore City	21223	3.163168012
Baltimore City	21214	3.002872336
Baltimore City	21230	2.945165892
Baltimore County	21030	2.933097907
Baltimore County	21252	2.881481344
Baltimore City	21205	2.876238751
Baltimore County	21128	2.8085796
Baltimore City	21201	2.30238023

Baltimore City	21202	2.199256678
Baltimore City	21207	2.183793756
Baltimore County	21250	1.995485695
Baltimore County	21209	1.967543042
Baltimore County	21206	1.817355871
Baltimore City	21209	1.69246106
Baltimore County	21120	1.675143725
Baltimore County	21131	1.6692903
Baltimore County	21212	1.669140027
Baltimore County	21219	1.640555306
Baltimore City	21231	1.466171119
Baltimore City	21234	1.211399736
Baltimore County	21229	1.167728855
Baltimore City	21211	1.123672691
Baltimore County	21152	0.967943595
Baltimore County	21224	0.872300763
Baltimore County	21057	0.813093905
Baltimore County	21239	0.811829937
Baltimore County	21162	0.710925037
Baltimore City	21251	0.705300976
Baltimore County	21111	0.66304083
Baltimore County	21053	0.593324413
Baltimore County	21087	0.548780277
Baltimore County	21013	0.510505904
Baltimore County	21163	0.493709555
Baltimore County	21161	0.439370351
Baltimore County	21155	0.401318567
Baltimore City	21226	0.387137248
Baltimore City	21208	0.316010102
Baltimore City	21222	0.314679007
Baltimore County	21210	0.310715322
Baltimore County	21074	0.271694264
Baltimore County	21215	0.24192364
Baltimore County	21043	0.191926133
Baltimore County	21102	0.190426539
Baltimore County	21071	0.1442071
Baltimore City	21227	0.108119113
Baltimore County	21082	0.092547327
Baltimore County	21153	0.07715878
Baltimore County	21156	0.053212952
Baltimore City	21228	0.041169487
Baltimore County	21104	0.037366348
Baltimore City	21236	0.027365144
Baltimore County	21052	0.023945828
Baltimore County	21051	0.02234944
Baltimore City	21237	0.006293849
Baltimore County	21085	0.002943421
Baltimore County	21031	0
Baltimore County	21105	0

Age 13-17 - Secondary Service Area (25% of Projected Admissions)		
County	ZCTA	Projected Admissions (2022)
Anne Arundel County	21122	4.299057063

Howard County	21043	3.766968154
Anne Arundel County	21061	3.600012541
Howard County	21042	3.447934788
Howard County	21044	2.99867626
Howard County	21045	2.958184177
Harford County	21014	2.819855024
Howard County	21075	2.78920325
Carroll County	21157	2.662454633
Harford County	21015	2.602960551
Howard County	20723	2.528832371
Carroll County	21784	2.507976005
Anne Arundel County	21144	2.467346831
Anne Arundel County	21146	2.467346831
Anne Arundel County	21113	2.272228421
Anne Arundel County	21114	2.128948767
Anne Arundel County	21060	2.089791595
Harford County	21009	1.995610652
Anne Arundel County	21012	1.856628432
Harford County	21040	1.785976245
Harford County	21001	1.762834785
Carroll County	21158	1.748491142
Anne Arundel County	21401	1.638371692
Anne Arundel County	21403	1.63147469
Anne Arundel County	21409	1.598547068
Anne Arundel County	21108	1.580525869
Anne Arundel County	21037	1.422339792
Harford County	21050	1.357178595
Anne Arundel County	21402	1.252807034
Howard County	21046	1.204582912
Howard County	21029	1.182866488
Anne Arundel County	20724	1.180944723
Anne Arundel County	21225	1.176043602
Carroll County	21074	1.15936174
Harford County	21078	1.109428841
Harford County	21047	1.049306419
Carroll County	21771	1.042208681
Anne Arundel County	20755	0.913519034
Harford County	21085	0.895136331
Carroll County	21102	0.874954739
Anne Arundel County	21054	0.781808545
Anne Arundel County	21076	0.774266451
Carroll County	21048	0.731170793
Carroll County	21787	0.677892995
Anne Arundel County	21035	0.652322895
Anne Arundel County	21090	0.612943239
Anne Arundel County	20711	0.527731892
Howard County	21738	0.487036058
Harford County	21084	0.461467948
Howard County	21797	0.456317927
Harford County	21017	0.434696454
Howard County	20759	0.386823808
Howard County	20794	0.382286026
Harford County	21154	0.381834098

Harford County	21005	0.371851507
Carroll County	21776	0.367754536
Howard County	21163	0.358592547
Anne Arundel County	21032	0.334838321
Anne Arundel County	21140	0.333280934
Harford County	21132	0.323299816
Anne Arundel County	20794	0.321057622
Howard County	20777	0.310382538
Anne Arundel County	20764	0.309252669
Harford County	21160	0.295847691
Carroll County	21104	0.266767935
Howard County	21737	0.257656326
Howard County	21771	0.248460868
Carroll County	21797	0.240517526
Anne Arundel County	20776	0.229158452
Anne Arundel County	21226	0.209458968
Howard County	21794	0.208115733
Carroll County	21791	0.207683783
Harford County	21028	0.20555062
Howard County	21104	0.203967987
Harford County	21034	0.194660521
Harford County	21161	0.189514246
Howard County	21036	0.173278969
Anne Arundel County	20733	0.171090145
Howard County	21784	0.148289993
Anne Arundel County	20778	0.128595714
Howard County	21076	0.114214706
Anne Arundel County	20751	0.111909419
Harford County	21013	0.102238972
Carroll County	21136	0.08507786
Howard County	20763	0.080984166
Carroll County	21757	0.07761712
Anne Arundel County	20779	0.072307279
Anne Arundel County	20754	0.07181995
Harford County	21111	0.06669868
Anne Arundel County	20714	0.060802545
Howard County	21723	0.05338621
Harford County	21087	0.040998773
Carroll County	21155	0.027040998
Anne Arundel County	20765	0.024918201
Anne Arundel County	21405	0.022915845
Anne Arundel County	20758	0.02091349
Anne Arundel County	21077	0.010011777
Harford County	21010	0.009075083
Howard County	20833	0.008205913
Harford County	21082	0.003194701
Anne Arundel County	20736	0.001226443
Anne Arundel County	20701	0
Howard County	20701	0
Anne Arundel County	21056	0
Harford County	21130	0
Anne Arundel County	21240	0

EXHIBIT 2 – CPA STATEMENT



Francis Awoyera & Associates, PC.

Certified Public Accountants & Management Consultants

7600 Georgia Avenue, NW • Washington DC 20012 • Suite 302 • Tel: 202-723-1269 • Fax: 202-723-1639

August 12, 2021

Lanre Fadiora, CFO

Hope Health Systems, Inc.

1726 Whitehead Road

Woodlawn, Maryland 21207

Subject Viability of Hope Health Systems for 2017 and 2018

Dear Mr. Fadiora,

In response to the line item 4(b) for Hope Health Systems, we determined the root causes of the turnaround in Hope Health's financial status prior to December 31, 2017, and December 31, 2018.

In 2015, Beacon Health Strategies, which was the administrative service organization (ASO) for Maryland's public behavioral health systems merged with Value Options. ASO is responsible for the authorization of services, claims, and check runs. While the merger was conducted in 2015, the new updated patient enrollment and payment platform was not implemented in Maryland until late 2017.

The merger of the two companies resulted in changes to the Medicaid reimbursement and payout system. This transition affected behavioral health providers in Maryland in numerous ways including but not limited to delay in patient enrollment and prior patient authorization of services as well as delayed payments to Medicaid behavioral health service providers.


The reimbursement/enrolment structure was not resolved until late 2017, affecting the funding for Medicaid recipients for behavioral health services in Maryland. HHS' financial outlook changed in 2018, once a streamlined reimbursement structure was established by the state to pay the behavioral health providers.

These developments prior to 2017 had financial effects on Hope Health Systems' financial statements and our audits confirmed the impacts and changes in the financial statements of 2017 and 2018.

In 2017, there were payment delays from the services rendered to DJS; these payment delays had significant impacts on the cash flows and financial status of Hope Health in which the payables were increased and the effects of that were reflected in the balance sheet in 2017. The accounts payable, credit cards, IRS liabilities, payroll liabilities and notes payable were increased and all these payables affected the balance sheet and the retained earnings in 2017.

In 2018, the new contracts came in, that boosted the revenue and changed the financial status of Hope Health Systems: DJS-Cheltenham Income, Mobile Treatment Services Income, and Service Income from Medicare/Novitas changed the financial outlook of Hope Health Systems in 2018.

Yours truly,

A handwritten signature in black ink, appearing to read "Francis Awoyera", with a long horizontal flourish extending to the right.

Francis Awoyera, CPA, FCA

EXHIBIT 3 – 2019 AUDITED FINANCIALS

HOPE HEALTH SYSTEMS, INC.

AUDITED FINANCIAL STATEMENTS

DECEMBER 31, 2019

HOPE HEALTH SYSTEMS, INC.

Independent Auditor's Report	1
Financial Statements	3
- Balance Sheet	3
- Income Statement	4
- Statement of Cash Flows	5
Notes to Financial Statements	6

PATUXENT

ACCOUNTING & TAX

Certified Public Accountants

201 W Padonia Rd Ste 301 * Lutherville, MD 21093 * Tel 443-562-5953 * Fax 410-529-0703

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Hope Health Systems, Inc.
6707 Whitestone Road Suite 106
Baltimore, MD 21207

We have audited the accompanying financial statements of Hope Health Systems, Inc., which is comprised of the Balance Sheet as of December 31, 2019, the related Income Statement and Statement of Cash Flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the accounting principles generally accepted in the United States of America. This includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

PATUXENT

ACCOUNTING & TAX

Certified Public Accountants

201 W Padonia Rd Ste 301 * Lutherville, MD 21093 * Tel 443-562-5953 * Fax 410-529-0703

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Hope Health Systems, Inc. as of December 31, 2019, Income Statement and Statement of Cash Flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Our audit was conducted for the purposes of forming an opinion on the financial statements as a whole. There are no other matters related to the financial statements as a whole that need presentation purposes of additional analysis.

Patuxent Accounting & Tax, Inc.

Patuxent Accounting & Tax, Inc.

Lutherville, Maryland

June 21, 2021

Hope Health Systems, Inc.
Balance Sheet
December 31, 2019

ASSETS		LIABILITIES & SHAREHOLDERS' EQUITY	
		Liabilities	
<u>Current Assets</u>		<u>Current Liabilities</u>	
Cash and Cash Equivalents	\$ 223,393.11	Accounts Payable	\$ 363,107.71
Accounts Receivable	433,427.36	Credit Cards	89,956.56
Suspense	169,549.27	Accrued State Income Taxes	79,277.79
Deposits	31,259.34	Payroll Liabilities	54,497.43
Employee Advances	83,112.76	Due to Officers	258,905.57
HHP	(31,042.04)	Hope Health Properties	61,020.62
Total Current Assets	\$ 909,699.80	Other Accrued Liabilities	49,425.88
<u>Fixed Assets</u>		Total Current Liabilities	\$ 956,191.56
Software	\$ 239,728.59	<u>Long Term Liabilities</u>	
Leasehold Improvements	488,771.04	Notes Payable	\$ 853,691.19
Furniture and Fixtures	85,962.01	Total Long Term Liabilities	\$ 853,691.19
Computers	106,871.36	Total Liabilities	
Office Equipment	42,895.00		\$ 1,809,882.75
Building	750,000.00	<u>Shareholders' Equity</u>	
Accumulated Depreciation	(861,754.37)	Retained Earnings	\$ 44,061.84
Total Fixed Assets	\$ 852,473.63	Current Year Net Income	582,867.27
<u>Other Assets</u>		Total Shareholders' Equity	\$ 626,929.11
Goodwill	\$ 28,000.00	Total Liabilities & Shareholders' Equity	
Accumulated Amortization	(8,090.00)		\$ 2,436,811.86
Agape Health Systems	395,720.76		
Peju's Kitchen	259,007.67		
Total Other Assets	\$ 674,638.43		
Total Assets	\$ 2,436,811.86		

Hope Health Systems, Inc.
Income Statement
For the Year Ended December 31, 2019

INCOME		
Service Income	\$	14,162,164.12
Total Income	\$	14,162,164.12

EXPENSES		
1099 Subcontractors	\$	367,748.68
Administrative Expenses		8,494.08
Amortization		95,318.49
Bank Fees		14,048.27
Business Gifts		15,263.37
Contributions		18,935.63
Cost of Goods Sold		6,960,817.89
Depreciation		158,140.37
Dues and Subscriptions		1,460.00
Education		1,575.00
Entertainment		3,337.38
Fringe Benefits		1,207,673.48
Insurance		16,957.74
Interest		84,550.23
Internet		17,643.77
Licenses and Permits		759.20
Meals		36,088.01
Miscellaneous		5,625.47
Officers' Salaries		1,639,615.68
Overhead		80,032.02
Payroll		707,994.10
Postage and Delivery		3,722.55
Printing and Reproduction		10,255.85
Professional Fees		561,360.35
Recruiting		16,571.81
Rent		430,138.38
Repairs and Maintenance		441,198.66
Security Monitoring		36,993.15
Supplies		119,070.55
Taxes		289,042.51
Telephone		78,772.30
Travel and Entertainment - Meeting		109,868.31
Utilities		40,223.57
 Total Expenses		 13,579,296.85
 Net Income (Loss)	 \$	 582,867.27

Hope Health Systems, Inc.
Statement of Cash Flows
For the Year Ended December 31, 2019

Operating Activities

Net Income \$ 582,867.27

Adjustments to reconcile Net Income to net cash
provided by Operating Activities:

Accounts Receivable	\$	(138,192.05)	
Suspense		(40,589.39)	
Employee Advances		(17,180.18)	
Accounts Payable		73,221.74	
Credit Cards		(1,882.62)	
Payroll Liabilities		<u>(244,239.78)</u>	
Net Cash Provided by Operating Activities			(368,862.28)

Investing Activities:

Furniture and Fixtures	\$	(22,461.16)	
Leasehold Improvements		(46,305.00)	
Accumulated Depreciation		158,740.37	
HHP		(89,085.74)	
Due from Officers		(20,022.83)	
Agape Health Systems		(212,014.02)	
Peju's Kitchen		<u>(113,877.72)</u>	
Net Cash Provided by Investing Activities			(345,026.10)

Financing Activities:

Notes Payable	\$	42,634.95	
Due to Officers		<u>258,905.57</u>	
Net Cash Provided from Investing Activities			<u>301,540.52</u>

Net Change in Cash \$ 170,519.41

Cash at Beginning of Period 52,873.70

Cash at End of Period \$ 223,393.11

Hope Health Systems, Inc.
Notes to Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ORGANIZATION

Hope Health Systems, Inc. (HHS) is a profit entity that caters to individuals who are experiencing mental illness. The company was incorporated in the State of Maryland in 1999.

The Corporation is licensed by Department of Health and Mental Hygiene. The Office of Health Care Quality, Community Health Services Unit, approves HHS as an Outpatient Mental Health Clinic. The foundation of Hope Health Systems is built on helping individuals and families to have a normal life and become productive citizen in the community.

BASIS OF ACCOUNTING

Hope Health Systems, Inc. prepares its financial statements on the accrual basis of accounting in accordance with generally accepted accounting principles. Revenue and related assets are recognized when earned and expenses and related liabilities are recognized when the obligations are incurred. Accordingly, the financial statements reflect all significant payables and liabilities.

CASH AND CASH EQUIVALENT

Cash and cash equivalent represents money that are being held in the Company's deposit accounts. The total cash and cash equivalent at the end of the period, December 31, 2019 was \$223,393.11.

REVENUES

Hope Health Systems, Inc. receives the majority of their revenue through contracts with the State Department of Human Services. They offer services such as mental health, early intervention, training, consultation and treatment services. These services are offered through a variety of programs such as: Outpatient Mental Health Care(OMHC), Expanded School-Base Mental Health(ESMH), Department of Juvenile Services(DJS), Psychiatric Rehabilitation Program(PRP), Health Homes, Substance Abuse, and Mobile treatment Services.

NOTE 2: ACCOUNTS RECEIVABLE

In the accounting period January to December 31, 2019, the accounts receivable ended with an increase of \$138,192.05. The ending balance was \$433,427.36.

NOTE 3: EMPLOYEE ADVANCES

The account reports monies that have been loan to employees/shareholder and has not been repaid as of December 31, 2019.

NOTE 4: FIXED ASSETS

Fixed Assets are recorded at cost and depreciated on a straight-line basis over their estimated useful life of each asset.

NOTE 5: GOODWILL

Agape Health System was acquired in February of 2015 and provided a total goodwill of \$28,000. It was amortized on the straight line basis over 15 years, but should have been amortized over a period no greater than 10 years. Therefore, the amortization was adjusted base on FASB Accounting Standard 350-20-35-64.

According to the standard, an entity may revise the remaining useful life of goodwill upon the occurrence of events and changes in circumstances that warrant a revision to the remaining period of amortization. However, the cumulative amortization period for any amortizable unit of goodwill cannot exceed 10 years. If the estimate of the remaining useful life of goodwill is revised, the remaining carrying amount of goodwill shall be amortized prospectively on a straight-line basis over that revised remaining useful life.

The schedule presented below shows the change in Goodwill over the year.

<u>Other Assets</u>	
Goodwill	28,000.00
Accumulated Amortization	<u>(8,090.00)</u>
Total Net Goodwill	19,930.00

NOTE 6: ACCOUNTS PAYABLE

The total accounts payable balance at the end the year was \$363,107.71

NOTE 7: NOTES PAYABLE

This amount reflects the amount of long-term liabilities that is owed by Hope Health Systems Inc. as at December 31, 2019. This amount is due to a mortgage that was utilized in the acquisition of a building.

Notes Payable	\$853,691.19
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NOTE 8: FRINGE BENEFITS

This account reports on the amount the company pays for taxes on the behalf of the employees, such as social security and Medicare. Fringe benefits also include health insurance, Health Savings Account contributions, disability insurance, and workers compensation insurance.

NOTE 9: TAXES

This is the expense account that is used to report the amount that was paid for business income tax for the federal government and the state.

NOTE 10: DUE TO OFFICERS

Due to officers is the reimbursements generated by the shareholders during the course of doing business.

EXHIBIT 4 – TABLES F & G

TABLE F. STATISTICAL PROJECTIONS - ENTIRE FACILITY Whitehead Road Office

INSTRUCTION : Complete this table for the entire facility, including the proposed project. Indicate on the table if the reporting period is Calendar Year (CY) or Fiscal Year (FY). For sections 4 & 5, the number of beds and occupancy percentage should be reported on the basis of licensed beds. In an attachment to the application, provide an explanation or basis for the projections and specify all assumptions used. Applicants must explain why the assumptions are reasonable.

	Two Most Recent Years (Actual)		Current Year Projected	Projected Years (ending at least two years after project completion and full occupancy) Include additional years, if needed in order to be consistent with Tables G and H.							
	CY 2019	CY 2020									
Indicate CY or FY											
6. OUTPATIENT VISITS											
a. Emergency Department											
b. Same-day Surgery											
c. Laboratory											
d. Imaging											
e. Other (Unique Patients)	1,821	1,576									
e. Other (Total Visits)	64,506	51,474									
TOTAL OUTPATIENT VISITS			0	0	0	0	0	0	0	0	0
7. OBSERVATIONS**											
a. Number of Patients											
b. Hours											

* Include beds dedicated to gynecology and addictions, if separate for acute psychiatric unit.

** Services included in the reporting of the "Observation Center", direct expenses incurred in providing bedside care to observation patients; furnished by the hospital on the hospital's premises, including use of a bed and periodic monitoring by the hospital's nursing or other staff, in order to determine the need for a possible admission to the hospitals as an inpatient. Such services must be ordered and documented in writing, given by a medical practitioner; may or may not be provided in a distinct area of the hospital.

TABLE F. STATISTICAL PROJECTIONS - ENTIRE FACILITY - Banister Office

INSTRUCTION : Complete this table for the entire facility, including the proposed project. Indicate on the table if the reporting period is Calendar Year (CY) or Fiscal Year (FY). For sections 4 & 5, the number of beds and occupancy percentage should be reported on the basis of licensed beds. In an attachment to the application, provide an explanation or basis for the projections and specify all assumptions used. Applicants must explain why the assumptions are reasonable.

	Two Most Recent Years (Actual)		Current Year Projected	Projected Years (ending at least two years after project completion and full occupancy) Include additional years, if needed in order to be consistent with Tables G and H.							
	CY 2019	CY 2020									
<i>Indicate CY or FY</i>											
6. OUTPATIENT VISITS											
a. Emergency Department											
b. Same-day Surgery											
c. Laboratory											
d. Imaging											
e. Other (Unique Patients)	868	657									
e. Other (Total Visits)	14,734	12,087									
TOTAL OUTPATIENT VISITS			0	0	0	0	0	0	0	0	0
7. OBSERVATIONS**											
a. Number of Patients											
b. Hours											

* Include beds dedicated to gynecology and addictions, if separate for acute psychiatric unit.

** Services included in the reporting of the "Observation Center", direct expenses incurred in providing bedside care to observation patients; furnished by the hospital on the hospital's premises, including use of a bed and periodic monitoring by the hospital's nursing or other staff, in order to determine the need for a possible admission to the hospitals as an inpatient. Such services must be ordered and documented in writing, given by a medical practitioner; may or may not be provided in a distinct area of the hospital.

TABLE F. STATISTICAL PROJECTIONS - ENTIRE FACILITY - Carroll County

INSTRUCTION : Complete this table for the entire facility, including the proposed project. Indicate on the table if the reporting period is Calendar Year (CY) or Fiscal Year (FY). For sections 4 & 5, the number of beds and occupancy percentage should be reported on the basis of licensed beds. In an attachment to the application, provide an explanation or basis for the projections and specify all assumptions used. Applicants must explain why the assumptions are reasonable.

	Two Most Recent Years (Actual)		Current Year Projected	Projected Years (ending at least two years after project completion and full occupancy) Include additional years, if needed in order to be consistent with Tables G and H.								
	CY 2019	CY 2020										
<i>Indicate CY or FY</i>												
6. OUTPATIENT VISITS												
a. Emergency Department												
b. Same-day Surgery												
c. Laboratory												
d. Imaging												
e. Other (Unique Patients)	210	171										
e. Other (Total Visits)	5,341	4,515										
TOTAL OUTPATIENT VISITS			0	0	0	0	0	0	0	0	0	0
7. OBSERVATIONS**												
a. Number of Patients												
b. Hours												

* Include beds dedicated to gynecology and addictions, if separate for acute psychiatric unit.

** Services included in the reporting of the "Observation Center", direct expenses incurred in providing bedside care to observation patients; furnished by the hospital on the hospital's premises, including use of a bed and periodic monitoring by the hospital's nursing or other staff, in order to determine the need for a possible admission to the hospitals as an inpatient. Such services must be ordered and documented in writing, given by a medical practitioner; may or may not be provided in a distinct area of the hospital.

EXHIBIT 5 – Proposed Zoning Amendment

COUNTY COUNCIL OF BALTIMORE COUNTY, MARYLAND
Legislative Session 2021, Legislative Day No. ____

Bill No. ____

Councilmembers _____

By the County Council, _____

A BILL
ENTITLED

AN ACT concerning

Zoning Regulations – Uses Permitted in the Manufacturing, Light (M.L.) Zone

FOR the purpose of amending the Zoning Regulations to permit a hospital use by right in the Manufacturing, Light (M.L.) Zone, subject to certain conditions; and generally relating to uses permitted by right in the M.L. Zone.

BY adding
Section 253.1.B.26.

Baltimore County Zoning Regulations, as amended

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter stricken from existing law.
~~Strike out~~ indicates matter stricken from bill.
Underlining indicates amendments to bill.



SECTION 1. BE IT ENACTED BY THE COUNTY COUNCIL OF BALTIMORE COUNTY, MARYLAND, that the Baltimore County Zoning Regulations shall read as follows:

ARTICLE 2 – ELEVATOR-APARTMENT RESIDENCE ZONES,
RESIDENTIAL-OFFICE ZONES, OFFICE ZONES, BUSINESS ZONES,

MANUFACTURING ZONES AND DISTRICTS

Section 253 – Manufacturing, Light (M.L.) Zone

§ 253.1. Uses permitted as of right.

The uses listed in this section, only, shall be permitted as of right in M.L. Zones, subject to any conditions hereinafter prescribed.

B. The following transportation, storage or quasi-public uses or utilities:

26. HOSPITAL, PROVIDED SUCH USE SHALL NOT EXCEED 20 BEDS.

SECTION 2. AND BE IT FURTHER ENACTED, that this Act, having been passed by the affirmative vote of five members of the County Council, shall take effect on

_____.