



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

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 January 13, 2021.

- 1. On p.57 of the application, you state, “the number of under 18 individuals with Medicaid receiving Mental Health Services increased each year from 2018 to 2019.” Should this say 2008-2019 or is the increase only shown in one year from 2018 to 2019? Please provide the correct statement.**

Applicant Response: This should state “the number of under 18 individuals with Medicaid receiving Mental Health Services increased each year from 2017 to 2019.”

- 2. In your application and subsequent completeness submission you discuss the needs of the Medicaid population in the Baltimore area, assuming a high number of Medicaid recipients in the Baltimore area without substantiating it. Please provide the Medicaid utilization statistics for the Baltimore region you used in your analysis as well as the source.**

Applicant Response: HHS has been a provider of outpatient mental health services and worked with inpatient facilities for many years in Maryland. Working heavily with the Medicaid patient population and the underserved, HHS has actively encountered the access barriers for inpatient care and disconnected inpatient to outpatient treatment for this patient population. In addition to these operational experiences, HHS reviewed a number of data sources regarding the Medicaid patient population in the service area.

Given the below research, HHS estimated its Medicaid patient percentage at 85.9%. HHS believes this figure is a conservative assumption given the facility location, evidence of like providers, and importantly the fact that HHS’ existing patient base and common referral networks are heavily weighted to servicing the Medicaid population. Although this is our working assumption for a payer percentage, the proposed facility will accept all patients regardless of payer source.

HSCRC Data

The HSCRC data obtained by HHS documented that Medicaid patients make up around 70% of the patient population for children inpatient psychiatric services looking at 2017-2019. Further, some providers, such as the University of Maryland were often above the State average.



Medicaid Patient Days as % of Total Patient Days – Children (0-12)			
	2017	2018	2019
State Total	71%	72%	68%
University of Maryland	84%	90%	81%

The HSCRC data obtained by HHS documented that Medicaid patients make up around 50% of the patient population for adolescent inpatient psychiatric services looking at 2017-2019. Further, some providers, such as the University of Maryland and MedStar were often above the State average.

Medicaid Patient Days as % of Total Patient Days – Adolescent (13-17)			
	2017	2018	2019
State Total	51%	49%	51%
University of Maryland	62%	79%	80%
MedStar Franklin Square	61%	65%	64%

The HSCRC data confirms that Medicaid patients comprise a significant portion - and often a majority - of inpatient children and adolescent psychiatric patients within the State and at providers in the Baltimore area.

UMMC CON Filing

HHS also referenced the payer statistics in the University of Maryland's recent 2018 filing to establish an adolescent unit at UMMC. UMMC's filing also empathized admission/transfer access issues for ED patients – a core component of the need identified in our filing. UMMC projected Medicaid patients would account for approximately 85% of their volume. This is in line with our estimates as well.

Local Behavioral Health Authority – Baltimore City

Behavioral Health System Baltimore, Inc. is a nonprofit organization tasked by Baltimore City to perform the function of managing Baltimore City's behavioral health system. Their FY 2019 Annual Report¹ provided helpful insight into the topic, including the following two quotes from the document:

A higher percentage of Baltimore City residents (9.3% of the city population) utilized public mental health services during FY 2019, compared to the state (3.6% of the population). A larger percentage of the city population (43.2%) is eligible for Medicaid than the state population (23.3%), so a larger percentage of the overall population participating in services is expected. The greater percentage of eligible consumers needing and receiving behavioral health care is likely related to the prevalence of high ACE scores and other

¹ <https://www.bhsbaltimore.org/wp-content/uploads/2020/05/FY-19-Activities-Indicators-Utilization-Revised-Apr-2020-1.pdf>



social, economic and educational structures that increase the likelihood of chronic illnesses, including behavioral health conditions.²

A 2019 study sponsored by the Maryland Hospital Association investigated discharge delays (time spent in an inpatient setting after discharge was clinically indicated) among behavioral health consumers. The study found that discharge delays occurred in 7% of inpatient behavioral health hospital stays and lasted an average of 13 days. Such delays, even in a small percent of the population, can drive up costs. The largest proportion of discharge delay cases in the state occurred in Baltimore City (29%), and 83% of the cases across the state occurred among the publicly insured or uninsured. Often the reason for delayed discharges across the state involved consumers being unable to transfer to another facility, indicating that though the capacity and utilization in Baltimore City and the state are increasing, the needs of the consumers may not always be met in a timely manner.³

Please let us know if you have any further questions.

Sincerely,

A handwritten signature in black ink that reads "Bryan Niehaus".

Bryan Niehaus, JD, CHC
Vice President
Advis

² Id. See Page 115.

³ Id. See Page 116-117.

