

MARYLAND HEALTH CARE COMMISSION

Certificate of Need (Revised)

TO: Yehuda Alter
Avenue Recovery Center, LLC
211 Boulevard of the Americas, Suite 503
Lakewood, NJ 08701

Date: October 21, 2021

RE: Avenues Recovery Center of Chesapeake Bay, LLC
Establish a new Adult 20 bed Track One
Intermediate Care Facility (ICF)

Docket No: 21-09-2449

PROJECT DESCRIPTION

Avenues Recovery Center of Chesapeake Bay, LLC (Avenues) is authorized to establish a 20-bed alcoholism and drug abuse intermediate care facility (ICF), providing medically monitored intensive inpatient care services (defined as “Level 3.7” care by the American Society of Addictions Medicine), including withdrawal management and treatment for substance abuse disorder. The facility will be located at 821 Fieldcrest Road in Cambridge (Dorchester County).

The total authorized project cost is \$55,000 and is limited to non-construction expenses. This expenditure will be a cash expense.

ORDER

The Maryland Health Care Commission reviewed the Staff Report and Recommendation and, based on that analysis and the record of the review, on October 21, 2021 approved a Certificate of Need (CON) for the project with the following five conditions:

1. Avenues Recovery Center of Chesapeake Bay shall document the provision of a minimum of 15% of patient days to indigent and gray area patients, as defined at COMAR 10.24.14.08B(9) and (11), by submitting annual reports auditing its total days and the provision of days to indigent and gray area patients as a percentage of total days. Such audit reports shall be submitted to the Commission following each fiscal year, from the project’s inception and continuing for five years thereafter;
2. Avenues Recovery Center of Chesapeake Bay must receive preliminary accreditation for the Level 3.7 services it will provide, including withdrawal management and post-withdrawal treatment programming, by an accrediting body approved by the Maryland Department of Health consistent with the standard at COMAR 10.24.14.05H(1), Quality Assurance, prior to First Use

- Approval by the Commission and must timely receive final accreditation by this accrediting body¹;
3. Avenues Recovery Center of Chesapeake Bay shall provide documentation of transfer and referral agreements prior to First Use approval by the Commission with: acute care hospitals; halfway houses; therapeutic communities; long-term care facilities; local alcohol and drug abuse intensive and other outpatient programs; local community mental health center(s); the Eastern Shore's mental health and alcohol and drug abuse authorities; the Behavioral Health Administration; and the Eastern Shore agencies that provide prevention, education, driving-while-intoxicated programs, family counseling, and other services. Documentation may include letters of agreement or acknowledgement from the facilities; [COMAR 10.24.14.05J(2)]
 4. Avenues Recovery Center of Chesapeake Bay shall document referral agreements, prior to First Use approval by the Commission, demonstrating that at least 15 percent of its annual patient days, required by COMAR 10.24.14.08, will be incurred by the indigent or gray area populations, including days paid under a contract with the Behavioral Health Administration or a jurisdictional alcohol or drug abuse authority, or the Medical Assistance program; [COMAR 10.24.14.05K(2)] and
 5. To demonstrate that outpatient programs are available to its proposed patient population, Avenues Recovery Center of Chesapeake Bay shall provide written referral agreements or arrangements with outpatient programs that meet the requirements of COMAR 10.24.14.05O(1) through (4), prior to First Use approval by the Commission.

PERFORMANCE REQUIREMENTS

In accordance with COMAR 10.24.01.12C(3)(c), the project is subject to the following performance requirements:

1. Obligation of not less than 51 percent of the approved capital expenditure, as documented by a binding construction contract, within eighteen (18) months of the date of this Certificate of Need;
2. Initiation of construction no later than four months after the effective date of the binding construction contract; and

¹ As authorized on October 21, 2021, this condition specified accreditation by CARF (founded originally as the Commission on Accreditation of Rehabilitation Facilities), which was the accreditation program specifically identified in the CON application. Subsequent to October 21, 2021, the applicant informed MHCC that it believed the CARF accreditation process was experiencing extended delays and, for this reason, it was interested in seeking accreditation by one of the other accrediting bodies acceptable to the Behavioral Health Administration of MDH. The non-substantive change in this condition allowing accreditation by a BHA-sanctioned organization other than CARF has been made.

3. Documentation that the approved project has been completed, has been licensed, and has met all legal requirements and is providing the approved services no later than eighteen (18) months after the effective date of the binding construction contract.

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, Avenues 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. Pursuant to COMAR 10.24.01.17B(2), the project cannot incur capital cost increases that exceed the approved capital cost inflated by an amount determined by applying the Building Cost Index published on a quarterly basis by IHS Economics in the Healthcare Cost Review unless CSI obtains a modification of this Certificate of Need from the Commission. Instructions for determining the threshold that necessitates Commission review and approval of changes to the capital cost approved in this Certificate of Need are located on the Commission's website at:

http://mhcc.maryland.gov/mhcc/pages/hcfs/hcfs_con/hcfs_con.aspx

DESIGN APPROVAL AND FACILITIES LICENSURE BY DHMH

This Certificate of Need does not constitute a license or replace any approvals required by the Behavioral Health Administration or the Office of Health Care Quality of the Maryland Department of Health ("MDH") to construct and operate a health care facility. Avenues must provide MDH with all information it requires for plan approval, facility licensure, and putting into operation renovated space within its existing facility, including information pertaining to project design and specifications.

QUARTERLY STATUS REPORTS

Avenues shall submit quarterly status reports on the approved project to the Commission, beginning January 21, 2022, three months from the date of this Certificate of Need, and continuing, at three-month intervals, until the completion of the project.

REQUEST FOR FIRST USE REVIEW

Avenues shall request in writing, not less than 60 days but not more than 120 days before the first use of the approved ICF facility, a first use review from the Commission, specifying the anticipated date of first use and documenting 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, as necessary, with OHCQ, and in accordance with COMAR 10.24.01.18 to determine whether the project conforms with 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 new space within an existing health care facility. Therefore, Avenues 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 ICF facility does not occur within 90 days of approval, Avenues 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: Aliya C. Jones, M.D., Deputy Executive Director, Behavioral Health Administration, MDH
Patricia T. Nay, M.D., Executive Director, Office of Health Care Quality, MDH
Roger L. Harrell, Health Officer, Dorchester County