

STATE OF MARYLAND



Andrew N. Pollak, MD
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MARYLAND HEALTH CARE COMMISSION

4160 PATTERSON AVENUE – BALTIMORE, MARYLAND 21215

TELEPHONE: 410-764-3460 FAX: 410-358-1236

August 11, 2021

VIA E-MAIL AND REGULAR MAIL

Robby Stempler, CEO
Hygea Detox, Inc.
400 Redland Court, Suite 102
Owings Mills, Maryland 21117

Re: Hygea Detox Inc.
Establish an Alcoholism and Drug
Treatment Intermediate Care Facility
Matter No. 21-03-2450

Dear Mr. Stempler:

Commission staff has reviewed the completeness responses from Hygea Detox Inc. (The Applicant) for Certificate of Need (CON) approval to establish a 50-bed Track One adult Intermediate Care Facility (ICF) for alcohol and drug treatment in Baltimore County. Commission staff still has outstanding questions on this application, accordingly, please provide responses to the following questions:

Viability

1. Hygea Detox will be a new provider in Maryland, and it is relevant to inquire about the financial performance of the applicant's related entities (Three locations of Malibu Detox, LLC). Provide this financial information utilizing Table D Revenues and Expenses in the Tables package, in the columns for the last two most recent years (actual).

Tables and Exhibits

Table B Project Budget

2. Please submit an additional budget (Table B) separating out only the financial portions of the project that belong to Hygea Detox.

Table C Statistical Projections and Table D Revenues and Expenses

3. In your application you have stated you will provide both 3.7 treatment (non-WM) and 3.7WM levels of care. Please provide information on discharges, patient days, average length of stay and occupancy percentage for both levels of care. Include all of the assumptions used in revenue projections including charges by payor. This information should also be updated in Exhibit 10 (Information Regarding Charges).

Please submit four copies of the responses to completeness questions and the additional information requested in this letter within ten working days of receipt. Also submit the response electronically, in both Word and PDF format, to Ruby Potter (ruby.potter@maryland.gov).

All information supplementing the applicant must be signed by person(s) available for cross-examination on the facts set forth in the supplementary information, who shall sign a statement as follows: "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."

Should you have any questions regarding this matter, feel free to contact me by either e-mail at jeanne-marie-gawel@maryland.gov or phone at (410) 764-3371.

Sincerely,



Jeanne-Marie Gawel, LNHA, MA, MGS
Program Manager, Certificate of Need

cc: Gregory William Branch, M.D., MBA, CPA, FACP Baltimore County Health Officer
Thomas C. Dame Esq. Gallagher Evelius & Jones LLP
Ella R. Aiken Esq. Gallagher Evelius & Jones LLP
Suellen Wideman, Esq., Assistant Attorney General
Wynee Hawk, Esq., Chief, Certificate of Need
William Chan, Program Manager MHCC