MARYLAND Health Care Commission

Randolph S. Sergent, Esq, Chairman
Ben Steffen, Executive Director

MEMORANDUM

TO: Commissioners

FROM: Wynee Hawk Chief, Certificate of Need

DATE: December 15, 2022

SUBJECT: Board of Child Care Certificate of Need for a four Bed Residential Treatment Center (RTC) in Baltimore County, Maryland (Docket No.) 22-03-2460

The Board of Child Care (BCC) is a private non-profit, located in Windsor Mill, Maryland (Baltimore County). BCC provides services throughout the Mid-Atlantic and is licensed to operate six group homes in Maryland as well as four outpatient centers for community-based programs. The Baltimore campus of BCC currently provides programs for high intensity group homes, treatment foster care and is home to the Strawbridge School.

The Maryland Children's Cabinet and the Maryland Department of Health (MDH) identified a need to support youth experiencing extended and repetitive psychiatric stays in hospitals. In July 2021, MDH released a Notice of Funding Availability (NFA) to support the development of a program to meet these needs. Between January 2020 and July 2021, Maryland Department of Human Services (DHS) reported a total of 628 DHS youth hospitalized in Maryland for psychiatric care and 84 (13 percent) of those hospitalized became overstay youth.

BCC responded to the NFA with a program proposed to address the hospital overstay crisis entitled the Bridge Residential Treatment Program (Bridge Program). The Bridge Program will provide stabilization services for youth upon discharge from the hospital. The applicant is proposing to obtain licensure as a four bed RTC to be in an existing cottage on the BCC Baltimore Campus. The applicant states that approximately 2967 square feet of interior space and 900 feet of exterior space will be renovated.

The program will serve youth needing psychiatric care who have co-occurring, behavioral, emotional, educational, and medical needs. BCC will provide services to male or female youth ages 14-20 years old. The Bridge Program will also provide placement support services. The proposed project has a total estimated cost of $922,238. The proposed financing is a grant from MDH.

Based on the review of the proposed project's compliance with the Certificate of Need review criteria, and with the applicable standards in the State Health Plan, staff concludes that the project complies with the applicable standards, is needed, is a cost-effective approach to meeting the project's objectives, is viable and will have an impact that is positive with respect to the applicant's ability to provide residential treatment services to hospital overstay youth.

The condition of the CON is as follows:

> The Board of Child Care shall document agreement to participate in The Healthy Kids Program, prior to First Use approval by the Commission as required by COMAR 10.24.07(g) Medical Assistance; [COMAR 10.24.07(g)].

IN THE MATTER OF	*
	* **BEFORE THE**
THE BOARD OF CHILD CARE	*
	*
OF THE UNITED METHODIST	* **MARYLAND HEALTH**
	*
CHURCH, INC.	*
	* **CARE COMMISSION**
Docket No. 22-03-2460	*

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STAFF REPORT AND RECOMENDATION

December 15, 2022

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I. INTRODUCTION

A. The Applicant

The applicant is the Board of Child Care of the United Methodist Church, Inc. (Board of Child Care or BCC) based in the Windsor Mill area of Baltimore County at the residential campus that will serve as the project site. The Board of Child Care was established in 1960 with the merger of The Kelso Home for Girls, The Strawbridge Home for Boys and The Swartzell Methodist Home for Children[1]. BCC is a private not-for-profit organization providing children, adolescents, young adults, and their families with a mix of residential, semi-independent treatment, outpatient, and other behavioral health, developmental, and educational services. BCC provides services throughout the Mid-Atlantic and is licensed to operate six group homes in Maryland as well as four outpatient centers. (DI #2, p.39).

The Baltimore campus of BCC currently provides the following programs:

Strawbridge School/Caminos Program – BCC provides a full day of special education for kindergarten-12 and a short-term general education program for grades 4-12 with a capacity to serve 140 students. The Strawbridge School is housed in a 22,000 square foot facility and serves individuals in day and residential programs through a 10-month school year. Both the Strawbridge School and the Caminos Program are accredited by the Maryland State Department of Education (MSDE).

High Intensity Group Home Programs – The high intensity group home programs serve youth placed by the Maryland Department of Human Services (DHS), Maryland Department of Juvenile Services (DJS) and the Federal Office of Refugee Resettlement.

Treatment Foster Care – BCC runs a Treatment Foster Care program, with administrative offices located on the Baltimore Campus. (DI #2, p.16 and DI #10, p.1).

B. Residential Treatment Center Services

Residential treatment centers (RTCs) are mental health facilities for children and adolescents with serious long-term emotional, behavioral, and psychological problems. Under Maryland law, an RTC is a "psychiatric institution that provides campus-based intensive and extensive evaluation and treatment of children and adolescents with severe and chronic emotional disabilities who require a self-contained therapeutic, educational, and recreational program in a residential setting." Md. Code. Ann., Health-Gen. §19-301(p).

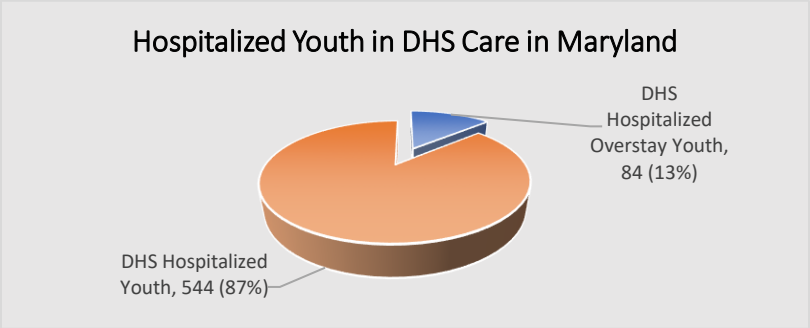
C. The Project

The Maryland Children's Cabinet and the Maryland Department of Health (MDH) identified a need to support youth experiencing extended and repetitive psychiatric stays in hospitals. In July 2021, MDH released a Notice of Funding Availability (NFA) to support the development of an RTC program to meet these needs. The applicant states that between January

[1] https://www.boardofchildcare.org/about-us/history/

2020 and July 2021, a total of 628 youth subject to DHS placement were hospitalized in Maryland for psychiatric care and 84 of these hospitalized patients (13 percent) experienced an excessive length of stay in the hospital while awaiting discharge, also called an "overstay." (DI #2, p.8).

Figure 1: Overstay Youth



(DI #2, p.8).

BCC successfully responded to the NFA with a proposed RTC intended to address hospital overstays for patients aged 14 to 20, entitled the Bridge Residential Treatment Program (Bridge Program). The Bridge Program will be located at the previously described BCC Baltimore campus (3300 Gaither Road) providing stabilization services for youth upon discharge from the hospital. It will serve youth needing psychiatric care who have co-occurring, behavioral, emotional, educational, and medical needs. BCC will provide services to male or female youth aged 14-20 years old. The Bridge Program will also provide placement support services. The grant funding will allow BCC to financially support the Bridge Program at a funding level that far exceeds the level of reimbursement provided by the Maryland Medicaid program for RTC services. The inadequacy of Medicaid funding levels for RTC services is viewed as a primary reason why overstays occur, i.e., the patients' experiencing overstays have higher acuity needs requiring dedication of higher-than-average levels of staff and other resources to achieve safe and effective treatment. These high costs are only fractionally covered by Medicaid reimbursement and Medicaid is the funding source for a high majority of these patients' care. RTCs are unwilling to accept these patients for admission in significant numbers because they tend to create large operating losses for the facilities.

The applicant is proposing to renovate an existing "cottage" to obtain licensure as a four-bed RTC. The applicant states that approximately 2,967 square feet of interior space and 900 feet of exterior space will be renovated using the MDH grant funds. (DI #2, p.34). The existing cottage has 10 rooms; four rooms will be 100 square feet private rooms, and the remaining rooms will be staff offices, a medical room, and a supply room. (DI #2, p.27). The cottage bathrooms will also be renovated, with onsite laundry facilities. (DI #2, p.29).

Table I-1: BCC RTC Project Budget Estimate

USE OF FUNDS	
Renovations	
Building	$724,040
Architect/Engineering Fees	$65,000
Fixed Equipment	$53,369
Contingency Allowance	$73,079
Movable Equipment	$6,750
Total Capital Costs	$922,238
SOURCES OF FUNDS	
MDH Grant	$922,238

Source: (DI #2, p.36).

D. Staff Recommendation

Staff recommends that the Commission find that the Board of Child Care's proposed project complies with the applicable State Health Plan standards, the need for the project is supported, the project has proposed a cost-effective alternative to the continued use of hospitals by mismatched patients, and the project appears to be financially viable. In addition, staff recommends that the Commission find that the project will not have a negative impact on service accessibility, cost and charges, or other providers of health care services.

Accordingly, staff recommends that if the Commission approves a CON for this project, the following condition be included:

> The Board of Child Care shall document agreement to participate in The Healthy Kids Program, prior to First Use approval by the Commission as required by COMAR 10.24.07(g) Medical Assistance.

II. PROCEDURAL HISTORY

A. Record of the Review

The complete Record of the Review can be found at Appendix 1.

B. Interested Parties in the Review

There are no interested parties in the review.

C. Local Government Review and Comment

This project will receive local support from Baltimore County government to assist with adoption of the Center for Disease Control Baltimore County Health Department COVID-19 guidelines.

D. Community Support

This project is supported by the Maryland Children's Cabinet, the Maryland Department of Health, the Maryland Department of Human Services (DHS), the Maryland State Department of Education (MDSE), the Maryland Office of Developmental Disabilities, the Governor's Office on Crime Prevention, and the Maryland Department of Juvenile Services (DJS). (DI #2, p.81).

III. BACKGROUND

Residential Treatment Center Programs in the Service Area and in the State

There are six RTCs currently operating 329 beds in Maryland concentrated in the Baltimore area. MDH operates two, one in Baltimore City and the other in Montgomery County. Private not-for-profit organizations operate the other four; one in Baltimore City, and three in Baltimore County.

The supply of RTC beds in Maryland has been shrinking with three facilities totaling 227 beds closing their doors in the last seven years, a 41percent reduction in the state's total bed capacity. Beds on the Eastern Shore and Frederick were eliminated. The current inventory of RTCs in Maryland is shown in Table III-1 below.

Table III-1: Maryland Residential Treatment Centers – 2022

Center	Jurisdiction	Age Range	Gender	Licensed Bed Capacity
Berkeley & Eleanor Mann – Sheppard Pratt	Baltimore Co.	12-18	Co-ed	58
Chesapeake – New Directions [1]	Baltimore Co.	13-20	Male	29
Gildner Regional Institute for Children & Adolescents (RICA)	Montgomery	11-18	Co-ed	54
Nexus Woodbourne Family Healing [2]	Baltimore City	12-18	Male	48
RICA Baltimore	Baltimore City	12-18	Co-ed	45
St. Vincent's Villa	Baltimore Co.	5-13	Co-ed	95
Total				329

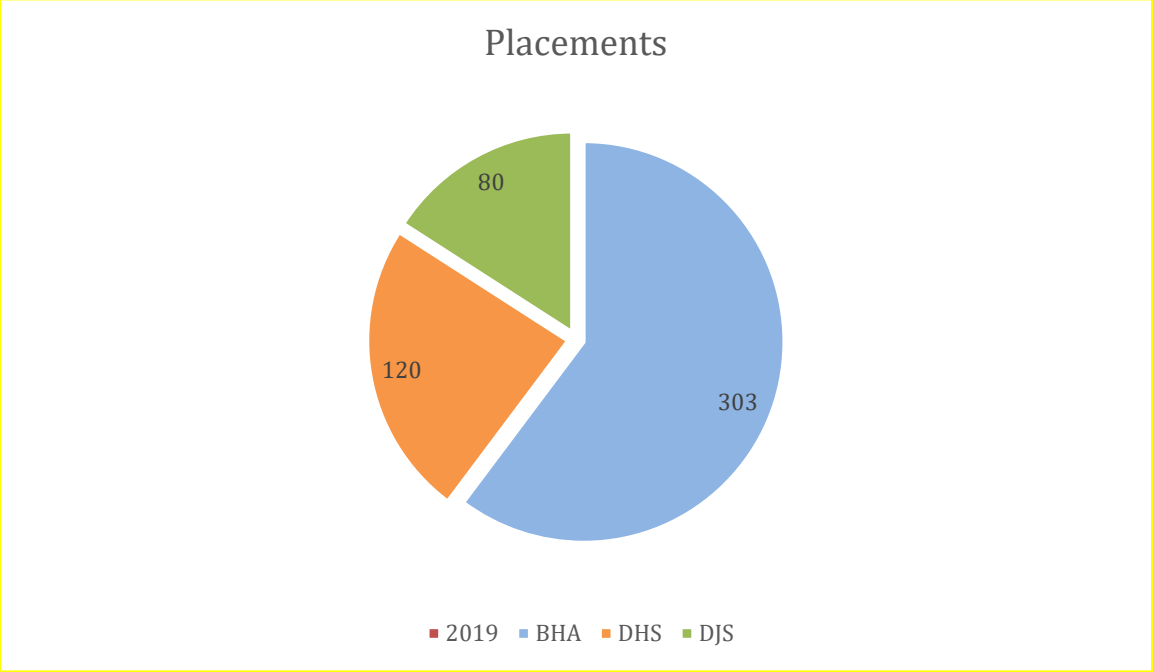
Source: https://health.maryland.gov/ohcq/pages/Licensee-Directory.aspx
Notes: [1] Specializing in sexually aggressive behavior referred by DJS; [2] Specializing in sexually problematic behavior

Populations Served

Maryland state agencies both place and fund the care for adolescents and young adults up to 21 years of age in RTCs in and out-of-state. DHS, DJS, and the Behavioral Health Administration are the primary agencies that place youth in RTCs. On rare occasion the Developmental Disabilities Administration or the Maryland Department of Disabilities might also make a placement, while the MSDE may make a referral or fund some of the placements. The FY 2019 State of Maryland Out-of-Home Placement and Family Preservation Resource Plan states that: "Youth who have been placed in Residential Treatment Centers and hospitals through Medicaid are often in need of residential services as part of their discharge planning. In those situations, the Administration works closely with the Behavioral Health Administration."[2]

[2] https://goc.maryland.gov/wp-content/uploads/sites/8/2020/03/2019-OOHP-JCR-Report.pdf

Figure 2: 2019 RTC Placements



FY 2019 State of Maryland Out-of-Home Placement and Family Preservation Resource Plan[3] Page 13

As shown in the pie chart above, for a one-day census snapshot on January 31, 2019 (most recent data available from FY 2019 State of Maryland Out-of-Home Placement and Family Preservation Resource Plan) the BHA had 303 placements in RTCs, the DHS had 120 placements and the DJS had 80 placements totaling 503 RTC placements. The applicant provided a one-day census for December 1, 2022, using its electronic health record that showed 92 percent of its placements are from DHS/BHA (DI #16), which is reflective of the RTC placements in Figure 2. The remaining 8 percent of the applicant's census are from DJS (1%) and MSDE (7%). The BCC anticipates it will serve a similar population mix with the proposed RTC Bridge Program. (DI #17, p.1). However, the proposed Bridge program will be funded through a MDH grant through 2026, making its funding different from the traditional RTC.

IV. REVIEW AND ANALYSIS

The Commission is required to make its decision on Certificate of Need (CON) applications in accordance with COMAR 10.24.01.08G (3), which outlines six criteria to be used by the Commission in CON reviews. The first criterion is consideration of the applicable State Health Plan (SHP) standards and policies. The applicable State Health Plan standards and policies are in COMAR 10.24.07. Some of these provisions are obsolete.[4]

[3] *Ibid*

[4] A new SHP chapter for Acute Psychiatric Services became effective in August 2021, replacing SHP regulations that had been coupled with standards for RTC services in a single chapter of the SHP. The RTC standards were not updated in 2021 and are now retained in COMAR 10.24.07. Updating these RTC regulations is planned for 2023.

Staff reviewed the SHP standards with the applicant and advised the applicant of the relevant and applicable standards for this review. Only the applicable standards are considered here. The standards that were considered obsolete, or not applicable were: (2) Bed Need (note that there is a separate Need criterion in COMAR 10.24.01.08 which is applicable); (4) Certificate of Need Preference Rules; (5) Certificate of Need Approval Rules; and (6) Performance Requirements. The standards of Section 3 are generally applicable and are reviewed below. We note that the Accreditation standard, (3)(k), is applicable but staff recommends that it be considered as a standard that, consistent with similar standards adopted in the SHP over the last ten years, allows for more options in the choice of accreditation body.

COMAR 10.24.07.03

(3)(a) Need. Each applicant shall document the need for residential treatment center care in the community it intends to serve.

Need for this project is addressed under the "Need" Criterion of COMAR 10.24.01.08 later in this report.

(b) **Sex-Specific Programs. Each applicant shall document sex specific programs, and provide a separate therapeutic environment and, to the extent necessary, a separate physical environment consistent with the treatment needs of each group it proposes to serve.**

BCC plans to serve both males and females ages 14-20 years old. Although the program will serve both genders, the RTC cottage will not serve both genders concurrently, and at no time will both genders share the cottage which is reflected in the applicant's occupancy percentage of 75 percent. (DI #10, p. 13). In addition, the applicant states that they plan serve and place transgender youth in accordance with their self-identified gender if approved by the Office of Health Care Quality (OHCQ) of MDH to do so.

In terms of programming, BCC plans to support the community they serve by offering a trafficking and exploitation recovery program, "Not a #Number". (DI #2, p.45). BCC states that for female youth, including lesbian, gay, bisexual, transgender (LGBT) residents who identify as female, there will be a program called "Girls Circle". The applicant states that this program is the first gender-specific program to have demonstrated positive impact on reducing female delinquency. (DI #2, p. 46). BCC states that, for its male residents, there will be "Boys Council" which is a group that promotes positive male relationships and builds leadership capabilities. (DI #2, pp.45-46).

Staff concludes that the applicant has demonstrated that it will meet this standard.

(c) Special Clinical Needs. Each applicant shall document treatment programs for those youth with a coexisting mental health and a developmental disability.

BCC states that it will utilize evidence supported program interventions to address coexisting clinical needs as shown in Figure 3 below.

Figure 3: Evidenced Supported Interventions for Coexisting Clinical Needs

Trauma Focused Cognitive Behavioral Therapy	A psychosocial treatment model designed to treat post-traumatic stress and related emotional and behavioral problems
Motivational Interviewing	Focused on exploring and resolving ambivalence by increasing intrinsic motivation to change
The Seven Challenges Program	Designed to motivate a decision and commitment to change and to support success in implementing the desired changes to address drug problems and co-occurring deficits.
Screening, Brief Intervention and Referral to Treatment	Comprehensive, integrated, public health approach for early identification and intervention with patients whose patterns of alcohol and/drug use put their health at risk.
Sensory Rooms	These rooms are used to reduce seclusion and restraint in mental health services by addressing an individual's sensory system in a therapeutic manner to create change and enable adaption to one's physical environment. These rooms are used for residents with behavioral issues and complex trauma histories-[5] Research has proven sensory room intervention is effective in reducing aggression and promoting enhanced interpersonal engagement and supporting self-management, resulting in improvement in emotional distress, independence, and self-esteem.[6]

Source: (DI #2, pp.46-47).

The applicant states that the intervention programs outlined in Figure 3 provide a menu of clinical service to address the needs of youth with co-occurring mental health and developmental disabilities or other dual diagnosis such as mental health and addiction. (DI #2, p. 46).

Staff concludes that the applicant has demonstrated that it will meet the standard.

(d) **Minimum Services. Each applicant shall propose and document services which include, at a minimum: patient supervision, assessment, screening, evaluation including psychiatric evaluation, psychological testing, and individual treatment plan; ward activities; individual, group and family treatment; patient and family education; medication management; treatment planning; case management; placement and aftercare/discharge planning.**

The applicant states that BCC's care team provides an integrated approach to youth and their family throughout treatment. Youth served by the care teams receive supervision, and behavioral support as well as ongoing clinical assessments to prescribe the most appropriate

[5] https://www.emerald.com/insight/content/doi/10.1108/IJOT-10-2019-0014/full/pdf
[6] https://scholarworks.wmich.edu/cgi/viewcontent.cgi?article=4325&context=honors_theses

treatment interventions. These assessments include clinical tools such as the Child and Adolescent Needs and Strengths Assessment, Casey Life Skills Assessment, and the CRAFFT[7] screening tool for substance use and the Adverse Childhood Experiences (ACE) survey. (DI #2, p.48).

Within 72 hours of intake, the Bridge Program psychiatrist will conduct a medication review and will complete a psychiatric evaluation within the first 30 days. Ongoing psychiatric services, including medication management will be completed within 30 days and periodically reviewed. The Bridge Program will be supported 24 hours per day and seven days per week by registered nurses, providing medication management. (DI #2, p.48). BCC also provides recreational therapy and utilizes an activity calendar that is developed and posted by the Wellness Coordinator. (DI #2, p.19). Activities are offered that include educational programming supportive of building daily life skills that will be needed after program discharge. (DI #2, pp.48-49).

Staff concludes that the applicant has demonstrated that it will meet this standard.

(e) Treatment Planning and Family Involvement. Each applicant shall document that the required minimum services will be provided by a coordinated multi-interdisciplinary treatment team that addresses daily living skills within a group setting; family involvement in treatment to the greatest extent possible, restoration of family functioning; and any other specialized areas that the individualized diagnostic and treatment process reveals is necessary for the patient and family.

To strengthen family bonds and promote the importance of family in the daily living of Bridge Program youth, the applicant states that the care team will establish a frequent family visitation schedule. (DI #2, p.49).The applicant also states that the development, implementation, and review of individualized treatment plans will include the youth, family members, the placing agency, interdisciplinary treatment team members, and any additional supports that are needed. (DI #2, pp.49-50). Staff concludes that the applicant has demonstrated that it will meet the standard.

(f) Education. Each applicant shall document that it will:
- **(i) Provide a comprehensive educational program that includes general, special education, pre-career, and technology instruction consistent with COMAR 13A.05.01 and COMAR 13A.09.09 Educational Programs in Nonpublic Schools and Child Care and Treatment Facilities;**
- **(ii) Provide educational services for Level V nonpublic and Level VI students on the same campus as the treatment facility;**
- **(iii) Enter into agreements with local education agencies for the education of all other students; and**
- **(iv) Provide a prevocational and vocational program that provides a variety of training programs for students who require job training.**

Educational services are currently provided on the BCC campus by the BCC's Strawbridge School/Caminos Program and provide both general and special education. The Strawbridge School is accredited through and has an agreement with the Maryland State Department of

[7] Car, Relax, Alone, Forget, Friends, Trouble

Education as a Type I full day Special Education program and a Type III General Education program (grades 4-12). The "Levels" in this standard are used for billing purposes and are based on the intensity of assistance needed for students and associated with individualized educational program groupings. The Strawbridge School is a Level V program and offers continuous and intense one on one assistance for students. (DI #10, p.1). BCC plans to collaborate with care coordination to seek Level VI, Level III and 1915(i) services as needed. (DI #19, p.1). The Strawbridge School will also serve lower levels in its day school program that is located on the same campus. (DI #2, p.16). The RTC will be supported by the Strawbridge School but will have its own classroom for RTC residents. (DI #2, pp.50-52).

The applicant states that the educational program that is part of the Bridge Program will serve students with a variety of disabilities. To accommodate a diverse population, the academic program will allow students to earn a GED or to get a regular diploma. There will also be vocational opportunities. The educational program will be audited bi-annually to ensure the student is taking the correct required courses for graduation. The applicant states that students will work on varying course work requirements based on student needs and tailored to fit student interests. (DI #2, pp.50-52).

Staff concludes that the applicant has demonstrated that it will meet this standard.

(g) Medical Assistance. Each applicant shall meet Maryland Medical Assistance Program requirements to establish an Early and Periodic Screening, Diagnosis, and Treatment program, called in Maryland, "The Maryland Healthy Kids Program."

The Maryland Healthy Kids Program is a preventative care program that works to provide quality health care services to those under 21 years of age using assessments and interventions[8]. The program requires physical checkups, mental checkups, laboratory testing, and vaccination. In its application, the applicant states that it does not currently work with this program. However, many of its clinical programs meet the Maryland Medical Assistance Program requirements which include early/periodic screening, diagnosis, and treatment.

The applicant states that on admission to the RTC (within 24 hours) the youth will receive an initial medical screening. Next, a comprehensive health assessment is then completed within seventy-two hours of admission that includes a medication review. Within 30 days the psychiatrist administers a complete psychiatric evaluation. (DI #2, p.53). A care planning meeting is held at 30 days and every 90 days thereafter. The goal of the meeting is to provide placement recommendations/referrals that can meet the youth's medical needs as well as education and guidance. The applicant states that BCC's medical staff will educate residents about their diagnosis and health care needs. Youth in placement beyond 120 days will receive an updated evaluation for continued placement in the Bridge Program. (DI #2, p.53).

Staff Analysis

While applicant does not currently participate in the Maryland Healthy Kids Program, it states that it provides services that align with the requirements of the Maryland Medical

[8] https://health.maryland.gov/mmcp/epsdt/pages/home.aspx

Assistance Program. Commission staff discussed this standard with the applicant and BCC stated that it is willing to comply with this standard if authorized to operate the proposed RTC. (DI #15, p.1). Based on this response, staff concludes that the applicant intends to meet this standard. Staff recommends the following condition be attached to any approval of the proposed project:

> The Board of Child Care shall document agreement to participate in The Healthy Kids Program, prior to First Use approval by the Commission as required by COMAR 10.24.07(g) Medical Assistance; [COMAR 10.24.07(g)].

(h) Staff Training. Each applicant shall document that it will:

(i) Provide a minimum of 40 hours of training to new employees prior to their assuming full job responsibilities;

(ii) For each category of direct service personnel provide the curriculum for this training and show how the training will help staff meet the clinical needs of this population; and

(iii) Provide a continuing education program for all categories of direct service personnel.

The applicant states that prior to working, all new employees participate in a 10-day (80 hour) orientation that will prepare the employee to meet the needs of the BCC population. The trainings include client rights, the requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA), suicide prevention, emergency preparedness, cardiopulmonary resuscitation/first aid, trauma informed care, crisis intervention, collaborative problem solving, positive behavioral intervention, therapeutic crisis intervention, equity, diversity, and inclusion. (DI #2, p.54). The primary care givers at BCC are certified paraprofessionals and hold a Residential Child and Youth Care Practitioner certification from MDH. (DI #2, p.54).

The applicant states that, in addition to the new employee orientation, BCC's program offers a variety of professional development trainings throughout the year. BCC's Curriculum and Training Manager develops an annual professional development training calendar to meet the ongoing 40-hour annual training requirement. (DI #2, p.55).

Staff concludes that the applicant has demonstrated that it will meet the standard.

(i) Staffing.

(i) The applicant shall document that it will provide, either directly or by agreement, sufficient number of qualified professional, technical, and supportive staff to provide services to attain or maintain the highest practicable physical, mental, and psychosocial well-being of each resident as determined by a comprehensive assessment and individualized treatment and education plan.

(ii) The applicant shall document how the level of staffing will provide active treatment and fulfill the goals of its proposed treatment programs and meet the needs of the patients.

The applicant states that BCC practices an integrated and individualized staffing approach, using care teams to meet the needs of the youth. The care teams have a variety of expert and

experienced staff including treatment support specialists, educational coordinators and special educators, registered nurses and a pediatric nurse practitioner, psychiatrists and other therapists, and wellness coordinators. Staff are Certified Residential Child and Youth Care Professionals. (DI #2, pp. 57-60).

Because the Bridge Program will be operating as a standalone program, the applicant states the need for additional staff specifically for the Bridge Program on its campus (Table H). The additional Bridge Program staff include an Assistant Program Director, Education Coordinator, additional childcare workers, treatment specialists, nurses, teachers, unit supervisor, therapist, and wellness coordinator for a total of 49 additional FTEs at an annual cost of $2,104,706. (DI #2, p.79). The applicant has provided an example of the Bridge Program staffing pattern in Exhibit 12.

The applicant states that its Bridge Program will operate with a direct care[9] 2:1 staff to resident ratio during day hours and a 1:1 direct care ratio during overnight hours. This is to ensure that staff are available to provide crisis response and support as needed. Therapeutic Crisis Intervention (TCI) is a nationally recognized, evidence-based intervention designed to provide a crisis prevention, de-escalation, and intervention model. (DI#2, p. 54). Per TCI methodology, a minimum of three staff are required to safely enact hands on interventions, and best practices also require that additional staff be available to observe the intervention and assess youth safety at all times. Additionally, other staff that are not involved in managing a crisis situation are responsible for removing uninvolved youth to provide a safe and secure environment for others in the program. BCC notes that its current DHS contract for High Intensity Group Home Services requires a 2:1 staff to resident ratio at all times. (DI #2, p.60).

Staff concludes that the applicant has demonstrated that it will meet this standard.

(j) State Regulations. Each applicant shall document its compliance, or state its intention to comply, with all mandated federal, State, and local health and safety regulations and applicable licensure and certification standards.

The applicant states that BCC's programs operate in accordance with the Licensing and Monitoring of Residential Child Care Programs outlined in COMAR 14.31.05 through 07, as well as DHS policies and regulations. For the Bridge Program, BCC states that it will be adapting its practices and updating its manuals to achieve compliance with RTC standards. The applicant will ensure that policies and procedures reflect the most current information through a process of quarterly review and updates to the manuals, followed by an annual approval by the Board of Directors. (DI #2, p.61).

In addition to COMAR and MDH requirements, BCC has been working with the Baltimore County Department of Health to adopt various CDC and health department guidelines to safely respond to the COVID-19 public health emergency. The applicant also states that in reference to this RTC project, it will work with OHCQ to complete its licensure process. (DI #2, p.61).

[9] Direct care is personal contact with the patient.

In terms of education, the applicant states that both the Strawbridge School and The Caminos Program both adhere to the Code of Federal Regulations relating to implementation of the Individuals with Disabilities Act and Section 504. The schools have procedures in place to meet MSDE standards pursuant to the Maryland Education Article and its corresponding regulations. (DI #2, p.61).

Based on documentation provided and its assurance that it will meet mandated standards and regulations, staff concludes that the applicant has met this standard. (DI #2, p.63).

(k) Accreditation and Certification. Each applicant proposing a new facility shall agree in writing to apply for JCAHO accreditation and Medicaid certification as soon as permissible after opening and be jointly licensed as a Special Hospital Psychiatric Facility (COMAR 10.07.01) and as a Residential Treatment Centers (COMAR 10.07.04).

BCC requests MHCC to consider CARF as an acceptable accreditation body for it proposed RTC. It states that it has been accredited by the Commission on the Accreditation of Rehabilitation Facilities (CARF) since 2014 and selected CARF accreditation because it is considered to have the highest standards in behavioral health. CARF is also accepted as an accrediting body under the Families First Prevention Services Act.[10] The applicant's other accrediting body, Educational Assessment Guidelines Leaning Towards Excellence (EAGLE) is faith based and focuses on outreach ministry for older adults and children. (DI #2, p.63).

The applicant states that the BCC currently is in compliance with CARF and EAGLE standards. It states that accreditation monitoring is utilized to continue improving all aspects of operations.

BCC states that like its other programs, it intends for the Bridge Program to be accredited by CARF. It states that the accreditation application, along with Medicaid certification, will be submitted as soon as permissible after opening and the program will be jointly licensed as a Special Hospital Psychiatric Facility (COMAR 10.07.01) and as a Residential Treatment Center (COMAR 10.07.04). (DI #2, p.63).

The applicant acknowledges that CARF is not an identified accreditation body in the current State Health Plan requirements for RTCs. However, the applicant notes that it is accepted by HHS for Qualified Residential Treatment Programs and the Center for Medicare and Medicaid Services (CMS) as an accrediting body for psychiatric residential treatment facilities. BCC requests that CARF accreditation be viewed by MHCC as compliant with this standard. (DI #2, p.63). The applicant also stated that its position on accreditation was verified as acceptable to OHCQ. The applicant states that, in an October 21, 2022, discussion, OHCQ represented that its standards will be updated to include CARF and other comparable accrediting bodies. (DI #15, p.1).

Staff Analysis

[10] CARF is a recognized, Health and Human Services (HHS) approved accrediting body for "Qualified Residential Treatment Programs" per a mandate included in the Family First Prevention Services Act (FFPSA). http://www.carf.org/ffpsa/

In consideration of the applicant's request to accept CARF as an acceptable accrediting organization, Commission staff reviewed previous RTC applications. The two most recent were for Chesapeake Treatment Center (2017) and Seasons RTC, submitted in 2018 and subsequently withdrawn. Both projects planned to be accredited by the Joint Commission. Staff also reviewed accreditation requirements in other more recent chapters of the State Health Plan and notes that these requirements are, in most cases, more flexible than the current RTC standard and generally support MHCC acceptance of accrediting bodies accepted by MDH, Maryland's health facility licensing authority. *See, e.g.,* COMAR 10.24.14; COMAR 10.24.11.

Given this consideration, staff also compared The Joint Commission (formerly JCAHO) and CARF requirements (Appendix 4). This review showed that both bodies emphasize performance improvement, risk management, financial controls, observance of client rights, and staff and client safety. Staff concludes that both accrediting bodies should be acceptable as an RTC standard. On that basis, the applicant's planned use of CARF to meet the accreditation standard complies with the standard.

(l) Criminal Background Investigations. Each applicant shall document its procedure for:

(i) Complying with Family Law Article, §5-560 through §568, Annotated Code of Maryland, governing criminal background investigations for employees; and

(ii) Subjecting volunteers to criminal background investigations.

Family Law Article, §5-550 through §558[11] requires childcare facilities (including schools) to conduct a criminal history background check as part of employment applications. The applicant confirms that it requires that criminal background checks including fingerprinting are completed prior to employment with BCC. Continuous updates are coordinated to monitor any new charges, and any employee with a new finding is subject to employment termination after an investigation of the occurrence. The BCC conducts background investigations every two years on all current employees. The applicant states that it does not hire any individual if the background investigation reveals they have been convicted at any type of abuse. (DI 31, p.64). The applicant states that criminal background investigations also apply to contractors and volunteers. (DI #2, p.64).

Staff concludes that the applicant will meet this standard.

(m) Security. Each applicant shall demonstrate it can provide care in secure units, as necessary.

The applicant states that in 2021, BCC received funding to support security enhancements to the existing infrastructure on BCC's Baltimore Campus. The enhancements include perimeter fencing and a video monitored gate entry and exit, which supports identification and diversion of unauthorized persons on the campus. (DI #2, pp.64-65).

With project approval, the applicant will make modifications to the existing structure which include establishing secure exterior fencing to prevent unauthorized exit/entry to the

[11] Sections 5-560 through 568 of the Family Law articles were renumbered in 2016.

Bridge Program cottage, installation of exterior/interior security cameras, anti-ligature hardware and secure door systems. In addition, the applicant will employ a full-time Safety, Security Coordinator responsible for campus oversight, including quarterly inspections and emergency drills. (DI #2, pp.64-65). The applicant states that the modifications are to ensure the safety of the youth as they stabilize in a therapeutic environment. (DI #2, pp.64-65).

Staff concludes that the applicant has demonstrated compliance with this standard.

B. NEED

COMAR 10.24.01.08G(3)(b) Need. The Commission shall consider the applicable need analysis in the State Health Plan. If no State health plan need analysis is applicable, the Commission shall consider whether the applicant has demonstrated unmet needs of the population to be serviced, established that the proposed projects meets those needs.

Background

MDH conducted a webinar in March of 2022, that was created to provide information on the grant opportunities for the *Adolescent Hospital Overstay Program*[12]. In the webinar, MDH estimated that there was a need to treat approximately 25 adolescents annually who were overstaying in hospitals due to lack of appropriate placement. MDH projected an initial need for 18 beds. In response to the grant, BCC developed the Bridge Program to provide residential stabilization services to meet the needs of this population. (DI #2, p.67). Providers offering similar services, such as Psychiatric Residential Treatment Facilities (PRTFs[13]), were also grant recipients. Maryland Salem Children's Trust in Frostburg, Maryland (Allegany County) that provides therapy and educational services created a program in conjunction with a PRTF, Grafton Integrated Health Network, for five overstay youth that began in March 2022. (DI #10, p.2).

Applicant

In the need analysis, the applicant states that the creation of the grant demonstrates need. It notes that the relevant state agencies and state-related policy committees created an Interagency plan to address concerns expressed by the General Assembly and House Bill 1382 in 2020[14]. The bill would have authorized hospitals and other inpatient facilities to petition a court to remove an overstay child or adolescent from the hospital, regardless of placement (often even placing in hotels). The applicant states that the Interagency Plan led to the creation of the grant for this project. The applicant further states that health officials have dedicated five million in funding to providers to offer services for youth experiencing long hospital stays throughout the state. (DI #2, p.41). Currently there are a limited number of providers offering these services for adolescents experiencing long, repeated stays in hospitals. These youth often have clinical needs beyond the

[12] https://www.youtube.com/watch?v=iQgYCnY0Y94
[13] A PRTF is a facility that provides inpatient psychiatric services and has an agreement with Medicaid. All of the RTCs in Maryland are also PRTFs.
[14] http://goccp.maryland.gov/wp-content/uploads/Childrens-Cabinet-Interagency-Hospital-Overstays-Plan.pdf

capacity of current residential treatment settings and are, thus, denied acceptance to other programs. (DI #2, p.42).

The applicant also states that hospital overstay is a large problem for the behavioral health system, leading to a lack of inpatient bed availability, extended hospital stays, and financial issues. It states that these overstay patients tend to have complex needs and are already experiencing challenges in reaching stability. The prolonged stay in a hospital can intensify stress and increase existing deficits in their social/emotional development. (DI #2, p.65).

The applicant cited the Maryland Hospital Association's *Pediatric Hospital Overstay Data Collection Project*[15] data to support the need for this project. The data, which was collected in 2022 over a period of eight weeks, showed that out of a total of 39 participating Maryland hospitals, patients meeting the overstay criteria were observed in 16 hospitals with a weekly average of 50 patients per week, split evenly (50/50) between patients seeking discharge from inpatient units and emergency department patients seeking an appropriate inpatient facility admission. The report also showed that, on average, the gender breakdown was 23 male patients, 26 female, and one patient identifying as non-binary. The average age was 14 years old. The report also showed that six hospitals had overstays in each of the eight weeks that data was collected in three counties: Baltimore City, Baltimore County and Montgomery County. (DI #2. p.42). The report also showed that many of these patients are unable to be placed in group homes or foster homes, and their parents may have abandoned them, passed away or relinquished rights to them. The applicant states that there is some evidence that the need for mental health services has increased since the beginning of the COVID-19 pandemic, so the overstay numbers observed in hospitals may have increased. (DI #2, p.43).

A related report by the Maryland Hospital Association entitled *Delays in Hospital Discharges of Behavioral Health Patients* showed that patients experienced delays in appropriate placement on average 13 days and if a patient also has a comorbidity, the average increased to 19 days[16]. Regarding the emergency department, the report states that although 72 percent of behavioral health patients come through the ER, reporting on ER wait times for behavioral health patients was outside the scope of this current report. However, the Maryland Hospital Association's website shows that a study on emergency department behavioral health delays is underway[17].

Population Served and Not Served

The applicant states that to meet the needs described above, the proposed program will accept placements for youth 14-20 who present with Emotional, Cognitive, and Developmental Disabilities and no longer meet the criteria for hospitalization. It states that the program will meet the following treatment needs:

[15] https://mgaleg.maryland.gov/cmte_testimony/2022/app/14IS_o5hYUDorM40m8F6EtEtBpcAyyUF.pdf
[16] https://www.mhaonline.org/docs/default-source/resources/mha-report-jan-2019.pdf

[17] *Ibid*

1. Emotional & Developmental Delays
2. Impaired Cognitive Function (Moderate-Severe)
3. Self-Injurious Behaviors
4. Assistance with Daily Living Skills
5. Need for Increased Support
6. Poor Peer & Social Interactions
7. Speech & Language Delays
8. Aggressive / Assaultive Behavior
9. Frequent / Repeated Property Destruction
10. Fire Setter (history not recent/active)
11. Exposure to Adverse Childhood Traumatic Experiences

RELATED DSM 5 & NEURODEVELOPMENTAL DISORDERS

1. Autism Spectrum Disorders
2. Pervasive Developmental Disorders
3. Disruptive Mood Dysregulation Disorder
4. Bipolar Disorder
5. Depression and other Mood Disorder
6. Anxiety Disorder
7. Attention Deficit Hyperactivity Disorder
8. Conduct Disorder
9. Oppositional Defiant Disorder
10. Post-Traumatic Stress Disorder (PTSD)
11. Co-Occurring Substance Use and Mental Health Disorders
12. Co-Occurring Mental Health Disorders and Medical Conditions

The applicant discloses that there are some treatment needs it does not project being able to meet in its proposed RTC program due to the nature of the continuum of services offered on the Baltimore BCC campus, including:

1. Sexual Offender (adjudicated)
2. Chronic Physical Health Condition (not yet well-managed)
3. Under Adult Probation
4. Violent Offender
5. Medically Fragile
6. Pregnant

(DI #2, pp.65-66).

The applicant states that the population of youth referred for admission to the Bridge Program will be assessed based on certain behavioral and diagnostic factors. A more comprehensive list of the population to be served and not served is included in Appendix 2. There are however still some populations, such as adjudicated sexual offenders, youth with chronic physical health conditions, and youth that are pregnant that will not be able to be placed with the Bridge Program at BCC.

Statistical Projections

BCC has licensure for Early Childhood Developmental Delay (ECDD) and High Intensity Group Home services and thus the statistical projections for the entire facility will only reflect statistical projections for current programs. (DI #2, p.67). In the table below, the applicant provides its statistical projections for the proposed RTC project only.

Table III-2: FY Statistical Projections- Proposed Project

	FY2023 (partial year)	FY2024	FY2025
Patient days	243	1,095	1,095
Average length of stay (days)	122	274	274
Average annual occupancy rate	50%	75%	75%

DI #2, p.68).

As a point of comparison, staff prepared Table III-3 below which shows similar statistical metrics of the other Maryland RTCs treating DJS referred adolescents. The average length of stay (ALOS) for the first full year of operation is in line with current programs.

Table III-3: FY 2021 RTC Facility Use Statistics – Selected Maryland RTCs (adolescent RTCs)

RTC	Admissions	ADP*	ALOS
Chesapeake -New Directions and Right Moves	25	7.5	250
RICA Baltimore	3	3.3	263
RICA-Rockville**	0	0	0
Berkeley & Eleanor Mann RTC (SPHS)	13	9.1	198
Nexus Woodbourne	22	14.9	225

Source: https://djs.maryland.gov/Documents/DRG/Data_Resource_Guide_FY2021.pdf
*Average Daily Population
**No admission but active contract with DJS

BCC notes that its projected RTC ALOS is similar to the ALOS of its current youth population at BCC. It projects that, over time, the ALOS for the Bridge Program will decline, from the initial average of nine months to an approximate average of six months. (DI #2, p.68). It also notes that some of the youth in the RTC program will be able to transition to a lower level of care on the BCC campus. (DI #2, p.41).

The applicant provided the following information on its current program discharges. In 2021 there were 35 total discharges for the Baltimore and Denton residential campuses combined. BCC states that it achieved an average of 58 percent "successful discharges." A successful discharge is defined as one that involves transitioning back to family, a lower level of care, or completion of a program. An unsuccessful discharge is defined as transitioning to a higher level of care, having a need for more restrictive placement, or being detained/transferred to a juvenile detention center. The applicant states that it expects a similar pattern of success in the proposed Bridge Program. (DI #2, p.68).

Table III-4: BCC Residential Campuses - Program Use and Success, FY 2021

Program	Discharges	Rate of "Successful" Discharges	Rate of "Unsuccessful" or Unknown Discharges
ECDD	10	42%	58%
High Intensity-Baltimore	15	69%	31%
High Intensity- Denton	3	67%	33%
CSE	7	44%	56%

(DI #2, p.68).

Staff Analysis

Staff concludes that the project need is demonstrated. The grant that will be used to fund this project was created in response to a needs assessment of the State's capacity to reduce overstays. Consistent with the grant objectives, the project should help meet the needs of the current overstay youth population in Maryland hospitals. The applicant's provision of data presented in the *Maryland Hospital Association's Pediatric Hospital Overstay Data Collection Project* was also indicative of a need for the proposed RTC beds. Staff recommends that the Commission find the project to be needed.

C. AVAILABILITY OF MORE COST-EFFECTIVE ALTERNATIVES

COMAR 10.24.01.08G(3)(c) Availability of More Cost-Effective Alternatives. The Commission shall compare the cost effectiveness of the proposed project with the cost effectiveness of providing the service through alternative existing facilities, or through an alternative facility that has submitted a competitive application as part of a comparative review.

Option 1: Other RTCs

The applicant states that the existing RTCs don't offer the services needed to address the needs of youth identified as at risk for hospital overstay because of the cost and that the other programs have not modified services to address the needs of youth requiring a high-level placement. The applicant suggests that this may be evidence of the need to reform Medicaid reimbursement rates for RTC services. (DI #2, p.69). The applicant also states their hope that the program will shed light on the insufficient reimbursement rates to deliver adequate services for this segment of the RTC population.[18] As previously noted, this project is designed to allow BCC to spend far more in the treatment of its RTC patients, a group of patients expected to have significantly higher than average resource needs. The cost of care is much higher than reimbursement that Medicaid provides. This project is only feasible because BCC will be subsidizing the standard Medicaid per diem reimbursement rate with money provided through the MDH grant.

Option 2: Hospitals

The applicant states that Maryland hospital overstay expenses range from approximately $2,000 to $9,000 a day, depending on the patient's need, compared to approximately $561 per day

[18] https://www.youtube.com/watch?v=iQgYCnY0Y94

for RTC placements. (DI #2, p.69). The applicant also states that although Maryland has taken steps to provide more psychiatric care for youth and adolescents with the opening of a 16-bed treatment facility at University of Maryland Children's Hospital, it is still a higher cost option. (DI #10, p.3). By offering an alternative to hospital inpatient care/overstay care, BCC's proposed Bridge Program provides families and the various State of Maryland systems that support this population of youth an alternative to the costs associated with hospital stays. (DI #2, p.90).

The applicant states that BCC proposes a cost-effective alternative to hospitals that will:

1. Meet the immediate safety and crisis stabilization needs for youth and families;
2. Develop individualized treatment plans informed by comprehensive and culturally relevant assessments;
3. Assist youth and families in the development of skills that promote self-regulation, personal safety, and health behaviors;
4. Engage supportive services to successfully transition youth to lower levels of care;
5. Provide educational opportunities for youth within a double locked facility classroom; and
6. Commit to take on the most challenging and hardest to place youth.

(DI #2, pp.69-71).

The applicant states that it will achieve these goals while operating with an estimated $600 per day in reimbursement for the proposed RTC. (DI #2, p.89). The grant will allow for coverage of higher expenses for higher acuity patients as well as increased funding for the school. In addition, the grant will provide gap funding to support enhanced provider services[19].

Staff Analysis

The applicant has laid out goals that are in line with the grant objectives including the effective stabilization and subsequent treatment of this RTC population, as well as the development of skills to transition back to the community or to a higher or lower level of care. There is an identified need for a more cost-effective alternative to overstay patient days, which involve an inappropriate therapeutic setting (the hospital unit after the patient no longer needs acute hospital care or the hospital ED) and a much higher level of expense. Although other RTCs may want to serve this population, the high cost of staffing that is needed for higher acuity care is a barrier to adding this type of bed capacity. Staff concludes that the proposed BCC project is a cost-effective alternative to the other settings currently in use for overstay adolescents.

D. VIABILITY OF THE PROPOSAL

COMAR 10.24.01.08G (3) (d) Viability of the Proposal. The Commission shall consider the availability of financial and nonfinancial resources, including community support, necessary to implement the project within the time frames set forth in the Commission's performance requirements, as well as the availability of resources necessary to sustain the project.

[19] Webinar Maryland Department of Health *Adolescent Hospital Overstay Program*, March 17, 2022.

Availability of Resources Necessary to Implement the Project

The applicant states that funding the proposed RTC's development and operation of the RTC rests on the MDH grant, awarded to BCC on March 11, 2022. The grant contains annual funding renewals anticipated through FY 2026, contingent upon approval of the MDH budget. The funding is specifically for the services proposed in the Bridge Program. The applicant states that in addition to the MDH grant, Medicaid and MSDE reimbursements will also be used. Another source of funding is fundraising/donor outreach. Lastly, BCC has an endowment fund to use as part of the plan. (DI #2, p.71). The applicant states that no debt financing is expected for this project; however, the grant does involve setting up a line of credit requiring the applicant to first spend the money and then subsequently obtaining reimbursement through the grant. The following tables shows the revenues and expenses projected for the proposed RTC and for the entire BCC campus, including the proposed RTC project.

Table III-5: FY Revenues and Expenses Proposed Project and Entire Facility Board of Child Care

PROPOSED PROJECT	**Y1**	**Y2**	**Y3**	**Y4**	**Y5**
Purchase of Care[20]	$36,834,595	$41,349,356	$59,587,957	$64,354,993	$69,503,393
Gifts and Bequests	788,761	1,176,547	828,19	869,609	913,089
Grants	1,585,089	2,819,838	914,100	959,805	1,007,795
Contributions	762,860	589,033	1,190,910	1,250,456	1,312,978
Adoption	$29,400	$40,000	$29,400	$30,870	$32,414
Net Patient Services Revenue	***$40,000,705***	***$45,974,774***	***$62,550,565***	***$67,465,732***	***$72,769,669***
f. Other Operating Revenues	$80,359	$53,519	$57,750	$62,370	$67,360
NET OPERATING REVENUE	***$40,081,064***	***$46,028,293***	***$62,608,315***	***$67,528,102***	***$72,837,028***
TOTAL OPERATING EXPENSES	**$52,422,025**	**$54,935,328**	**$67,006,334**	**$70,356,650**	**$73,874,483**
a. Income from Operation	**$(12,340,961)**	**$(8,907,035)**	**$(4,398,018)**	**$(2,828,548)**	**$(1,037,455)**
b. Non-Operating Income	$23,894,287	$9,762,012	$4,945,446	$5,439,991	$5,983,990
NET INCOME (LOSS)	***$11,553,326***	***$854,977***	***$547,428***	***$2,611,443***	***$4,946,535***

ENTIRE FACILITY	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**
Purchase of Care	$36,834,595	$41,349,356	$56,750,435	$61,290,470	$66,193,707
Gifts and Bequests	788,761	1,176,547	828,199	869,609	913,089
Grants	1,585,089	2,819,838	870,571	914,100	959,805
Contributions	762,860	589,033	1,134,200	1,190,910	1,250,456
Adoption	$29,400	$40,000	$28,000	$29,400	$30,870
Net Patient Services Revenue	***$40,000,705***	***$45,974,774***	***$59,611,405***	***$62,160,079***	***$67,106,797***
f. Other Operating Revenues	$80,359	$53,519	$55,000	$57,750	$60,638

[20] Families of clients receive vouchers from MDH or MSDE for each child needing care based on a sliding scale. (DI #15, p.1).

NET OPERATING REVENUE	***$40,081,064***	***$46,028,293***	***$59,666,405***	***$62,217,829***	***$67,167,434***
TOTAL OPERATING EXPENSES	**$52,422,025**	**$54,935,328**	**$63,815,556**	**$67,006,334**	**$70,356,650**
a. Income from Operation	**$(12,340,961)**	**$(8,907,035)**	**$(4,149,151)**	**$(4,788,505)**	**$(3,189,216)**
b. Non-Operating Income	$23,894,287	$9,762,012	$4,300,388	$10,250,113	$10,762,618
NET INCOME (LOSS)	***$11,553,326***	***$854,977***	***$151,237***	***$5,461,608***	***$7,573,402***

Source: DI #2, P.82

Table III-5 shows that once the non-operating income[21] is added in, there are projected positive net incomes for both the new program in its first few years of operation and the entire campus thus demonstrating the financial health and the viability of the applicant to implement the proposed project.

Audited Financial Statements

To further demonstrate the viability to implement the project, the applicant cites an annual independent audit conducted by Clifton Larson Allen, which is reviewed by the BCC Board of Directors. The applicant submitted audited financial statements (Exhibit 11 in the application) to demonstrate evidence of the organization's financial stability and working capital. The statements note that BCC presents "Fairly, in all material respects, the financial position of the boards of June 30, 2021, and 2020 and the changes in its assets and its cash flows for the years that ended in accordance with accounting principles."

The applicant shows $129,572,323 and $135,211,803 in total assets for 2020 and 2021, respectively, compared to only $17,089,783 and $13,772,869 in total liabilities for 2020 and 2021, respectively. (DI #2, p.80 and Exh.11).

Availability of Resources Necessary to Sustain the Project

Community Support

The applicant states that this project is supported by the Maryland Children's Cabinet, the Maryland Department of Health, the Maryland Department of Human Services, the Maryland State Department of Education, the Office of Health Care Quality of MDH, the Maryland Developmental Disabilities Administration, the Governor's Office on Crime Prevention, and the Maryland Department of Juvenile Services. (DI #2, p.81). This support demonstrates the sustainability of the proposed RTC project.

Performance Requirements

The applicant states that it has the resources to meet the performance requirements for the project. The Director of Support Services for Maryland and Washington DC will monitor the scheduled renovations for the project and the Director of Special Operations will monitor and implement the program. The applicant documented that it would comply with completion of the

[21] Income from investment accounts

project in line with the performance requirement target dates set forth in COMAR 10.24.01. (DI #2, p.19).

Staff Analysis

Staff concludes that the applicant has both the resources to implement the project in a reasonable time frame. The viability of the applicant over the next five years has been demonstrated with appropriate documentation. Grant funding currently extends through 2026.

It is anticipated that Medicaid reimbursement levels for clients with care needs characteristic of the BCC Bridge Program patient population will be adjusted going forward to reflect the higher costs of caring for these patients. Without such action by the state, it cannot be projected that this project has long-term viability unless MDH extends the grant program initiated in 2021 beyond its current anticipated existence through 2026. A failure to address the underfunding of care for high-cost adolescents would appear to imply that Maryland will continue to have a persistent and costly problem of hospital patient overstays. Broad state agency support has been demonstrated at this time for the project, but the fundamental problem of inadequate Medicaid funding must be resolved going forward if the proposed program of care is to be viable, in the long term.

Staff recommends that the Commission find the proposed project to be viable as a basis for approval of this CON, even though an ultimate solution to the problem of overstays has not been established. The interim solution facilitated by special grant funding to subsidize care for high cost RTC services should not be blocked by denial of this project.

E. COMPLIANCE WITH CONDITIONS OF PREVIOUS CERTIFICATES OF NEED

COMAR 10.24.01.08G (3) (e) Compliance with Conditions of Previous Certificates of Need. An applicant shall demonstrate compliance with all terms and conditions of each previous Certificate of Need granted to the applicant, and with all commitments made that earned preferences in obtaining each previous Certificate of Need or provide the Commission with a written notice and explanation as to why the conditions or commitments were not met.

The applicant states that no Certificates of Need have been issued to Board of Child Care. (DI #2, p.88). This is consistent with staff's review of MHCC records. Therefore, this criterion is not applicable.

F. IMPACT ON EXISTING PROVIDERS AND THE HEALTH CARE DELIVERY SYSTEM

COMAR 10.24.01.08G(3)(f) Impact on Existing Providers and the Health Care Delivery System. An applicant shall provide information and analysis with respect to the impact of the proposed project on existing health care providers in the health planning region, including the impact on geographic and demographic access to services, on occupancy, on costs and charges of other providers, and on costs to the health care delivery system.

a) On the volume of service provided by all other existing health care providers that are likely to experience some impact as a result of this project.

The applicant states that according to the *Maryland Hospital Association's Pediatric Hospital Overstay Data Collection Project*[22] the capacity for services provided by existing health care providers is limited for the youth population, therefore, the impact on existing providers will also be limited. The applicant surmises that in the future, current RTC's may adjust to meet the needs of these youth. (DI #2, p.88). In addition, the overstay youth who meet the criteria for an RTC will be presented to the current pool of RTCs as well, not only the BCC Bridge Program.[23]

b) On the payer mix of all other existing health care providers that are likely to experience some impact on payer mix as a result of this project. If an applicant for a new nursing home claims no impact on payer mix, the applicant must identify the likely source of any expected increase in patients by payer.

The applicant anticipates its four bed RTC will have a negligible impact to other RTC providers. This includes any negative impact on other RTCs payer mix because the existing providers are currently not providing for hospital overstay youth because of the high staffing resources needed for these cases. The project may, in fact have a positive impact on overstays and accessibility of services to higher acuity patients if it can demonstrate that a higher reimbursement level is needed for all RTCs that care for complex cases and payment rates are adjusted accordingly. (DI #2, p.89).

c) On access to health care services for the service area population that will be served by the project. (State and support the assumptions used in this analysis of the impact on access).

The applicant states that this project will increase access to appropriate care for hard to place youth that are ready for discharge from the hospital by giving them an appropriate care setting rather than continuing their hospital stay. The applicant states that according to the *Maryland Hospital Association's Pediatric Hospital Overstay Data Collection Project* many in this population have characteristics, such as aggressive behaviors, a dual diagnosis of developmental disability or autism with psychiatric features, or sexually reactive behaviors that reduces receptivity of existing RTCs to admission of these patients. Age of the patient can also be a limiting issue in obtaining placement. (DI #2, p.90).

d) On costs to the health care delivery system.

The applicant states that the project's impact on the health care system will be positive because the Bridge Program offers a more appropriate and a more affordable option for adolescents ready for hospital discharge. Hospitals will benefit from having an appropriate environment to timely discharge youth who require this level of care. The bottleneck that is having a negative impact on serving adolescent's psychiatric care should be mitigated by the project. In addition, the applicant states that its program should aid in reducing youth psychotic episodes, aggressive

[22] https://mgaleg.maryland.gov/cmte_testimony/2022/app/14IS_o5hYUDorM40m8F6EtEtBpcAyyUF.pdf
[23] Webinar Maryland Department of Health *Adolescent Hospital Overstay Program*, March 17, 2022.

behaviors, and suicide attempts – all of which have a positive impact on the health care delivery system and the community. (DI #2, p.90).

Staff Analysis

There is a growing demand for the proposed project, as evidenced by the current hospital overstays which demonstrate that providers are needed for difficult placement RTC cases. Because of the nature of the demand segment that this project will attempt to serve, the applicant states that it does not anticipate a negative impact on other RTCs in the state. The target patient population is not currently served for a portion of needed care by being place in an inappropriate setting. Staff concludes that the overall impact of this project will be positive and recommends that the Commission find the impact of this project to be acceptable.

V. STAFF RECOMMENDATION

Based on its review and analysis of the Certificate of Need application, staff recommends that the Commission find that the Board of Child Care's proposed project complies with the applicable State Health Plan standards, the need for the project is supported, the project has proposed a cost-effective alternative to the continued use of hospitals by mismatched patients, and the project appears to be financially viable. In addition, staff recommends that the Commission find that the project will not have a negative impact on service accessibility, cost and charges, or other providers of health care services.

Accordingly, staff recommends that the Commission **APPROVE** the application of the Board of Child Care for a Certificate of Need to renovate an existing cottage on its campus to accommodate four Residential Treatment Center beds that will provide psychiatric services to adolescents in Maryland, at an expenditure of $922,238, with the following condition:

> The Board of Child Care shall document agreement to participate in The Healthy Kids Program, prior to First Use approval by the Commission as required by COMAR 10.24.07(g) Medical Assistance.

IN THE MATTER OF	*
	* **BEFORE THE**
THE BOARD OF CHILD CARE	*
	*
OF THE UNITED METHODIST	* **MARYLAND HEALTH**
	*
CHURCH, INC.	*
	* **CARE COMMISSION**
Docket No. 22-03-2460	*

*** ***

FINAL ORDER

Having reviewed and considered the information and analysis in the Staff Report and Recommendation, it is this 15th day of December 2022:

ORDERED that the findings of fact and conclusions of law included in the Staff Report and Recommendation are adopted by the Maryland Health Care Commission and incorporated into this order; and it is further

ORDERED, that the application of the Board of Child Care for a Certificate of Need to establish a four-bed residential treatment center in Baltimore County, Maryland at a cost of $922,238 be **APPROVED** subject to the following condition.

> The Board of Child Care shall document agreement to participate in The Healthy Kids Program, prior to First Use approval by the Commission as required by COMAR 10.24.07(g) Medical Assistance: [COMAR 10.24.07(g)].

APPENDIX 1

RECORD OF THE REVIEW

APPENDIX 1: Record of the Review

Docket Item #	Description	Date
1	Letter of intent received and acknowledged	4/12/22
2	Certificate of Need application	9/2/22
3	Acknowledgement of receipt of application for review	9/15/22
4	Request to publish notice of receipt- Baltimore Sun	9/22/22
5	Request to publish notice of receipt- Maryland Register	9/22/22
6	Notice of receipt of application as published in the Baltimore Sun	9/23/22
7	Request for additional information-tables revision	9/23/22
8	Table revisions received	10/7/22
9	First set of completeness questions are sent out	10/14/22
10	Applicant returned first set of completeness responses	10/21/22
11	Request to publish review -Maryland Register	10/25/22
12	MHCC staff notifies applicant of formal start of review on 11/4/22	10/26/22
13	Request to publish notice of review-Baltimore Sun	10/26/22
14	Request for comments- LHP form	10/26/22
15	Follow up with applicant on completeness response	10/26/22
16	Application is docketed	11/4/22
17	Additional Medicaid information provided by applicant	12/1/22
18	Board of Child Care Grant	12/8/22
19	Additional level of care information for Strawbridge School provided by the applicant	12/8/22

APPENDIX 2

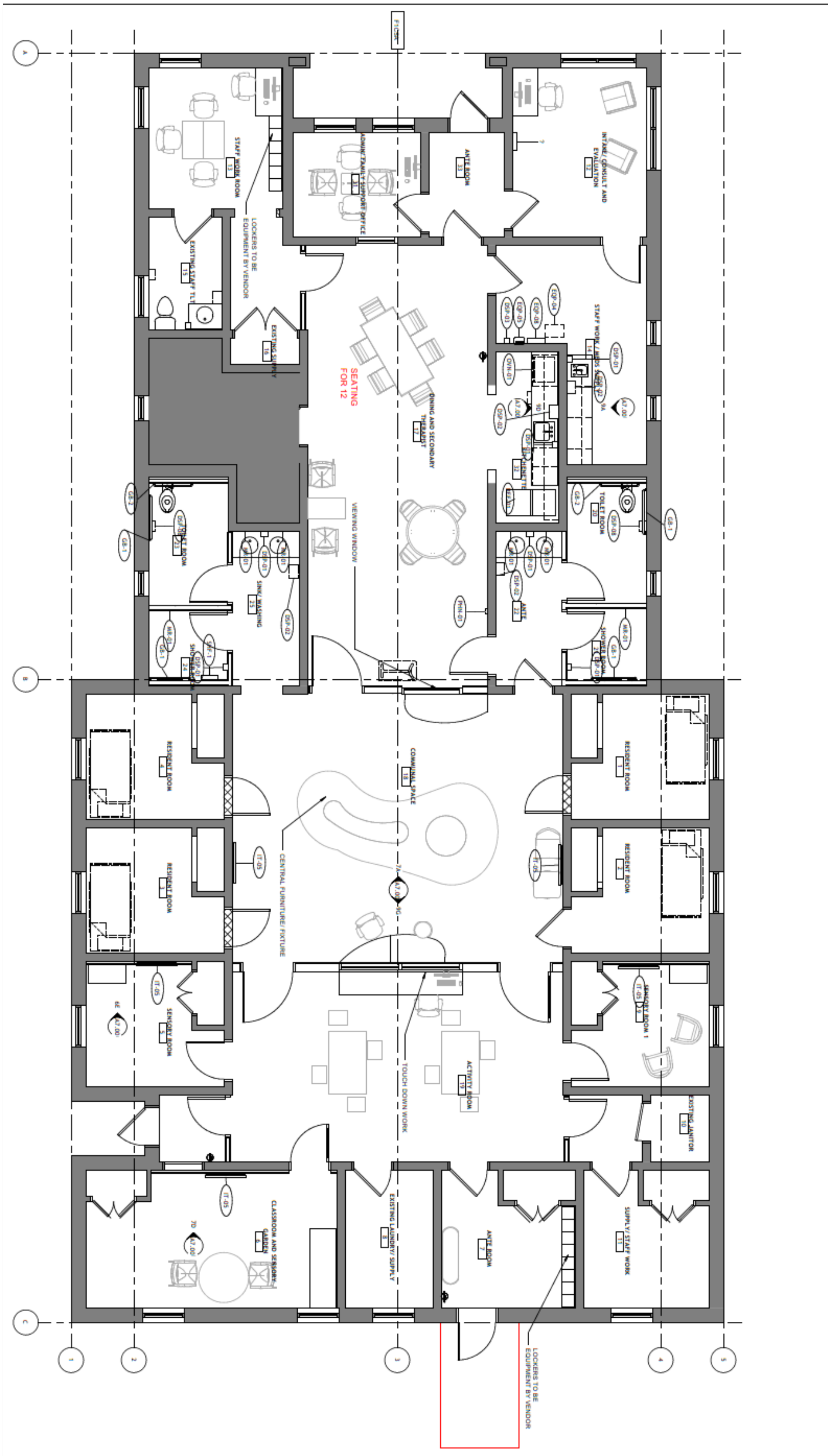
POPULATION SERVED AND NOT SERVED

APPENDIX 2 POPULATION SERVED/NOT SERVED

	Prioritized Population	Accepted	Not Served
First-time Misdemeanor Offender	☐	☒	☐
Adjudicated Delinquent	☐	☒	☐
Under Adult Probation	☐	☐	☒
Violent Offender	☐	☐	☒
Chronic Offender	☐	☒	☐
Aggressive/ Assaultive Behavior	☒	☐	☐
Frequent/ Repeat Property Destruction	☐	☒	☐
Fire Setter (recent/ active)	☐	☐	☒
Fire Setter (history/ only)	☐	☒	☐
Gang-Involved	☐	☒	☐
Sexual Offender	☐	☒	☐
Sexual Behavior Problem (NOT adjudicated as a sex offender)	☐	☒	☐
Alcohol and/or Drug User or Abuser	☐	☒	☐
Co-Occurring Substance Use and Mental Health Disorders	☐	☒	☐
Co-Occurring Mental Health Disorder and Medical Conditions	☐	☒	☐
Serious Emotional Disorder/Serious Mental Illness	☒	☐	☐
Anxiety Disorder	☒	☐	☐
Posttraumatic Stress Disorder (PTSD)	☒	☐	☐
Exposure to Domestic and/or Community Violence	☒	☐	☐
Reactive Attachment Disorder (history)	☒	☐	☐
Fetal Alcohol Syndrome	☐	☒	☐
Attention-Deficit Hyperactivity Disorder (ADHD)	☐	☒	☐
Conduct Disorder	☐	☒	☐
Oppositional Defiant Disorder	☐	☒	☐
Depressive and/or Other Mood Disorders	☒	☐	☐
Personality Disorder	☐	☒	☐
Autism Spectrum Disorder	☒	☐	☐
Learning Disorder/ Communication Disorder	☐	☒	☐
Mild Intellectual Disability (Intellectual Developmental Disorder)	☒	☐	☐
Severe Intellectual Disability (IDD)	☐	☒	☐
Eating Disorder	☐	☒	☐
Victim of Child Abuse/ Maltreatment/ Neglect	☒	☒	☐

Victim of Human Trafficking/ Commercially Exploited	☐	☒	☐
Self-Harm/Self-Injurious Behavior	☒	☐	☐
Suicidal Ideation	☐	☒	☐
Homicidal Ideation	☐	☒	☐
Chronic Physical Health Condition (managed)	☐	☒	☐
Chronic Physical Health Condition (not yet well-managed)	☐	☒	☐
Medically Fragile	☐	☐	☒
Deaf/ Hard of Hearing	☐	☒	☐
Blind/ Visual Impairment	☐	☒	☐
Pregnant	☐	☐	☒
Teen Parent (i.e., serves as caregiver)	☐	☐	☒
LGBTQ	☐	☒	☐
Homeless/ Housing Unstable	☐	☒	☐
Runaway	☐	☒	☐
Truant/ Drop- Out	☐	☒	☐
Graduated High School/ Obtained GED	☐	☒	☐

APPENDIX 3
FACILITY DRAWINGS


SEATING
FOR 12
VIEWING WINDOW
COMMUNAL SPACE
CENTRAL FURNITURE/ FIXTURE
TOUCH DOWN WORK
LOCKERS TO BE
EQUIPMENT BY VENDOR

APPENDIX 4
CARF AND JOINT COMMISSION COMPARISON

Appendix 4

Accreditor Comparison Commission on the Accreditation of Rehabilitation Facilities (CARF) vs. The Joint Commission

Both accrediting bodies emphasize performance improvement, risk management, financial controls, client rights and safety.

CARF	Joint Commission
Active in healthcare market and can assist with creating partnerships or payment issues	Primarily medically based
Accredits one or more programs at a time	Accredits the whole organization at one time
Utilizes paid peer practitioners for reviews	Utilizes part time paid surveyors
Accreditation cycle is four years	Accreditation cycle every three years (except laboratory which is every two years)
Accredits addiction/substance abuse, rehabilitation after an injury, employment for persons with a disability, child welfare services, home/community services, and retirement living	Accreditation is continuous
	Accredits hospitals, doctor's offices, nursing homes, office-based surgery centers, laboratories, behavioral health treatment facilities and providers of home care services

Source: Council on Accreditation https://www.dcyf.wa.gov/sites/default/files/pdf/accred-comparison.pdf