



May 26, 2022

VIA Email & U.S. MAIL

Shari Cohen
Chief Operating Officer
Clarkview Surgery Center, LLC
1427 Clarkview Road, Suite 300
Baltimore, Maryland 21209

**Re: Completeness Questions- Clarkview
Surgery Center CON
Matter No. 22-04-2454**

Dear Ms. Cohen:

Commission staff has reviewed the application from the Clarkview Surgery Center, LLC (CSC) for Certificate of Need (CON) approval to add one operating room (OR) to its existing facility in Baltimore County. The application stated that the total project cost is estimated to be \$502,390. There are areas in the original application which were found to be incomplete, and therefore staff requests that you provide responses to the following questions:

Project Description

1. Please provide a description of the construction, renovation, and demolition plans for this project.
2. Will there be any changes in services offered by the facility when the project is complete? Will any new procedure types be added?
3. Provide a description of the facility and its uses. Also provide the names and a description of any other entities that operate at the same location as CSC. If such entities exist, also provide a description of the relationship between CSC and those entities.

4. Submit project drawings that include the existing facility floorplans and proposed future facility after completion of the requested project. Please see the CON application, question 13 for specifics required to be submitted.
5. Please provide a narrative describing the renovation and construction involved in this project.

Project Budget

6. Attachment S and Table D state that the total cost of the project as \$502,390, while Table E states that the total cost of the project is \$627,000.
 - (i) Please explain the discrepancy. If there is no discrepancy, please provide corrected documents.
 - (ii) Table E did not list any sources of funds. Provide an updated Table E, which includes "Sources of Funds."

Charity Care

7. The application for eligibility determination for uncompensated services (Attachment F) may not include a requirement for proof of income. This requirement does not meet the standard and must be taken out of this application.
8. Table 4 (page 30) states that Medicare, Blue Cross, and commercial insurance make up one percent each of your patient mix. Given that third-party reimbursement is available, please provide responses for Standard .05(A)(3)(c) Charity Care Policy.

Quality of Care

9. In response to Standard .05(A)(4) Quality of Care, the applicant states that CSC is "in the process of credentialing with Medicare." Please explain with more specificity at what stage CSC is in the process and when credentialing is expected to be completed and granted?

Transfer Agreement

10. Certify that your transfer agreement complies with Health-General Article §19-308.2.

Service Area

11. Provide the zip codes and the counties, cities, and towns that document your existing service area, including the number of patients from each area.



Need Standard

12. Provide a narrative that demonstrates the need for the proposed additional OR, utilizing the OR capacity assumptions and other guidance included at Regulation .07 of the chapter.
13. Has the applicant reported the existing OR capacity for its most recent 12-month period to the Health Services Cost Review Commission? Within this response, please confirm that the existing ORs were being used at least at optimal capacity (80%) for the most recent 12-month period.
14. Provide a narrative discussing the historic and projected demand among the populations in the existing service area, for the types of surgery performed or proposed to be performed at your facility.
15. Provide a version of Table 1 that includes an average turnover time.
16. Provide a narrative discussing the data displayed in Table 2. Include the sources of information, assumptions, the basis and an explanation of the projections.

Construction Costs

17. Provide a response to subsection (b) “Ambulatory Surgical Facilities.”

Financial Feasibility

18. Document that, as subsection (a), subdivision (iv) requires, “The facility will generate excess revenues over total expenses (including debt service expenses and plant and equipment depreciation), if utilization forecasts are achieved for the specific services affected by the project within five years of initiating operations.”

Impact

19. Addendum B was not found in the application packet. Please provide it.
20. Please identify the closest general hospital or outpatient surgical facility that provides the same or similar procedures as CSC. Provide a narrative that assesses the impact of the proposed project on the surgical case volume at that facility, including the proportion of case volume expected to shift from each existing facility to the proposed project.

Need COMAR 10.24.01.08G(3)(b).

21. Please identify the local hospital referenced in the application that removed its cosmetic surgery programs. How many plastic surgeons are requesting time at your facility because of this program closure?
22. How many hours in the Total Utilization Table reflect the added hours from the displaced plastic surgeons from the hospital program closure?



23. Does the Total Utilization Table's Hours Filled column include turnover time? If not, please provide an updated table that includes turnover time.
24. Provide an updated version "Table 1" that includes turnover time.

Availability of More Cost-Effective Alternatives

25. The response states that no local hospitals provide the same plastic surgery procedures. Please identify other providers, either the closest general hospital or outpatient surgical facility that provides the same or similar procedures as CSC. Supply an analysis that examines and discusses the provision these services through alternative existing facilities.

Viability of the Proposal

26. Detail the assumptions with respect to each revenue and expense line item made while completing Table 3 and 4.
27. Provide audited financial statements for the past two years.

Impact on Existing Providers

28. Determine the closest general hospital or outpatient surgical facility that provides the same or similar procedures that CSC provides. Consider that facility and provide an analysis for this section in accordance with the instructions.

Table 3

29. The figures on line 2.a. "Salaries, Wages, and Professional Fees" are not consistent with the corresponding figures in Table L. Please correct the inconsistency.
30. Please identify the contractual services CSC receives (line 2.b.).
31. Line 3. should reflect gross income. Is the figure in the 2020 column, correct?
32. Provide a narrative that discusses the methodology and assumptions used to calculate the projected figures included in Table 3.

Table 4

33. The figures on line 2.a. "Salaries, Wages, and Professional Fees (including fringe benefits)" are inconsistent with Table L. Please correct the discrepancy.

Miscellaneous

34. Provide a narrative discussing how COVID-19 related closures and moratoriums on elective surgeries impacted CSC.



Please submit four copies of the responses to above questions and requests for additional information within ten working days of receipt. Also submit the response electronically, in both Word and PDF format, to Ruby Potter (ruby.potter@maryland.gov). If additional time is needed to prepare a response, please let me know at your earliest convenience.

As with the request itself, all information supplementing the request 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, please contact me at (804) 347-6024.

Sincerely,



Laura Hare Nirschl
CON Program Manager

cc: Paul Parker, Director, Center for Health Care Facilities Planning & Development
Wynee Hawk, Chief, Certificate of Need
Gregory Branch, M.D., M.B.A., C.P.E., Health Officer, Baltimore County Health Department

