

## MARYLAND HEALTH CARE COMMISSION

### Exemption from Certificate of Need

**TO:** Holly Norelli, LNHA  
CommuniCare Health Services  
1302 Concourse Drive Suite 200  
Linthicum Heights, MD 21090

October 20, 2022  
Date

**RE: Request for Exemption from Certificate  
of Need Review – Change in Bed Capacity  
of Forestville Healthcare Center and  
Clinton Healthcare Center**

22-16-EX014  
Docket No.

### PROJECT DESCRIPTION

CommuniCare Health Services (CommuniCare) has been granted an Exemption from Certificate of Need (CON) review for their plan to change the bed capacity between two of its Comprehensive Care Facilities (CCF) in Prince George’s County, Maryland, Clinton Healthcare Center (Clinton) and Forestville Healthcare Center (Forestville). Clinton, currently 267 beds, will reduce its licensed bed capacity and temporarily delicense additional bed capacity allowing Forestville, currently 162 beds, to increase its bed capacity by 37 to 199 total beds. As part of the construction/renovation, Forestville will relocate all of its current triple bed rooms (31) with a corresponding reduction of bed capacity operated at Clinton. As a result of the project, neither of the facilities will operate patient rooms that accommodate more than two patients. MHCC has not identified any need for additional CCF beds in Prince Georges County, so these moves maintain the existing bed supply without increases.

Forestville will renovate 10,550 square feet (SF) of existing space and add 32,934 SF of new construction to its current 44,760 SF facility to accommodate the additional beds and eliminate all three-bed rooms. Clinton will need no structural renovations, only improvements to flooring, paint, artwork, and furnishings. The total cost of the project is \$31,143,408.

### ORDER

The Maryland Health Care Commission (MHCC) reviewed and considered the information provided by the applicant on the proposed change in bed capacity. MHCC staff concluded that CommuniCare’s application for an Exemption from a Certificate of Need is in the public interest, is not inconsistent with the State Health Plan at 10.24.20 and will result in the delivery of more efficient and effective health care services. Based on this analysis and the record in this case, the Maryland Health Care Commission, on October 20, 2022, ordered that an exemption from Certificate of Need be issued to the applicant for a change in bed capacity at Forestville Healthcare Center and Clinton Healthcare Center with the following conditions:

1. CommuniCare will temporarily delicense CCF beds at Clinton upon completion of this project to eliminate operation of any three or four-bed rooms at Clinton.
2. CommuniCare agrees to execute a Memorandum of Understanding with Medicaid to maintain the required proportion of Medicaid patient days in accordance with .05A(2)(b) of this Chapter for both the Clinton and Forestville facilities.

## **PERFORMANCE REQUIREMENTS**

In accordance with COMAR 10.24.01.12B-C(3)(b), each of the projects is subject to the following performance requirements:

1. Obligation of not less than 51 percent of the approved capital expenditures, as documented by a binding construction contract, within 24 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
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 24 months after the effective date of the binding construction contract.

Failure to meet these performance requirements will render this exemption from Certificate of Need review 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 Exemption from Certificate of Need review request and other information provided to the Commission, the applicant 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 exemption from Certificate of Need review, 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 *Healthcare Cost Review* unless the applicant obtains a modification of this exemption from Certificate of Need review from the Commission. Instructions for determining the threshold that necessitates Commission review and approval of changes to the capital cost approved in this exemption from Certificate of Need review are located on the Commission's website at:

[http://mhcc.maryland.gov/mhcc/pages/hcfs/hcfs\\_con/hcfs\\_con.aspx](http://mhcc.maryland.gov/mhcc/pages/hcfs/hcfs_con/hcfs_con.aspx)

## **DESIGN APPROVAL AND FACILITIES LICENSURE BY DHMH**

This Exemption from Certificate of Need review does not constitute a license or replace any approvals required by the Office of Health Care Quality or others within the Maryland

Department of Health (MDH) to renovate and operate altered space within an existing facility. The applicant must provide MDH with all information it requires for plan approval and putting into operation renovated space within its existing facility, including information pertaining to project design and specifications.

### **QUARTERLY STATUS REPORTS**

The applicant must submit quarterly status reports on the approved project to the Commission, beginning January 20, 2023, three months from the date of this Exemption from Certificate of Need review, and continuing, at three-month intervals, until the completion of the project.

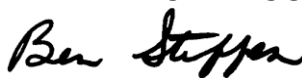
### **REQUEST FOR FIRST USE REVIEW**

The applicant must also document compliance with the conditions attached to the Exemption from CON review at the time of the first use request. 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 is in conformance with the exemption from CON review. 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 center or facility. Therefore, the applicant 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 operating room does not occur within 90 days of first use approval, the applicant shall reapply for first use approval.

### **ACKNOWLEDGEMENT OF RECEIPT OF EXEMPTION FROM CERTIFICATE OF NEED REVIEW**

Acknowledgement of your receipt of this exemption from Certificate of Need review, stating acceptance of its terms and conditions, is required within thirty (30) days.

#### **MARYLAND HEALTH CARE COMMISSION**



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Ben Steffen  
Executive Director

cc: Patricia T. Nay, M.D., Executive Director, Office of Health Care Quality  
Ernest Carter, M.D., Health Officer, Prince George's County  
Howard L. Sollins, Esquire