

MARYLAND HEALTH CARE COMMISSION

Certificate of Need

TO: Brandon Golder, V.P. Operations
Pyramid Walden Inc.
271 Lakemont Park Boulevard
Altoona, PA 16602

October 20, 2022
(Date)

RE: Pyramid Walden – Bowie
Establish 50 bed ICF
Program in Joppa, Maryland

22-26-2452
(Docket No.)

PROJECT DESCRIPTION

This Certificate of Need authorizes Pyramid Walden, Inc. (Pyramid Walden) to establish a new Track Two Intermediate Care Facility (“ICF”) in Bowie, Prince George’s County. The proposed program will operate 50 adult treatment and detoxification beds at Level 3.7 and Level 3.7-WM, Medically Monitored Intensive Inpatient and Withdrawal Management (Detoxification) program at 3000 Lottsford Vista Rd.

The total cost for this project is \$4,930,900, with \$187,500 for land purchase and building, \$1,169,500 for new construction, \$2,956,000 for the renovation cost to the building for patient rooms, nursing stations, and administrative space, and the purchase of furnishings for the proposed program, \$552,400 in contingency fees and gross interest during construction, and \$65,500 in CON application and legal fees. The applicant will finance the project with \$1,232,725 in cash and 3,698,175 in loans.

ORDER

The Maryland Health Care Commission (Commission) reviewed the Staff Report and Recommendation and, based on that analysis and the record in the review, ordered on October 20, 2022 that a Certificate of Need filed by Pyramid Walden, Inc. to establish a new Track Two ICF with 50 beds at 3000 Lottsford Vista Rd in Bowie, Maryland, at a total cost of \$4,930,900 is hereby approved with the following conditions:

1. Prior to first use approval, Pyramid Walden LLC shall document that it has posted a statement of charges and information regarding the range and types of its services online and in a prominent place in the registration area, and shall also provide a copy of the document with this information that it will provide to the public upon request;

2. Prior to first use approval, Pyramid Walden LLC shall provide proof of preliminary accreditation of its Bowie, Maryland facility by the Commission on the Accreditation of Rehabilitation Facilities (CARF) or another accrediting body approved by the Maryland Department of Health and must timely receive final accreditation by CARF or another approved accrediting body; and
3. Pyramid Walden shall notify the Commission and the Behavioral Health Administration, in writing, within fifteen days after it receives notice that its accreditation has been revoked or suspended or should it lose its State license. If its accreditation has been revoked or suspended for reasons related to health or safety or it loses its State license, Pyramid shall cease operation until the Behavioral Health Administration notifies the Commission that deficiencies have been corrected.

PERFORMANCE REQUIREMENTS

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

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

CHANGES TO THE APPROVED PROJECT

Before making any changes to the facts in the Certificate of Need application approved by the Commission, Pyramid Walden, Inc. must notify the Commission in writing and receive Commission approval of each proposed change, including the obligation of any funds above those approved by the Commission in this Certificate of Need, in accordance with COMAR 10.24.01.17. Pursuant to COMAR 10.24.01.17B(2), the project cannot incur capital cost increases that exceed the approved capital cost, inflated by an amount determined by applying the Engineering News Record Building Cost Index published on a quarterly basis by Global Insight in *Health-Care Cost Review*, unless it obtains a modification of this Certificate of Need from the Commission. Instructions for determining the threshold that necessitates Commission review and approval of changes to the capital cost approved in this Certificate of Need are located on the Commission's website: <http://mhcc.maryland.gov/certificateofneed/mdreginflation.pdf>.

DESIGN APPROVAL AND FACILITIES LICENSURE BY MDH

This Certificate of Need 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 construct and operate new space within an existing facility. Avenues must provide MDH with all information it requires for plan approval, facility licensure, and putting into operation renovated space within its existing facility, including information pertaining to project design and specifications.

QUARTERLY STATUS REPORTS

Pyramid Walden Inc. must submit quarterly status reports to the Commission, beginning January 20, 2022, three months from the date of this Certificate of Need, and continuing, at three-month intervals, until the completion of the project.

REQUEST FOR FIRST USE REVIEW

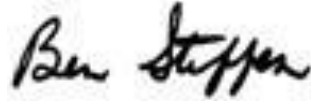
Pyramid Walden, Inc. must request a first use review of the Track Two Intermediate Care Facility from the Commission and the Office of Health Care Quality, including providing proof of Medicare certification. Such request must be in writing, must specify the anticipated date of first use, and must be received not less than 60 days but not more than 120 days before the first use.

The Commission will review the request in consultation with the Office of Health Care Quality, as provided in COMAR 10.24.01.18, to determine whether the project conforms to this Certificate of Need. First use approval does not constitute a license or replace any approvals required by OHCQ or others within DHMH to operate a health care facility. Therefore, Pyramid Walden, Inc. 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 a new Track Two Intermediate Care Facility with 50 beds for a Level 3.7 and Level 3.7-WM Medically Monitored Intensive Inpatient and Withdrawal Management (Detoxification) Program does not occur within 90 days of approval, Pyramid Walden, Inc. shall reapply for first use approval.

ACKNOWLEDGEMENT OF RECEIPT OF CERTIFICATE OF NEED

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

MARYLAND HEALTH CARE COMMISSION



Ben Steffen
Executive Director

cc: Jonathan Wolf, President, Pyramid Healthcare
Thomas Dame, Esquire, Counsel for Pyramid Walden, LLC
Ella R. Aiken, Esq., Counsel for Pyramid Healthcare
Patricia T. Nay, M.D., Executive Director, Office of Health Care Quality
Ernest L. Carter, MD, PhD., Health Officer, Prince George's County